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)

Annual Report 2015

Bringing Green Power to life

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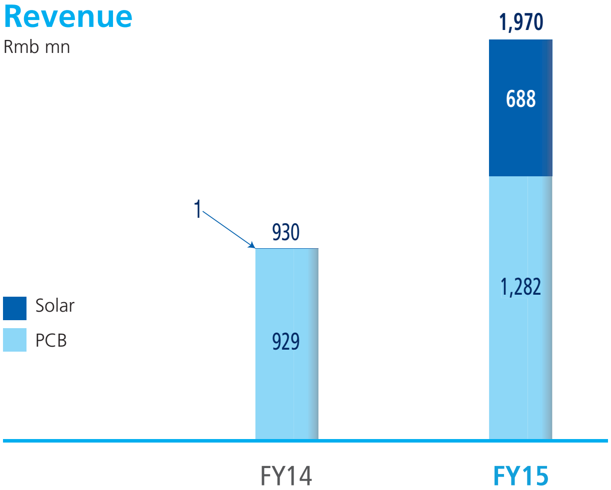
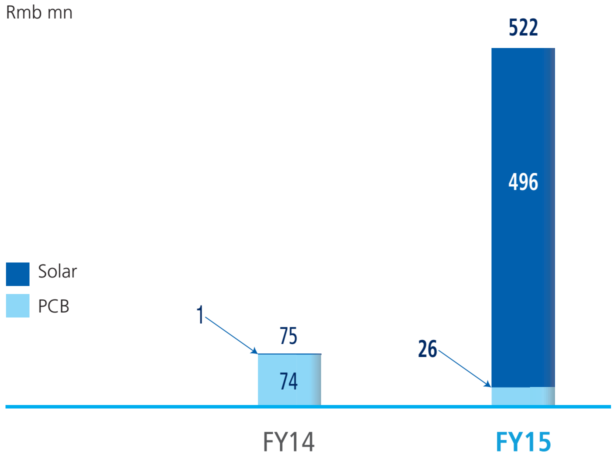
2015 Performance Summary

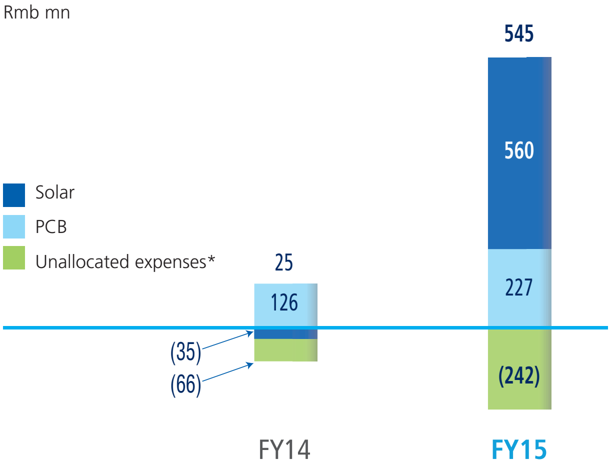
Revenue
Rmb mn



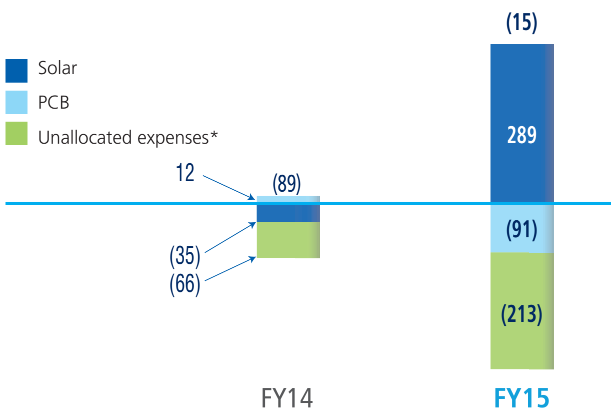
Gross Profit
Rmb mn



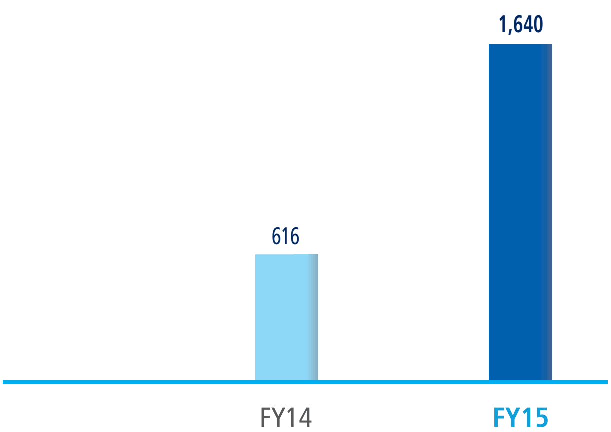
EBITDA
Rmb mn



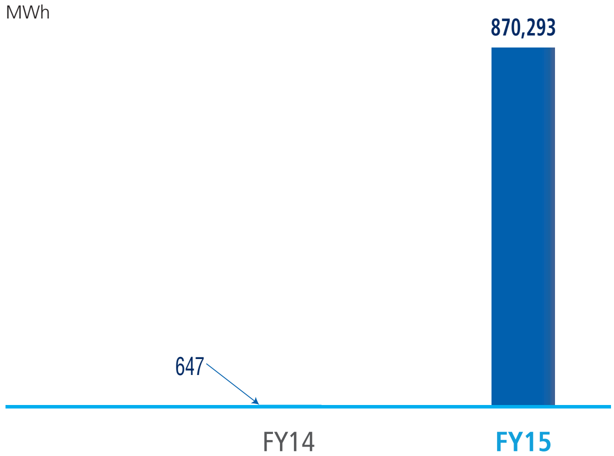
Net Profit (Loss)
Rmb mn



Installed Capacity
MW



Electricity Generation
MWh



* Unallocated expenses include Hong Kong office expenses, share option expense, change in fair value of convertible bonds etc.

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to announce the annual results of GCL New Energy Holdings Limited (the "Company" or "GCL New Energy") and its subsidiaries (together, the "Group") for the year ended 31 December 2015.

The year of 2015 marks a crucial milestone for GCL New Energy. Since the commencement of the Solar Energy Business in the second half of 2014, the Company has achieved much exciting progress. On the back of its wealth of industry experience, the Group's management team has focused on developing the Solar Energy Business through pursuing various strategies including in-house development, joint development and acquisitions. GCL New Energy entered into a phase of rapid growth as a result.

The Solar Energy Business of GCL New Energy achieved encouraging results in 2015. As of 31 December 2015, total installed capacity reached 1,640 MW, representing a significant growth of 167% year-on-year. For the 12 months ended 31 December 2015, revenue and gross profit of the Group reached approximately RMB1,970 million and RMB520 million respectively, with about 95% of gross profit was contributed by the Solar Energy Business. This is the first full-year results announcement by GCL New Energy for its Solar Energy Business. Its segment results recorded profit of RMB289 million. GCL New Energy will continue to focus on the future development of the Solar Energy Business and endeavor to become the world's leading solar enterprise.

With global warming becoming more acute, delaying energy transformation is not an option

With global warming becoming more serious by the day, environmental protection has become a worldwide concern. At the Climate Change Conference held in Paris in November 2015, leaders from all countries expressed grave concern over the damaging effect of climate change, and pledged to come up with proposals and solutions at every level and from all angles, with a view to promoting the use of low-carbon energy.

At the conference, Chinese President Xi Jinping flagged the importance of constructing low-carbon energy infrastructure, and reiterated China would strive to cap its carbon dioxide emissions by 2030. As part of this plan, carbon dioxide emissions per unit of GDP in 2030 would be lowered by 60% to 65% from the 2005 level, with non-fossil fuels accounting for up to 20% of primary energy consumption. To achieve these goals, China is actively engaged in energy transformation for environmental protection, and the energy mix is undergoing major structural adjustments. According to data by the National Energy Administration of China ("NEA") and the National Bureau of Statistics of China ("NBS"), China's national electricity consumption was 5.6 trillion kWh in 2015, down 0.2% over 2014. Thermal power generation accounted for a smaller share of national electricity consumption in 2015, while solar power generation surged 56% from 25 billion kWh of 2014 to over 39 billion kWh. This shows that China is actively promoting the use of renewable energy, while curbing its thermal power capacity. This way, it can gradually meet and replace growing power demand in China, and promote the growth of the solar industry.

China's solar energy industry has developed rapidly in recent years on the back of the Chinese government's determination to protect the environment. According to data from the China Solar Industry Association, the installed capacity for China's solar power generation increased by approximately 15 GW in 2015, representing a year-on-year increase of 40%, and accounting for a quarter of the world's newly additional installed capacity in 2015. By the end of 2015, China's total installed capacity for solar power generation increased to approximately 43 GW, giving it a global lead ahead of Germany.

Strong Chinese government support for solar industry development

During the year, China's National Development and Reform Commission ("NDRC") and the NEA issued a number of recommendations on the reform of the electric power infrastructure. Among these were a proposal for a prioritized power generation infrastructure and the Opinions on the Implementation of the Orderly Development of Power Consumption Plan. These clearly regulate the prioritized power generation of renewable energy resources, including solar power generation, while flagging issues of the absorption of renewable energy resources and the trans-regional transmission. The arrears in electricity subsidies are a key problem plaguing the development of the solar industry in China. To mitigate the longstanding delay of electricity subsidies, the NDRC issued the Notice on Reducing Coal-fired Power Generation On-grid Electricity Price and Average General Industrial and Commercial Electricity Price in December 2015. The Notice sets the standards for the levying of a renewable energy surcharges on electricity users other than households and agricultural producers, increasing the surcharge by 27% from RMB0.015 to RMB0.019 per kWh. The Chinese Ministry of Finance issued the Notice on Organization and Declaration of Additional Funding Subsidies Directory for Renewable Energy Sources Electricity Price in January 2016, which laid the foundation for the filing of the sixth batch of the directory of subsidies for the surcharge on the renewable energy tariff. A series of policies and measures implemented by the Chinese government illustrate its support for the promotion of the growth of the solar industry.

In the wake of national policies, the solar industry is set for rapid growth

The Chinese government's resolve to promote environmental protection is fully reflected in the working report by Chinese Premier Li Keqiang at the 4th Session of the 12th National People's Congress in March 2016. Premier Li pledged to step up environmental governance in the coming year and promote breakthroughs in environmental developments. He was determined to find a mutually beneficial growth trajectory for economic development and environmental improvement. Under the influence of the atmospheric haze and water pollution, the government is to focus on (i) reducing emissions from burning coal; (ii) improving policies to support the development of wind power, solar energy and biomass; (iii) increasing the proportion of clean energy; and (iv) working hard to develop and cultivate the energy conservation and environmental protection industry into an important pillar industry for China's development.

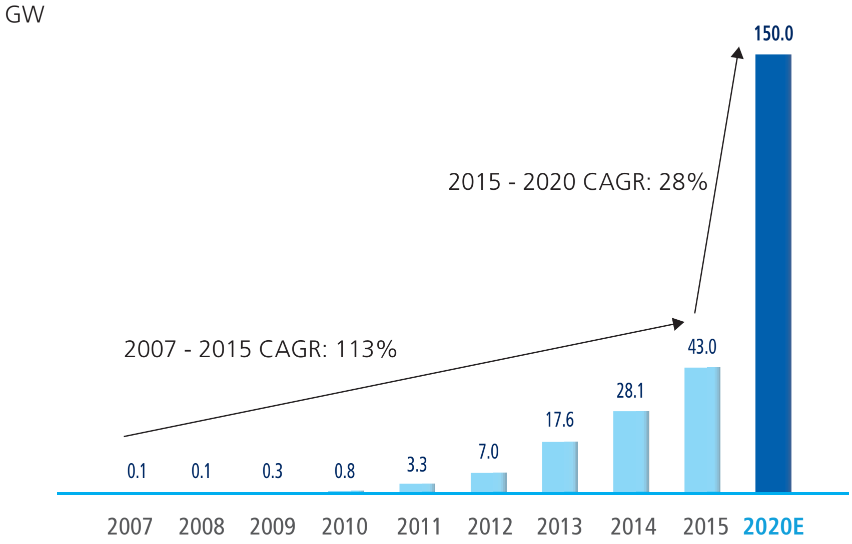
2016 is the year China's 13th Five-Year Plan begins. In energy planning, the government will focus on optimizing the energy mix and improving the energy quality. It will advance the application of renewable energy such as solar energy, to boost the long-term development of the solar industry. To spur growth in the solar industry under the plan, the total installed capacity of solar power generation in China will increase more than triple from 43 GW in 2015 to 150 GW in 2020. The target for installed capacity of the distributed solar power generation will increase to 70 GW. Evidently, there is the possibility for the average annual increase in the next five years to reach 20 GW. In addition, through technological innovations and development of scale, the government is promoting a further improvement in industry efficiency and reduction in cost. The aim is to achieve by 2020 a reduction of about 30% compared to 2015 in the cost of building solar power plants and solar power production. In doing so, the overall competitiveness of the solar industry will keep on improving.

In terms of geography, the deployment of solar energy applications will be stepped up in economically developed areas such as the Beijing-Tianjin-Hebei Urban Agglomeration, the Pearl River Delta, and Yangtze River Delta, areas where air pollution is severe, as well as key ecological protection areas such as Qinghai, Tibet, and Hainan. More fishery-photovoltaic and agriculture-photovoltaic power projects will be constructed in Shandong, Anhui, Jiangsu, Zhejiang and other eastern coastal and other agriculturally developed coastal provinces. In impoverished areas with more bountiful solar resources, solar projects will be developed with a view to raising the income of poor households. This will have the added benefit of promoting the use of solar energy and constructing solar projects with an annual capacity of approximately 3 GW each year, accounting for approximately 15% of the newly installed power generating capacity per year. During the period covered under the 13th Five-Year Plan, the power grid will be expanded to enable a more effective cross-regional transmission of power from regions that are endowed with plenty of solar resources such as Qinghai, Xinjiang, and Inner Mongolia.

In addition, the Solar Frontrunner Program ("Frontrunner Program") launched by the NEA in 2015 will continue to run during the period of the 13th Five-Year Plan. It will set the requirements for construction standards, technical progress and cost reduction objectives of the projects selected for the Frontrunner Program, so as to promote technological progress and industrial upgrading in the solar industry. Under the Frontrunner Program, the entire solar industry is expected to move towards standardization in construction and innovation in technology, so that the cost of building, operating and maintaining solar power plants will be lowered further.

What is clear from this series of plans is that the solar industry occupies a strategic position in the 13th Five-Year energy plan, that there is enormous room for growth in the solar power generation market and that opportunities will be spread all over China. By participating, among others, in the Frontrunner Program and the solar poverty alleviation program, GCL New Energy will dovetail with national policies, adopt energetic but prudent development strategies and seize new opportunities arising from the country's energy transformation.

Accumulative Installed Capacity of Solar Power in China



Develop overseas business on the back of its corporate strength

As a leading company synonymous with the development, construction and operation of solar power plants in China, GCL New Energy has a strong global perspective and has breadth of vision in terms of business management and project development. In addition to the development of its business in China, GCL New Energy has its eyes set on overseas markets and has adopted a global development strategy, befitting the "Going Out" policy for solar enterprises promoted by the nation.

In February 2016, the Group announced the acquisition of the development rights of solar power plants in the US state of North Carolina – the Group's first high-quality asset in the US market. The project has entered into a power purchase agreement with the North Carolina Eastern Municipal Power Agency ("NCEMPA"), an utility company with a power supply network covering more than 30 cities in North Carolina. NCEMPA has received an A- rating by Fitch. Upon completion, the project is to sell its electricity to NCEMPA, thus safeguarding future electricity sales. Apart from the solar power plants in North Carolina, GCL New Energy also has a distributed solar power joint venture project in Japan.

In the global solar industry, both the US and Japan are leading markets with regulations that are relatively more mature, while enjoying generous government support. In December 2015, for example, the US House of Representatives approved a three-year extension (to the end of 2019) of the solar investment tax credit ("ITC") policy, a 30% tax credit for solar systems on residential and commercial properties. In 2020, 2021 and beyond, ITC will be 26%, 22% and 10% respectively. GCL New Energy will continue to tap its own resources and R&D technology and rely on its competitive edge to develop business overseas. In a number of overseas markets such as the US, Japan and Australia where regulations are mature, risk levels are moderate and local governments offer support, GCL New Energy will seek projects with potentially very stable returns. Following China's active promotion of the "One Belt, One Road" initiative, GCL New Energy, as the top runner in China's solar industry will actively expand overseas to develop emerging markets in line with the government policies.

Enhancing corporate governance

Risk Management

GCL New Energy attaches great importance to corporate governance and understands that effective risk management is vital to achieving its strategic target. Therefore, it established a risk management committee ("Risk Management Committee") even before the amendments became effective to the risk management and internal control of Corporate Governance Code and Corporate Governance Report ("Corporate Governance Code") under Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The risk management and internal control functions are integral part of the Group's daily business and provide the Group's risk management with a clear supervisory mechanism and structure. The Risk Management Committee of GCL New Energy comprises members of the Board and senior management. Each member has to determine the acceptable degree of individual risk factors and independently report to the Board. The Risk Management Committee will make a thorough and accurate risk assessment at the initial investment stage of each solar power plant project. This includes assessing each stage (construction engineering, financing and procurement etc.) and formulating appropriate measures to deal with the situation. Apart from being able to individually tackle various risks, this approach allows to effectively consider the issues from the perspective of the entire Group.

In 2015, a further reflection of the importance it attaches to risk management, internal controls and internal audit, the Group kept on fine-tuning internal operations. Not only did it step up efforts to integrate information, it also commissioned an independent consultants to optimize the system and framework of the Group's risk management and internal controls, and to strengthen the quality of information disclosure, risk management and internal controls. In doing so, the Group and the independent consultants supplemented and complemented each other. In addition, the Group noted and supported amendments to the Corporate Governance Code which became effective on 1 January 2016, and used these to further reinforce its risk management on top of the latest version of the Corporate Governance Code. Forging ahead, the Board will continue to regularly and strictly monitor the Risk Management Committee to ensure the independence of the risk management and internal controls, and to be able to effectively tackle issues as soon as they are discovered, so as to create greater value for shareholders and investors of GCL New Energy.

Environment, society and governance

GCL New Energy is aware of the responsibilities and undertakings that enterprises bear at various levels towards environment, society and governance. Therefore, the Group as an industry leader will publish a voluntarily environmental, social and governance report starting from 2015 and make improved and more comprehensive reporting its long-term objective. This will improve the Group's responsibilities for environmental, social and governance disclosure and deepen stakeholders' understanding of GCL New Energy in many aspects. In turn, this will improve the quality, sustainability and reputation of the Group. Currently, the Group has engaged an independent advisor to compile the report, which is expected to be completed by the middle of this year.

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere appreciation for the ongoing support of all shareholders and business partners, as well as the contributions of the staff to the Company during the year.

Zhu Yufeng
Chairman

22 March 2016

President's Message

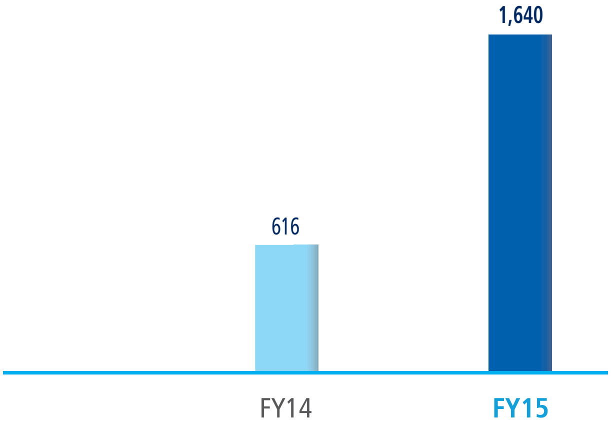
2015 has been a year of innovation and reform, hard work and rapid development for GCL New Energy. Under the leadership of the Board and management, the Group made a concerted effort to drive the development of its Solar Energy Business and achieved significant growth amid economic slowdown.

Rapid growth of Solar Energy Business

The number of solar power plants under the Group increased to 41 from 11 last year, spanning across 15 provinces in China. Total installed capacity rose to 1,640MW, representing a year-on-year growth of 167%. Revenue and gross profit generated from the Group's Solar Energy Business amounted to RMB688 million and RMB496 million respectively, making it the key growth driver of the Group. During the year, the Group entered into a non-binding letter of intent with GCL-Poly Energy Holdings Limited ("GCL Poly"), its parent company, under which it proposed to acquire solar power plants with total capacity of up to 90MW from GCL-Poly. The acquisition is expected to add fresh momentum to the Group's future development.

Total Installed Capacity of GCL New Energy

MW



Optimizing organizational structure

During the year, the Group established 31 provincial companies. With an emphasis on investment, development, construction, operation and maintenance, the Group laid a solid groundwork for its strategic coverage of the entire China market. Currently, all provincial companies have been equipped with the integrated management doctrine of "Development, Construction, Operation and Financing". Meanwhile, the management has also set up a series of initiatives to enhance the Group's competitive advantages as it rapidly develops.

To further strengthen competitive advantages with cutting-edge research and development capabilities

The Group has always placed great emphasis on technological innovation and research. With its cutting-edge in-house design and research institute, the Group not only possesses in-house development capabilities, but is able to improve every aspect of construction and operation. Through the application of new technologies, the Group is highly competitive in every aspect, including cost control and system efficiency enhancement.

Development and construction

In terms of development and construction, the Group has leveraged the technological strength of its design and research institute to design the most comprehensive and appropriate solar power plant prior to construction. This takes into account various factors such as the geographical environment, climate and public facilities etc. As a result, the Group is able to minimize construction costs at the onset and maximize the asset value and quality of the power plant. Meanwhile, the regional operations of the provincial companies enable the Group to engage quality suppliers and products in a more efficient manner, integrate the supply chain system and increase the procurement level to reduce costs, reaping economies of scale. Through adopting new technologies, products as well as a series of cost control measures, the Group aimed to lower the costs per watt of the in-house developed power plant from RMB8 to approximately RMB7.2. In 2015, in-house development projects accounted for approximately 10% of the Group's total installed capacity. The Group will endeavor to increase this level to approximately 60% in the following year, in order to lower development costs for further reducing the total costs.

In addition, the Group has adopted level uniaxial, oblique uniaxial and biaxial tracking technologies, double-faced double glass components and other new technologies and products, based on the geographical needs and other requirements of various power plants. The Group also has actively conducted studies and trial applications of nano-coating technology, with a view to improving the system efficiency from 80% to 84% and further increasing the power generation capacity.

Operation and maintenance

The Group has achieved a continuous pipeline of innovations in operations and maintenance. The Group's automatic de-hydro cleaning robot system was awarded the "Gold Medal of Gigawatt Level for Top 10 Highlights" at the 9th SNEC International Solar Energy and Green Building Exhibition (Shanghai). This system has replaced the traditional manual cleaning program, not only saving labor and operating costs, but also effectively raising efficiency. In addition, the Group has established a big data center, and installed data of local power plants on the system to carry out central monitoring. This will let the Group achieve unattended operations step-by-step and further improve efficiency, with the goal to reduce future operational and maintenance costs to RMB8 cents per watt. The Group is also able to collect, analyze and integrate related operational data through the monitoring center, which helped to promote a sounder understanding of solar power plant lifecycle management. The Group can also lay a foundation for project decision-making and development through data and resource sharing.

Innovative financing

Since solar power plants are able to generate stable returns upon commencement of operations, they can obtain low-interest-bearing long-term bank loan with tenures of up to 15 years. Nevertheless, solar energy is a capital intensive industry that involves considerable investments in the early stages of development. In view of this, the Group adopted a diversified and innovative financing model by using different means such as finance leasing, internet crowd funding and unit trusts, to improve its financing ability and broaden its financing channels. In February 2016, the Group raised approximately HK$2.3 billion in a rights issue, with most of the proceeds to be used to expand its Solar Energy Business and improve its capital structure. Further, the Group's total liabilities to total assets ratio fell to approximately 83%, providing a good head start for business development in the following year.

The Group also continuously explored other innovative financing channels. In May 2015, the Group started an investment fund worth approximately RMB1.25 billion jointly with Galaxy Capital Asset Management Company Ltd. (銀河資本資產管理有限公司) and JIC Capital Management (Tianjin) Ltd (中建投資本管理（天津）有限公司). In September 2015, the Group partnered with Ping An Trustee under Ping An Insurance (Group) Company of China, Ltd. (中國平安保險（集團）股份有限公司) to set up a trust scheme to raise up to RMB1.2 billion. The proceeds raised from the investment fund and trust scheme will be used to invest in the Group's solar energy projects. During the year, the Group also successfully issued convertible bonds for a total net proceeds of approximately HK$975 million to China Orient Asset Management (International) Holding Limited (中國東方資產管理（國際）控股有限公司) and Ivyrock China Focus Master Fund.

In light of its rapid development strategy, the Group will have to further enhance its integrated financing ability. The Group will make a concerted effort to obtain low-interest-bearing funds provided by the country to support the new energy policy, and actively consider the possibility of asset-backed securitization, green bonds and other financing methods. As solar power plants have steady revenues, the Group is considering letting funds be recycled and used for the construction of new projects by asset-backed securitization, directly improving asset liquidity and the efficiency of fund use. The Group can not only take advantage of a light asset operations model to reduce capital investment and further improve return of capital, but can also charge annual management fees by providing project hosting services. As such, the Group will carefully consider this option in the future.

The Group will strive to keep financing costs well under control, while improving its financing ability. The downward trend of the loan interest rate of the People's Bank of China is favorable to the Group to reduce its financing costs. Meanwhile, due to higher financing costs during the construction and development period, the Group will strive to shorten its development period and endeavor to use long-term loans with relatively low interest rates to reduce interest expenses.

Stepping up development of quality projects

With increasing global attention towards environmental protection and active promotion of renewable energy by the Chinese government, the solar industry is expected to maintain a strong growth momentum. As one of the leading solar enterprises, the Group has developed a strong and orderly development strategy for its future development blueprint. The Group will take advantage of all favorable polices, taking a broad view of the overseas market while developing the Chinese market, and seize this valuable opportunity with its foresight and insights into the solar energy market.

The Chinese government has heavily promoted the application of renewable energy, with an emphasis on the solar industry. The NEA is promoting the Frontrunner Program by setting up solar power generation bases and new technology demonstration bases. This program aimed to set construction standards, as well as technical enhancement and cost reduction objectives etc. for solar projects. To complement China's resolve to develop the solar industry, the Group will organize deployments in the areas listed in the Solar Frontrunner Program with pooled resources. In addition, the Group aimed to support the Chinese government's poverty relief measures through solar projects, and hence will focus on deploying solar projects in the pilot provinces for poverty alleviation, as well as other priority areas.

Prospects

In the coming year, the Group aims to reach a total installed capacity of 2 to 2.5 GW. To achieve this target, the Group will further optimize its development and construction strategy and focus on the Solar Frontrunner Program and poverty alleviation projects. Meanwhile, the Group will also strive to expand its project reserves including agriculture-photovoltaic, fishery-photovoltaic solar power projects and other projects.

As a leading solar enterprise, the Group will continue to expand its business in China while increasing its overseas presence. To support the Group's global outreach, it aims to explore regional markets with ideal attributes and seek quality investment opportunities complementing the "One Belt, One Road" initiative.

Led by a strong management team, the Group expects the Solar Energy Business to become its main growth driver, and will strive to reduce costs of construction, development, operations and maintenance. The Group will grow its business by using its in-house development capabilities to build a sound model for sustainable development, while honing its long-term competitiveness. The Group's revenue and profit are expected to grow rapidly in step with its development.

Acknowledgements

On behalf of the management of GCL New Energy, I would like to express my sincere appreciation to the Board and shareholders for their continuous support, and for the ongoing contributions of the staff during the year.

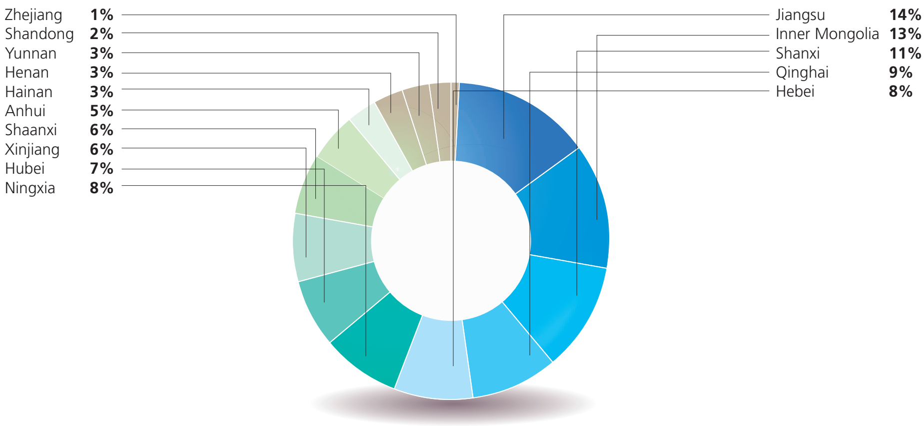
SUN Xingping
President

22 March 2016

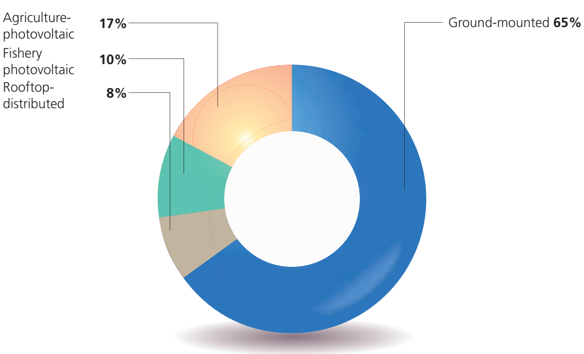
Projects Overview in China

As of 31 December 2015, GCL New Energy operated 41 solar power plants with total installed capacity of 1,640 MW, spanning across 15 provinces in China.

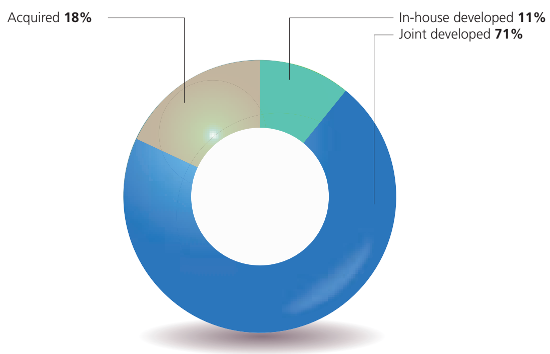
Capacity by Region



Capacity by Project Type



Capacity by Development Type



What are Agricultural-photovoltaic and Fishery-photovoltaic solar power plants?
Agricultural-photovoltaic and Fishery-photovoltaic are innovative solar power plant operational models which combine agriculture or fishery with solar power. Through installation of necessary equipments and solar panels on agricultural land or fishpond, these innovative solar power plants could realize the synergistic effect and dual purpose of cultivation or fishing with solar power generation while delivering higher economic and social values.

Management Discussion and Analysis

Overview

On 18 July 2014, the Group announced to change its financial year end date from 31 March to 31 December in order to align with the financial year end date of its subsidiaries in the PRC. Accordingly, the consolidated income statement for 2014 covers for the nine months ended 31 December 2014 ("the Prior Reporting Period"), which therefore may not be comparable with the amounts shown for the year ended 31 December 2015 (the "Reporting Period").

In the Prior Reporting Period, Hong Kong dollars ("HKD") was regarded as the functional and presentation currencies of the Company. As a result of the continued growth of our Solar Energy Business in the PRC, the majority of our businesses is operating in the PRC. Accordingly, the functional and presentation currencies of the Company had been changed from HKD to RMB starting from 1 July 2015. Such change of functional currency from HKD to RMB will help to minimise the impact of exchange gain/loss on the business results of the Group from the fluctuations of RMB. As a result, the consolidated financial statements for the Reporting Period are presented in RMB, whereas the comparative figures for the Prior Reporting Period have been restated to align with the change in presentation currency. The change in the presentation currency and translation of the comparative amounts from HKD to RMB has had no material impact to the Group.

For the Reporting Period, the revenue of the Group amounted to RMB1,970 million, representing an increase of 112% as compared to RMB930 million for the Prior Reporting Period. Loss attributable to owners of the Company amounted to RMB15 million (Prior Reporting Period: RMB89 million). The loss was mainly attributable to an one-off impairment loss of property, plant and equipment of Dongguan factory, an additional depreciation charge of plant and machinery of our printed circuit board business in Jiangxi factory and share-based payment expenses incurred during the year.

As for Solar Energy Business, revenue and segment profit after tax amounted to RMB688 million and RMB289 million, respectively.

Business Review

Solar Energy Business

During the Reporting Period, the Group continued to expand our Solar Energy Business through joint development, acquisition and in-house development. As at 31 December 2015, the Group has completed 28 jointly developed solar power plant projects with an aggregate installed capital of 1,170MW, acquired 6 solar power plants with an aggregated installed capacity of 300 MW and completed 7 in-house developed solar power plant projects with an aggregated installed capacity of 170MW. As at 31 December 2015, the aggregate installed capacity was 1,640MW.

	As at 31 December		
Development Type	**2015 MW**	2014 MW	% of changes
Joint development	**1,170**	479.5	144%
Acquisition	**300**	100	200%
In-house development	**170**	36	372%
Total	**1,640**	615.5	166%

As at 31 December 2015, the aggregated installed capacity of the 41 grid-connected solar power plants of the Group (31 December 2014: 11) increased by 166% to 1,640MW (31 December 2014: 615.5MW). Details of the electricity sales volume and revenue for the Reporting Period are set out below.

Locations	Number of solar power plants	Aggregate Installed Capacity[1] (MW)	Grid-connected Capacity[2] (MW)	Electricity Sales Volume (MWh)	Average Tariff (Net of Tax) (RMB/kWh)	Revenue (RMB Million)
Subsidiary						
Jiangsu	9	222	155	131,762	0.86	114
Inner Mongolia	3	215	175	164,883	0.77	127
Shanxi	5	180	129	126,674	0.85	108
Qinghai	2	120	120	123,106	0.91	112
Hebei	3	134	107	42,435	1.01	43
Ningxia	3	130	130	59,926	0.77	46
Xinjiang	2	80	80	62,624	0.77	48
Shaanxi	2	100	79	51,181	0.81	42
Hainan	2	50	48	29,959	0.84	25
Yunnan	1	50	38	2,473	0.81	2
Shandong	1	35	35	2,564	0.85	2
Zhejiang	2	23	21	19,207	1.00	19
Henan	1	50	50	–	–	–
Anhui	2	80	39	–	–	–
Hubei	1	116	55	–	–	–
Sub-total	39	1,585	1,261	816,794	0.84	688
Joint venture						
Xinjiang	1	25	25	5,326	0.81	4[3]
Qinghai	1	30	30	48,173	0.88	42[3]
Total	41	1,640	1,316	870,293	0.84	734

Representing:	
Electricity sales	281
Tariff adjustment – amounts received and receivable from the local government authorities	453
	734

(1) Aggregate installed capacity represents the maximum capacity that approved by local government authorities.
(2) Grid-connected capacity represents that the actual capacity connected to the State Grid.
(3) Revenue from joint venture solar power plants was accounted for under "Share of Profits of Joint Ventures" in the consolidated statement of profit and loss and other comprehensive income.

In terms of project type, the large-scale ground-mounted, agriculture-photovoltaic, fishery-photovoltaic and rooftop distributed power plants accounted for approximately 65%, 17%, 10% and 8%, respectively (2014: 49%, 24%, 20% and 7%) of the aggregated installed capacity of all the solar power plants owned by the Group.

Printed Circuit Board Business

The stable demand for digital electronic products such as smart-phones and household appliances in 2015 enabled the overall performance of the printed circuit board ("PCB") business to remain steady in the Reporting Period as compared to the Prior Reporting Period. The sales volume of PCB increased from approximately 12 million square feet in the Prior Reporting Period (representing a nine-month period) to approximately 15 million square feet in the Reporting Period (representing a twelve-month period). The average selling price per square feet increased by 4% from RMB80 per square feet to RMB83 per square feet as the Group shifted its product mix from conventional PCB to higher value high density interconnect ("HDI") PCB. HDI PCB accounted for about 22% (Prior Reporting Period: 20%) of our total PCB sales in the Reporting Period.

Financial Review

The Group reported its financial information under two segments – (a) development, construction, operation and management of solar power plants and (b) manufacturing and selling of printed circuit boards ("PCB Business"). The following table sets forth the financial highlight of the Group's profit/(loss) from operations by business segments:

Segment Information

	Solar Energy Business RMB million	PCB Business RMB million	Total RMB million
Revenue	688	1,282	1,970
Gross profit	496	26	522
EBITDA*	560	227	N/A
Segment profit/(loss) after tax	289	(91)	198
Unallocated income			2
Unallocated expenses#			(108)
Share-based payment expenses			(136)
Gain on change in fair value of convertible bonds			29
Loss for the year			(15)

* EBITDA is defined as earnings before finance costs, taxation, depreciation allowance, impairment of goodwill and property, plant and equipment, bargain purchase from business combination and other income which may be non-recurring. EBITDA is used by the management for monitoring business performance of the Group.

Unallocated expenses mainly represented central administration costs such as directors' emoluments, staff salaries, legal and professional fees and rental expenses.

Revenue

During the Reporting Period, the revenue of the Group mainly comprised sales of electricity and related tariff adjustment amounting to approximately RMB688 million (Prior Reporting Period: RMB0.6 million) and sales of printed circuit boards amounting to approximately RMB1,282 million (Prior Reporting Period: RMB929 million). The significant increase was mainly attributable to the increase in sales of electricity of the solar power plants from 647 megawatt-hours in 2014 to 816,794 megawatt-hours in 2015 as a result of intensive developments and acquisitions of solar power plants in 2015 and full year operation for those solar power plant achieved on-grid connection in the fourth quarter of 2014.

Gross Profit

The Group's gross margin for the Reporting Period was 26.5%, as compared to 8.1% for the Prior Reporting Period. The significant increase in gross margin was contributed by Solar Energy Business as the gross margin of the Solar Energy Business was approximately 72.1%. Depreciation charges accounted for 78% of cost of sales for Solar Energy Business. For PCB Business, the gross margin was 2.0% (Prior Reporting Period: 8.0%). The drop in PCB gross margin was mainly due to an additional depreciation charge for plant and equipment of Jiangxi factory. As a result of technology advancement, the estimated useful life of plants and machinery are expected to be shorter than previously estimated.

Other Income

During the Reporting Period, other income contributed by Solar Energy Business mainly included commission for providing sourcing and procurement services of solar modules to third parties amounting to RMB89 million (the Prior Reporting Period: Nil), consultancy fees for design and planning for constructing solar power plants of RMB82 million (Prior Reporting Period: Nil), management services income for managing and operating solar power plants owned by the parent company, GCL-Poly with an aggregated capacity of 353MW amounting to RMB33 million (the Prior Reporting Period: RMB16 million). PCB Business also contributed RMB30 million (Prior Reporting Period: RMB28 million) for selling of manufacturing by-products.

Distribution and Selling Expenses

For the Reporting Period, distribution and selling expenses increased by RMB4 million to RMB17 million (the Prior Reporting Period: RMB13 million) due to the increase in sales commission in 2015. The distribution and selling costs were mainly incurred by the PCB Business.

Administrative Expenses

The administrative expenses mainly included staff costs, rental expenses and legal and professional fees. Administrative expenses increased by 144% to RMB359 million for the Reporting Period from RMB147 million in the Prior Reporting Period. The significant increase in administrative expenses was mainly due to the increase in headcount and legal and professional fee driven by the expansion of Solar Energy Business.

Share-based Payment Expenses

Share-based payment expenses amounted to RMB136 million for the Reporting Period (Prior Reporting Period: RMB73 million). The amount represented the share option expenses arising from granting 536,840,000 share options and 473,460,000 share options on 23 October 2014 and 24 July 2015, respectively, under the Company's share option scheme. The significant increase were due to 1) full year of amortisation charge of share-based payment expenses for the grant on 23 October 2014; and 2) an additional charge for the second grant on 24 July 2015.

Gain on change in fair value of convertible bonds

During the Reporting Period, the Group recognised a fair value gain of approximately RMB29 million as a result of subsequent re-measurement of the fair value of the convertible bond of a nominal value of HK$775 million (equivalent to approximately RMB611 million) and HK$200 million (equivalent to approximately RMB158 million) issued on 27 May 2015 and 20 July 2015 respectively. The fair value of the convertible bonds were based on a valuation report issued by an independent and professional qualified valuer.

Change in fair value of embedded derivatives in convertible redeemable bonds

During the Prior Reporting Period, the Group recognised a realised gain on embedded derivatives amounting to approximately RMB45 million upon conversion of convertible redeemable bond into 33,542,857 ordinary shares of the Company at the price of HK$1.75 per share on 9 May 2014. No such realised gain was recognized in Reporting Period.

Other expenses, gains and losses, net

During the Reporting Period, the net gain amounted to RMB53 million, as compared to net loss of RMB17 million in the Prior Reporting Period. The gain arising during the Reporting Period is mainly an exchange gain of RMB57 million attributable to appreciation of HKD and USD deposits and exchange gain of PCB Business as the majority of its products costs are in RMB while most of the PCB sales are in USD or HKD. The net loss in the Prior Reporting Period was mainly due to land use right written off of RMB9 million and loss on disposal of property, plant and equipment of RMB6 million.

Impairment loss recognised on plant and equipment

The Group fully impaired the plant and machinery and other assets in connection with the possible discontinuance or disposal of the Dongguan Factory, one of the factories of the PCB Business, of RMB42 million during the Reporting Period as a result of its unsatisfactory performance and costs and uncertainties arose from complying with the environment policies.

Bargain purchase on business combination

During the Reporting Period, the Group recognised a bargain purchase as a result of business combination. The fair value of the solar power plant acquired from an independent third party, which is assessed by an independent professional valuer using the estimated discounted cashflows for 25 years for the solar power plant, exceeded the total consideration paid. A bargain purchase was resulted and recognised in the consolidated statement of profit or loss and other comprehensive income.

EBITDA and EBITDA margin

	Solar Energy Business RMB million	PCB Business RMB million
For the Reporting Period:		
Segment profit/(loss) after income tax	289	(91)
Finance costs	322	14
Depreciation allowance	153	229
Income tax expenses	6	33
Impairment of property, plant and equipment	–	42
Bargain purchase from business combination	(22)	–
Other income which maybe non-recurring	(188)	–
EBITDA	560	227
EBITDA margin	81.4%	17.7%
For the Prior Reporting Period:		
Segment (loss)/profit after income tax	(35)	12
Finance costs	–	15
Depreciation allowance	–	81
Income tax expenses	(6)	18
Impairment of goodwill	6	–
EBITDA	(35)	126
EBITDA margin	N/A	13.5%

Finance Costs

	For the Reporting Period RMB million	Prior Reporting Period RMB million
Total borrowing costs	**475**	18
Less: Interest capitalised	**(139)**	(3)
	336	15

Finance costs amounting to RMB475 million for the Reporting Period (Prior Reporting Period: RMB18 million) represented an increase of 25 times compared with Prior Reporting 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. The average interest rates were ranging from 4.6% to 11.45% for the Reporting Period (the Prior Reporting Period ranging from 2.59% to 7.84%).

Income Tax Expense

Income tax expense for the Reporting Period was RMB39 million as compared to RMB12 million for the Prior Reporting Period. The increase is mainly attributable to the increase in income tax expenses for PCB business of RMB15 million. PCB Business is subject to the PRC corporate income tax rate of 25% for both periods. Income tax expenses of approximately RMB6 million (Prior Reporting Period: Nil) was incurred by the Solar Energy Business during the Reporting Period as most of our solar power plants are exempted from the PRC income tax for three years starting from the first year when the solar power plants operate and generate taxable income, followed by 50% reduction for the next three years.

Loss Attributable to Owners of the Company

The Group recorded a loss attributable to owners of the Company of RMB15 million for the Reporting Period as compared to the loss attributable to owners of the Company of RMB89 million for the Prior Reporting Period.

Dividend

The Board does not recommend the payment of a dividend for the Reporting Period (the Prior Reporting Period: Nil).

Property, Plant and Equipment

Property, plant and equipment increased significantly from RMB5,269 million as at 31 December 2014 to RMB14,194 million as at 31 December 2015. This is mainly attributable to the increase in solar power plant assets contributed by the Solar Energy Business. During the Reporting Period, the Group developed and completed a significant amount of solar power plant projects and thus power generators and equipment increased accordingly.

Deposits, Prepayment and Other Non-current Assets

Non-current portion for deposits, prepayments and other non-current assets increased from RMB842 million as of 31 December 2014 to RMB2,355 million as of 31 December 2015. The increase was mainly attributable to the increase in deposits for EPC contracts and acquisitions of solar power plant projects of RMB473 million and increase in refundable value-added tax arising from purchase of materials for construction of solar power plants of RMB701 million.

Trade and Other Receivables

Trade and other receivables increased from RMB451 million as of 31 December 2014 to RMB3,151 million as of 31 December 2015. The increase was mainly due to increase in receivables for modules procurement of RMB1,325 million and increase in trade receivables of RMB351 million which arose from the sales of electricity, and bills receivable obtained from fellow subsidiaries and other third parties amounted to RMB683 million.

Trade and Other Payables

Trade and other payables increased from RMB2,874 million as of 31 December 2014 to RMB7,100 million as of 31 December 2015. The amount mainly comprised payables to EPC contractors and module suppliers for purchase of plant and machinery and construction of solar power plants. As a significant amount of solar power plant projects was developed during the year, other payables related to purchase of plant and machinery and construction of solar power plants have increased from RMB2,234 million as of 31 December 2014 to RMB4,095 million as of 31 December 2015.

Liquidity and Financial Resources

The Group adopts a prudent treasury management policy to maintain sufficient working capital to cope with daily operations and meet our future development demands for capital. The funding for all its operations has been centrally reviewed and monitored at the Group level. The indebtedness of the Group mainly comprises bank and other borrowings, obligations under finance leases and loans from fellow subsidiaries, bonds payable, convertible bonds and loan from a shareholder of a subsidiary.

	For the Reporting Period RMB million	For the Prior Reporting Period RMB million
Net cash from/(used in) operating activities	**35**	(395)
Net cash used in investing activities	**(9,181)**	(2,571)
Net cash generated from financing activities	**10,479**	3,530

For the Reporting Period, the Group's main sources of funding were cash generated from financing activities through newly raised bank and other borrowings of RMB12,113 million and issuance of bonds and convertible bonds of totaling RMB1,129 million.

The net cash from operating activities during the Reporting Period was RMB35 million which was mainly attributable to the operation of PCB Business.

The net cash used in investing activities during the Reporting Period primarily arose from payments and deposit paid for the acquisition and development of solar power plant projects.

Indebtedness and gearing ratio

Solar Energy Business requires substantial capital investments for developing and constructing solar power plants. Same as other industry peers in PRC, the Group normally funds substantial up-front expenditure for building solar power plants by short-term bridging finance and equity, whereas most of the long term bank loans are only available after the completion of construction. As a result, the Group was in net current liabilities position of approximately RMB6,303 million as at 31 December 2015. In order to address this situation, the Group succeeded in raising net proceeds of RMB1,935 million by rights issue of shares in February 2016 (the "Rights Issue") and aims to arrange more long-term financing, such as green bond issuance, asset-back securitisation and introduction of equity investors on solar power plants level.

Once the construction of solar power plants is completed and connected to the grid, the plants will generate steady cashflow to the Group. In view of this relatively low risk characteristics of solar power plants, domestic banks generally provide long-term bank loans of 10-15 years at relatively low interest rates, and finance 70%-80% of the total capital expenditures after its completion. Thus, the average gearing ratio for the solar energy industry is relatively high.

The Group monitors capital on the basis of two gearing ratios. The first ratio is calculated as net debts divided by total equity attributable to the owner of the Company and second ratio is calculated as total liabilities divided by total assets. The gearing ratio as at 31 December 2015 and 2014 were as follows:

	31 December 2015 RMB million	31 December 2014 RMB million
Non-current indebtedness		
Bank and other borrowings	**7,393**	1,521
Obligations under finance leases	**47**	28
Convertible bonds	**733**	–
	8,173	1,549
Current indebtedness		
Loan from a shareholder	**17**	16
Loans from fellow subsidiaries	**629**	750
Bank and other borrowings	**4,467**	254
Obligations under finance leases	**48**	30
Bonds payable	**360**	–
	5,521	1,050
Total indebtedness	**13,694**	2,599
Less: cash and cash equivalents	**(1,965)**	(598)
Net debts	**11,729**	2,001
Total equity attributable to the owners of the Company	**2,441**	2,288
Net debts to total equity attributable to the owners of the Company	**480.5%**	87.5%
Net debts after the Rights Issue with net proceeds of RMB1,935 million	**9,794**	N/A
Total equity attributable to the owner of the Company after the Rights Issue completed in February 2016	**4,376**	N/A
Net debts to total equity attributable to the owner of the Company after the Rights Issue	**223.8%**	N/A
Total liabilities	**21,060**	5,575
Total assets	**23,502**	7,864
Total liabilities to total assets	**89.6%**	70.9%
Total assets after the Rights Issue	**25,437**	N/A
Total liabilities to total assets after the Rights Issue	**82.8%**	N/A

The Group's banking and other facilities were summarised as follows:

	31 December 2015 RMB million	31 December 2014 RMB million
Total banking and other facilities granted	**12,933**	2,545
Facilities utilised	**(11,860)**	(1,775)
Available facilities	**1,073**	770

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

	31 December 2015 RMB million	31 December 2014 RMB million
Renminbi ("RMB")	**12,924**	2,566
Hong Kong dollars ("HK$")	**759**	21
United States dollars ("US$")	**11**	12
	13,694	2,599

Use of Proceeds

The Company conducted several fund raising activities during the Reporting Period:

Date of announcement/ prospectus	Events	Net proceeds and intended use	Actual use of proceeds	Original conversion price	Adjusted conversion price as at 22 March 2016	Maximum number of Shares to be issued upon exercise of the conversion rights of adjusted conversion price
29 April 2015, 27 May 2015, 6 January 2016 and 29 February 2016	Issuance of the convertible bonds to Talent Legend Holdings Limited in principal amount of HK$775.1 million (equivalent to approximately RMB611 million)	The net proceeds of approximately RMB594 million were intended to be applied in the general operations and project developments of and as investment funds for the Group	Approximately RMB585 million was used for project developments; and approximately RMB9 million was used for general operation	HK$1.200	HK$0.754	1,027,984,084
29 April 2015, 14 July 2015, 20 July 2015, 6 January 2016 and 21 January 2016	Issuance of the convertible bonds to Ivyrock China Focus Master Fund in principal amount of HK$200 million (equivalent to approximately RMB158 million)	The net proceeds of approximately RMB153 million were intended to be applied in the general operations and project developments of and as investment funds for the Group	Approximately RMB130 million was used for project developments; and approximately RMB23 million was used for general operations	HK$1.200	HK$0.930	215,053,763

Foreign Currency Risk

As 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.

As for the PCB Business, most of the revenue are denominated in USD and RMB, while most of the cost of sales and operating expenses are denominated in RMB. In addition, assets are mainly denominated in HKD or USD, so the Group considered that the RMB devaluation benefits this business segment, thereby giving rise to an exchange gain of RMB25 million in 2015.

For the Reporting Period, the Group did not purchase any foreign currency derivatives or related hedging instruments. However, management will closely monitor the foreign exchange risk profile and will consider hedging significant foreign currency exposure should the need arises.

Pledge of Assets

As at 31 December 2015, the following assets were pledged for bank and other facilities of RMB12,933 million (31 December 2014: RMB2,545 million) granted to the Group:

- property, plant and equipment of RMB6,348 million (31 December 2014: RMB1,376 million);
- prepaid lease payments of RMB6 million (31 December 2014: RMB6 million);
- bank and other deposits of RMB952 million (31 December 2014: RMB448 million); and
- rights to collect the sales of electricity for certain subsidiaries. As at 31 December 2015, the trade receivables of those subsidiaries amounted to RMB144 million (31 December 2014: nil).

At 31 December 2015, the Group's property, plant and equipment with a net book amount of RMB146 million (31 December 2015: RMB84 million) were pledged as security for obligations under finance leases of the Group amounting to RMB95 million (31 December 2014: RMB58 million).

Contingent Liabilities

The Group did not have any other significant contingent liabilities as at 31 December 2015.

Capital Commitments

As at 31 December 2015, the Group's capital commitments in respect of construction commitments related to solar power plants, purchase of machinery and leasehold improvements and share capital commitment to a joint venture contracted for but not provided amounted to approximately RMB4,847 million, RMB16 million and RMB36 million, respectively (31 December 2014: RMB3,251 million, RMB26 million and RMB52 million, respectively).

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

In 2015, the Group acquired four subsidiaries at a total consideration of RMB146 million. The four subsidiaries are 常州新天新能源有限公司 ("Changzhou Xintian"), 湖北麻城市金伏太陽能電力有限公司 ("Hubei Macheng"), 內蒙古源海新能源有限責任公司 ("Yuanhai"), 邯能廣平縣光伏電力開發有限公司 ("Guangping"). At the date of acquisition, the four subsidiaries owned solar power plant projects of 50MW, 110MW, 30MW and 50MW, respectively, which are either grid-connected or close to completion.

Save as disclosed above, there were no other significant investments during the Reporting Period, or plans for material investments as at the date of this report, nor were there other material acquisitions and disposals of subsidiaries during the Reporting Period.

Employee and Remuneration Policies

We consider our employees to be our most important resource. As at 31 December 2015, the Group had approximately 5,795 employees (31 December 2014: 4,040) 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.

Event after Reporting Period

On 2 February 2016, the Company completed a rights issue of its shares on the basis of three rights shares for every eight existing shares held, on a pro rata basis. 5,201,922,393 rights shares were issued at a subscription price of HK$0.45 per share. Net proceeds from the rights issue is approximately RMB1,935,205,000 (equivalent to approximately HK$2,309,865,000), after deducting related expenses of approximately RMB25,920,000 (equivalent to approximately HK$31,000,000).

On 16 February 2016, GCL New Energy (NC) I, LLC, a subsidiary of the Company entered into two sale and purchase agreements with two independent third parties, pursuant to which the Group conditionally agreed to purchase the entire equity interests of a total of eight companies for a total consideration of US$4,932,000 (equivalent to approximately RMB32,281,000). The consideration is subject to change upon occurrence of certain conditions. These companies own the development rights to eight yet to be constructed photovoltaic electrical energy producing utility systems located in North Carolina in the United States. The acquisitions were completed as of the date of this report.

Our Directors

Executive Directors

ZHU Gongshan *(Honorary Chairman)*

Aged 58, an executive Director and the honorary chairman of the Board appointed on 9 May 2014. Mr. Zhu also serves as the chairman of the strategic planning committee (the "Strategic Planning Committee") of the Company. Mr. Zhu is the founder of GCL-Poly. Mr. Zhu has been an executive director of GCL-Poly since July 2006 and is the chairman and a member of the strategic planning committee of GCL-Poly.

Mr. Zhu is currently a member of the 12th National Committee of the Chinese People's Political Consultative Conference, the co-chairman of Global Solar Council, the co-chairman of Asian Photovoltaic Industry Association, the vice chairman of China Fortune Foundation Limited, the vice chairman of the Cogeneration Professional Committee of the Chinese Society for Electrical Engineering* (中國電機工程學會熱電專業委員會), the vice chairman of China Overseas Chinese Entrepreneurs Association, the vice chairman of China Industrial Overseas Development & Planning Association, the honorable chairman of the 4th board of directors of Nanjing University, the honorary president of Hong Kong Baptist University Foundation, the vice chairman of Jiangsu Chinese Overseas Friendship Association* (江蘇省海外聯誼會), the vice director-general of Jiangsu Foundation for the Wellbeing of the Youth, the honorary chairman of Jiangsu Residents Association in Hong Kong, the honorary chairman of Jiangsu Yancheng Residents Association in Hong Kong, the chairman of Hong Kong Yancheng Chamber of Commerce Limited, the honorary chairman of Jiangsu Chamber of Commerce in Guangdong, the honorary chairman of Xuzhou Chamber of Commerce in Shenzhen, the vice president of Chinese Renewable Energy Industries Association, a member of the China Renewable Energy Entrepreneur Club, the vice director of The Prince's Charities Foundation, a member of American Council on Renewable Energy and the honorary chairman of Africa Food Fund* (非洲糧食基金). Mr. Zhu has been awarded "Top 10 Economic Personages of China in 2015" and the China Securities Golden Bauhinia – Most Influential Leader Award in 2012. Mr. Zhu graduated from Nanjing Electric Power College* (南京電力專科學校) in July 1981 and obtained a diploma in electrical automation.

Mr. Zhu is the father of Mr. Zhu Yufeng, the Chairman of the Board. As at 31 December 2015, Mr. Zhu and his family (including his son, Mr. Zhu Yufeng) are the beneficiaries of a trust, which is a substantial shareholder of GCL-Poly, the substantial shareholder of the Company. Mr. Zhu was deemed to have interests in 5,983,811,992 shares of GCL-Poly held through trust within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

ZHU Yufeng *(Chairman)*

Aged 34, an executive Director and the chairman of the Board appointed on 11 December 2015 and joined the Board on 9 February 2015 as a non-executive Director and vice chairman of the Board. Mr. Zhu Yufeng is also the chairman of the nomination committee (the "Nomination Committee"), and a member of the remuneration committee (the "Remuneration Committee") of the Company and the Strategic Planning Committee.

Mr. Zhu Yufeng graduated from George Brown College (Business Administration Faculty) in 2005. Mr. Zhu Yufeng currently is a senior executive president of Golden Concord Holdings Limited ("Golden Concord"), and was also an executive president during the period from 13 May 2012 to 3 December 2014. Since 21 September 2009, Mr. Zhu Yufeng became an executive director of GCL-Poly. Mr. Zhu Yufeng was a general manager of a power enterprise. He is sophisticated in managing power plants. Mr. Zhu Yufeng also has years of experience working in electricity conglomerate, specializing in the area of integration management such as human resources, administration, supply chain and enterprises informatization etc.

Mr. Zhu Yufeng is the son of Mr. Zhu Gongshan, an executive Director and honorary chairman of the Company. As at 31 December 2015, Mr. Zhu Yufeng and his family (including his father, Mr. Zhu Gongshan) are the beneficiaries of a discretionary trust, which is a substantial shareholder of GCL-Poly. Mr. Zhu Yufeng was deemed to have interests in 5,983,811,992 shares of GCL-Poly held through trust and 2,500,000 share options in GCL-Poly within the meaning of Part XV of the SFO.

SUN Xingping *(President)*

Aged 52, an executive Director appointed on 22 April 2015 and the president of the Company appointed on 26 June 2015. Mr. Sun is also a member of the risk management committee ("Risk Management Committee") of the Company and Strategic Planning Committee.

Mr. Sun has been the president of Golden Concord Power Group Limited since 2013, the vice president of Golden Concord since 2011, and the director of Taicang Port Golden Concord Power Generation Co. Ltd. (previously named as "Taicang Port Environmental Protection Generate Electricity Co. Ltd.") since 2009. Mr. Sun was the general manager from 2007 to April 2015; the deputy general manager and chief engineer from 2005 to 2007; the power plant manager (plant B) and assistant to commander of the engineering department and deputy chief engineer, and then deputy general manager from 2004 to 2005 for Taicang Port Golden Concord Power Generation Co. Ltd.. From 2001 to 2004, Mr. Sun was the deputy general manager and chief engineer of Jiangsu Xutang Power Generation Limited. From 1990 to 2001, Mr. Sun had been the deputy chief officer of turbine operation, chief officer of turbine operation, deputy chief engineer and division manager of production and planning department, and the chief engineer of Xuzhou Power Plant.

Mr. Sun received a master of engineering degree majoring in mechanical engineering from Wuhan University in 2002, a degree majoring in power system automation from Shanghai University of Electric Power in 1997 and a degree majoring in thermal power from Shanghai Vocational Institute for Electric Power in 1981.

HU Xiaoyan

Aged 44, an executive Director appointed on 9 May 2014. Ms. Hu also serves as the chairman of the Risk Management Committee, a member of the Strategic Planning Committee and a director of several subsidiaries of the Company. Ms. Hu joined GCL-Poly in September 2007 and is currently serving as the vice president of GCL-Poly, responsible for strategic investment, operation management, asset management and risk control. Ms. Hu has extensive experience in corporate finance, internal audit, internal control, risk management, strategic investment and corporate governance. Ms. Hu obtained a Master degree in Business Administration from the China Europe International Business School in September 2008.

TONG Wan Sze

Aged 48, an executive Director appointed on 11 December 2015 and joined the Group as the chief financial officer of the Company on 14 July 2015. Mr. Tong is also a member of the Risk Management Committee and a director of several subsidiaries of the Company.

Mr. Tong has over 24 years of experience in overseeing financial management, merger and acquisition, investor relations and company secretarial matters. Before joining the Company, Mr. Tong was the chief financial officer, financial controller and company secretary of several companies listed on the Main Board of the stock exchange of Hong Kong Limited (the "Stock Exchange") and was an auditor at Deloitte Touche Tohmatsu. Mr. Tong is currently an independent non-executive director and the chairman of the audit committee of Pan Asia Mining Limited (a company listed on the Growth Enterprise Market of the Stock Exchange, stock code: 8173). Mr. Tong is a Fellow of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Tong has obtained a Master degree in Business Administration from the University of Strathclyde in the United Kingdom. Mr. Tong is responsible for the financial control, corporate finance, investment, investor relations, tax and risk management of the Company and its subsidiaries.

YIP Sum Yin

Aged 66, an executive Director and also the director of several subsidiaries of the Company. Mr. Yip had been chairman of the Board since 1992 and resigned as chairman effective from 9 May 2014. Mr. Yip is one of the co-founders of the Company, which was founded in 1982. Mr. Yip graduated from National Taiwan Ocean University (formerly known as Taiwan Provincial College of Marine and Oceanic Technology) with a Bachelor of Science degree in Electronic Engineering. Mr. Yip obtained a degree of Doctor of Commerce from the University of West Alabama in August 2007. Mr. Yip has over 40 years of experience in the electronics industry. Mr. Yip is responsible for the Group's business activities which are involved in the manufacturing and selling of printed circuit boards.

Mr. Yip is the spouse of Ms. Yu Hung Min, a former executive Director, and father of Mr. Yip Wing Fung, a former executive Director and brother of Mr. Yip How Yin, Maurice, the former chief executive officer of the Group.

Non-Executive Directors

SUN Wei

Aged 44, a non-executive Director appointed on 9 May 2014. Ms. Sun is also a member of the Remuneration Committee, the Strategic Planning Committee and the Risk Management Committee. Ms. Sun was an executive director of GCL-Poly from October 2007 to 23 January 2015. Ms. Sun currently continues to serve GCL-Poly as the honorary chairman of the Finance and Strategy Function of GCL-Poly. Ms. Sun is now the vice chairman of Golden Concord. Ms. Sun is currently the vice director of China Hong Kong Economic Trading International Association, a non-executive director of Asia Energy Logistics Group Limited (stock code: 351), a company listed on the main board of the Stock Exchange, and a non-independent director and a member of the nomination committee of GCL System Integration Technology Co., Ltd. (formerly known as "Shanghai Chaori Solar Energy Science & Technology Co., Ltd."), a company listed on the Shenzhen Stock Exchange (stock code: 002506). Ms. Sun has over 15 years of experience in power plant investment and management. Ms. Sun obtained a degree of Doctor of Philosophy in Business Administration in 2005.

SHA Hongqiu

Aged 57, a non-executive Director appointed on 9 February 2015. Mr. Sha is a member of the Risk Management Committee. Mr. Sha was appointed as an executive director in November 2006 and president of GCL-Poly. Since November 2012, Mr. Sha has continued to serve as an executive president of GCL-Poly after resigning as an executive director of GCL-Poly. Mr. Sha is currently responsible for the overall operation and management of GCL-Poly's solar power business. Mr. Sha has been awarded various titles, including the Outstanding Entrepreneur of Xuzhou* (徐州市優秀企業家) in 2000 and the Outstanding Enterprise Manager of Taicang* (太倉市優秀企業管理人才) in 2005. Mr. Sha graduated from the China University of Mining and Technology in 1986, majoring in enterprise management. Mr. Sha is a Senior Economist. He has over 15 years of experience in the operation and management of power plant including solar farms.

YEUNG Man Chung, Charles

Aged 47, a non-executive Director appointed on 18 September 2015. Mr. Yeung is currently an executive director, the chief financial officer as well as a member of the nomination committee, corporate governance committee and strategic planning committee of GCL-Poly. Mr. Yeung previously served as a partner of Deloitte Touche Tohmatsu and was a Part-time Member of the Central Policy Unit of the Government of Hong Kong Special Administrative Region. When Mr. Yeung left Deloitte Touche Tohmatsu in March 2014, he was the Head of Corporate Finance Advisory Services, Southern China. Mr. Yeung has a Bachelor of Business degree with major in accounting and he is also a member of The Hong Kong Institute of Certified Public Accountants and CPA Australia (formerly, the Australian Society of Certified Practising Accountants). Mr. Yeung has over 20 years of experience in accounting, auditing and financial management.

Independent Non-Executive Directors

WANG Bohua

Aged 63, an independent non-executive Director appointed on 9 May 2014. Mr. Wang is a member of the audit committee (the "Audit Committee") of the Company, the Remuneration Committee, the Nomination Committee and the Strategic Planning Committee. Mr. Wang was as an independent director of Shengyi Technology Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600183) since December 2012 and retired since April 2015. Mr. Wang served as the deputy inspector of the Department of Electronics and Information Products Administration of the PRC Ministry of Information Industry* (中華人民共和國信息產業部電子信息產品管理司) (now the PRC Ministry of Industry and Information Technology* (中華人民共和國工業和信息化部)) from July 2007 to July 2012. Mr. Wang served as a member of the Professional Appraisal Group for the Science and Technology Progress Award of the PRC Ministry of Electronics Industry* (中華人民共和國電子工業部科技進步獎) in December 1995. Mr. Wang was an expert for the review and appraisal of the 2002 National Key New Products* (2002年度國家重點新產品) administered by the Department of Technological Progress and Equipment of the State Economic and Trade Commission* (國家經濟貿易委員會技術進步與裝備司) in May 2002. Mr. Wang was elected as the vice president of the Fifth Council of China Electronic Production Equipment Industry Association* (中國電子專用設備工業協會) in October 2004. In November 2004, he further served as a member and deputy director of the Eighth Committee of the CIE Electronic Components Society* (中國電子學會元件分會) and the member of the Sixth Council of the Chinese Vacuum Society* (中國真空學會). Mr. Wang was awarded qualification as a senior engineer by the PRC Ministry of Electronics Industry in September 1997.

XU Songda

Aged 72, an independent non-executive Director appointed on 9 May 2014. Mr. Xu is a member of the Audit Committee, the Nomination Committee and the Strategic Planning Committee. From August 1969 to 1983, Mr. Xu worked at Nanjing Power Plant* (南京熱電廠), serving successively as its youth league secretary, deputy director and director. Mr. Xu then successively held the positions of the deputy director of Electric Power Industry Bureau of Jiangsu Province* (江蘇省電力工業局), the deputy general manager, the deputy party secretary and other positions at Jiangsu Provincial Power Company* (江蘇省電力公司) during 1983 to 2004. Mr. Xu graduated from the East China Institute of Water Conservancy* (華東水利學院) (now Hohai University) in August 1969 with a Bachelor's degree in agricultural water conservation. Mr. Xu was granted the qualification of a senior engineer by the jury of senior positions in engineering at Electric Power Industry Bureau of Jiangsu Province* (江蘇省電力工業局工程系列高級職務評審委員會) in December 1996. Mr. Xu was also granted the qualification of a senior engineer (professor level) by East China Power Group Corporation on 31 December 1997.

WANG Yanguo

Aged 53, an independent non-executive Director appointed on 9 February 2015. Mr. Wang Yanguo is a member of the Remuneration Committee and the Nomination Committee. Mr. Wang Yanguo graduated from the School of Economics of Peking University with a PhD degree, Master's degree and Bachelor's degree in Economics in 1999, 1988 and 1985 respectively. Mr. Wang Yanguo previously served as a teaching assistant, a lecturer and an associate professor at the School of Economics of Peking University during the period from 1988 to 1996. Mr. Wang Yanguo has extensive experience in securities and finance industries. Mr. Wang Yanguo currently is the chairman of the board of Essence International Financial Holdings Limited and the member of the Listed Companies Merger and Reorganisation Vetting Committee of the China Securities Regulatory Commission (the "CSRC"). Mr. Wang Yanguo was the vice chairman of Essence Securities Co., Ltd. during the period from July 2013 to May 2014 and was the president from June 2006 to July 2013. Mr. Wang Yanguo was the president of Changjiang BNP Paribas Peregrine from 2005 to 2006 and was the president of Soochow Securities Co., Ltd, a company listed on the Shanghai Stock Exchange (stock code: 601555) from March 2002 to July 2005. Mr. Wang Yanguo also served for the CSRC from April 1996 to March 2002 as the deputy division head of Department of Dispatch, division head of Department of Fund, deputy director of Nanjing Office and deputy director of Shanghai Securities Regulatory Office.

LEE Conway Kong Wai

Aged 61, an independent non-executive Director appointed on 9 May 2014. Mr. Lee also serves as the chairman of the Audit Committee and the Remuneration Committee. Mr. Lee served as a partner of Ernst & Young. Mr. Lee has been a member of the Chinese People's Political Consultative Conference of Hunan Province in the PRC since 2008. Mr. Lee currently also serves as an independent non-executive director of Chaowei Power Holdings Limited (stock code: 951), West China Cement Limited (stock code: 2233), China Modern Dairy Holdings Ltd. (stock code: 1117), GOME Electrical Appliances Holding Limited (stock code: 493), Tibet Water Resources Ltd. (formerly known as Tibet 5100 Water Resources Holdings Ltd., stock code: 1115), CITIC Securities Company Limited (stock code: 6030), NVC Lighting Holding Limited (stock code: 2222), Yashili International Holdings Ltd (stock code: 1230), China Greenland Rundong Auto Group Limited (formerly known as China Rundong Auto Group Limited, stock code: 1365) and WH Group Limited (stock code: 288), all being companies listed on the main board of the Stock Exchange, since June 2010, July 2010, October 2010, March 2011, March 2011, November 2011, November 2012, November 2013, July 2014 and August 2014, respectively. Mr. Lee also served as a non-executive director and deputy chairman of Merry Garden Holdings Limited (stock code: 1237) which is listed on the main board of the Stock Exchange from July 2014 to September 2015. Mr. Lee also served as an independent non-executive director of Sino Vanadium Inc. (a company previously listed on the TSX Venture Exchange in Canada) (stock code: SVX) and China Taiping Insurance Holdings Company Limited (a company listed on the main board of the Stock Exchange) (stock code: 966) from September 2009 to December 2011 and from October 2009 to August 2013 respectively. Mr. Lee received a Bachelor's degree in arts from the Kingston University (formerly known as the Kingston Polytechnic) in London, the United Kingdom in July 1980 and obtained his postgraduate diploma in business from the Curtin University of Technology in Australia in February 1988. Mr. Lee became a member of the Institute of Chartered Accountants in England and Wales in October 2007, the Chartered Accountants Australia and New Zealand (formerly, the Institute of Chartered Accountants in Australia) in December 1996, the Association of Chartered Certified Accountants in September 1983, the Hong Kong Institute of Certified Public Accountants in March 1984 and the Macau Society of Registered Accountants in July 1995.

CHEN Ying

Aged 38, an independent non-executive Director appointed on 22 April 2015. Dr. Chen is an associate professor of the School of Management, deputy director of the Venture Investment Research and Development Centre at the Nanjing University. Dr. Chen has been the deputy secretary general of the Capital Market Research Institute of Jiangsu Province since July 2012 and a coordinator of Nanjing University – Jiangsu Hi-tech Group Post-doctorate Work Station since 2013. Dr. Chen has a long history of involvement in the research of finance, credit and related areas, having undertaken more than 20 consultation projects, including key projects of the National Natural Science Foundation and the CSRC, the Mechanism for Chinese – American Dialogue in Technological Innovation under the Ministry of Science and Technology, key soft science projects of Jiangsu Province, joint research project of Shanghai Stock Exchange, Nanjing Municipal Finance Office, Bank of Nanjing, Jiangsu Branch of the Industrial and Commercial Bank of China and Nanjing Zijin Investment Credit and Guaranty and others. Dr. Chen has also been invited to serve as senior lecturer in the internal training programmes of numerous enterprises and entities, such as Jiangsu Provincial Development and Reform Commission, People's Bank of China (Nanjing Branch), China Development Bank (Jiangsu Branch), Industrial and Commercial Bank of China (Jiangsu Branch), Bank of China (Jiangsu Branch), CITIC Bank (Nanjing Branch), Bank of Nanjing, Postal Savings Bank of China (Jiangsu Branch) and Nanjing Iron & Steel Co., Ltd.

Dr. Chen received a doctorate degree in management specialising in Management Science and Engineering from Nanjing University in 2006, and a master's degree in Finance in 2003 and a bachelor's degree in Economics in 2000 from Southeast University.

* *English name for identification only*

Senior Management

At the date of this report, the senior management of the Group comprises the executive Directors above, namely, Mr. ZHU Gongshan, Mr. ZHU Yufeng, Mr. SUN Xingping, Ms. HU Xiaoyan, Mr. TONG Wan Sze and Mr. YIP Sum Yin.

Details of the interests of the Directors in the Company are disclosed in the section headed "Interests of Directors and chief executive equity or debt securities". Save as disclosed herein, the Directors do not have any other relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Corporate Governance Report

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.

Compliance with Corporate Governance Code

Throughout the year ended 31 December 2015 (the "Reporting Period"), the Company complied with all the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") under Appendix 14 of the Listing Rules, except for the deviations as explained in this report.

Mr. HAN Qing-hua ("Mr. HAN"), an independent non-executive Director, chairman of the Remuneration Committee and a member of the Nomination Committee 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 (being the non-executive Director at that time), 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.

The Board

The overall management of the Company's business is vested in the Board, which assumes the responsibility for leadership and control of the Company and the Directors are collectively responsible for promoting the long term success of the Group by directing and supervising the Company's affairs and overseeing the achievement of strategic plans to enhance shareholders' value. The Directors are aware of their duties to act in good faith and expected to make decisions objectively in the best interests of the Company.

Generally, the Board is responsible for all major aspects of the affairs of the Company, including:

- formulating long and short term strategies and reviewing of its financial performance, results and the effectiveness of the risk management and internal control systems;
- approving and authorising material transactions, including acquisition, investment, disposal of assets or setting dividend policies and capital expenditure;

- performing corporate governance functions in accordance with the CG Code, including formulating corporate governance policies, and reviewing and monitoring the corporate governance practices of the Group; and

- communicating with key stakeholders, including Shareholders and regulatory bodies.

The Board is responsible for maintaining proper accounting records so as to enable the Directors to monitor and disclose with reasonable accuracy the financial position of the Group. The Board updates the shareholders of the Company on the operations and financial position of the Group through interim and annual results announcements as well as the publication of timely reports and announcements or other matters as prescribed by the relevant laws, rules and regulations.

The Company currently has fourteen Directors: three non-executive Directors, namely Ms. SUN Wei, Mr. SHA Hongqiu, Mr. YEUNG Man Chung, Charles and five independent non-executive Directors, namely Mr. WANG Bohua, Mr. XU Songda, Mr. LEE Conway Kong Wai, Mr. WANG Yanguo and Dr. CHEN Ying. The non-executive Directors advise the Company on strategic and critical matters. The Board considers that each non-executive Director brings his/her own senior level of experience and expertise to the constructive functioning of the Board. To this end, regular informal meetings are held between the executive Directors and non-executive Directors. The Chairman held meetings with the non- executive Directors at least annually without the executive Directors present, to evaluate the functioning of the Board.

Chairman and President

The distinct and separate roles and responsibilities of the Chairman and President are acknowledged with a clear and well established division of responsibilities to ensure a balance of power and authority, and reinforce their independence and accountability. The Chairman is primary responsible for providing leaderships to the Board, monitoring effective implementation of the Company's strategies and good corporate governance practices and procedures are established, and ensuring value creation and maximisation to the shareholders of the Company. The Chairman is primarily responsible for drawing up and approving the agenda for each Board meeting, and taking into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda. The President will continue to be responsible for the day-to-day operations of the Group to achieve performance targets.

Appointment, Re-election and Removal of the Directors

In accordance with bye-law 83(2) of the Bye-laws, Mr. YEUNG Man Chung, Charles was appointed as a non-executive director of the Company on 18 September 2015 and as an addition to the Board, and Mr. TONG Wan Sze was appointed as an executive director of the Company on 11 December 2015 to fill a casual vacancy. Mr. YEUNG shall hold office until the forcoming annual general meeting of the Company and Mr. TONG shall hold office until the first general meeting of the Company following his appointment and, being eligible, both Mr. YEUNG and Mr. TONG will offer themselves for re-election at the annual general meeting to be held on 24 May 2016 (the "AGM").

Each of the Directors has been appointed for a specific term of 3 years, subject to the provisions on Directors' retirement as set out in the Bye-laws. All Directors appointed by the Board shall hold office only until the next general meeting of the Company (in the case of filling a casual vacancy) or until the next AGM of the Company (in the case of an addition to the Board), and every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every 3 years.

In accordance with bye-law 84(1) of the Bye-laws, at each annual general meeting one-third of the Directors of the Company shall retire from office and shall be eligible for re-election. Each of Mr. WANG Bohua, Mr. XU Songda and Mr. LEE Conway Kong Wai shall retire by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM. Mr. Zhu Gongshan will not offer himself for re-election at the AGM. Mr. Zhu Gongshan confirms that he has no claims whatsoever against the Company for fees, compensation for loss of office, remuneration, severance payments, pension, expenses or otherwise and there is no disagreement with the Board and there are no matters relating to his retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

Directors' insurance

The Company has arranged appropriate insurance cover for the Directors in connection with the discharge of their responsibilities, in respect of potential liability and costs associated with legal proceedings that may be brought against any of the Directors and the Directors are also provided with access to independent professional advice, where necessary, in carrying out their obligations as Directors at the expense of the Company.

Confirmation of Independency

Each independent non-executive Director has made written annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines as set out in the Rule 3.13 of the Listing Rules, and considers all of its independent non-executive Directors to be independent of management and free of any relationship that could materially interfere with the exercise of their judgment.

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 own model code of conduct regarding Directors' securities transactions (the "Model Code"). Having made specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Reporting Period.

Risk Management and Internal Controls

The Directors have the overall responsibility to maintain sound and effective risk management and internal control systems (the "Systems"), including financial, operations and compliance controls, for the Group and to review their effectiveness to safeguard the Group's assets, protect Shareholders' values, and to identify risks and then manage them so that they can be understood, reduced, mitigated, transferred or avoided to achieve business objectives. The Systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated to management in the design, implementation and monitoring of the Systems on an on-going basis. The Board has also entrusted the Audit Committee with the responsibility to review the internal control systems of the Group, which include financial, operational and compliance controls and risk management functions.

During the Reporting Period, the Group persistently dedicated efforts in enhancing the maturity of the corporate governance infrastructure across various business units and functions. In particular, a group-wide exercise has been launched to rationalize the existing policies and procedures so as to further emphasize the internal control objectives associated with key business processes and mitigate unnecessary inconsistencies among different business units. During the Reporting Period, the Group engaged Protiviti for the preparation of internal control handbooks for processes project of management, which constitutes the solid foundation of the Group's internal control environment. The Group has conducted regular reviews during the Reporting Period to identify deficiencies in operations and opportunities. All major findings were communicated to senior management of the respective business units to enforce the remediation.

Together with the utilization of IT system tools and regular internal control reviews by the internal audit function (the "Internal Audit Function"), all these paved the way of enabling ongoing monitoring and oversight of internal control effectiveness of the Group.

The Internal Audit Function, which is independent of the daily operations of the Group, is carried out by a general manager, the person in charge of the Internal Audit Function, of which has reported directly to the Audit Committee. All other Directors are informed of the findings of these internal audit plans and assignments from the report by the chairman of Audit Committee. The Internal Audit Function is closely involved in the assessment of the quality of risk management of the Group and during the Reporting Period reviewed the effectiveness of the Systems. When considered appropriate and with the approval of the Audit Committee, certain review work has been outsourced because of the need for assistance of specialists and due to the high volume of work to be undertaken during the stage of rapid growth.

Meanwhile, an external independent risk advisory firm (the "Advisor") has been engaged to review and appraise the internal control system of the Group for the Reporting Period. The internal control review plan of the Group carried out by the Advisor covers major activities and material controls (including operational, financial and compliance) of the Group's business units. During the Reporting Period, the Advisor had reviewed the operation and management of solar power plant. The Advisor had also conducted on-site visits and discussion with our management teams during the review for the purpose of assessing the overall risks. A report on the results of assessment and recommendations from the Advisor was provided to the Audit Committee in March 2016.

In view of risk management, the Group has revisited the methodology and approach to further improve the relevancy and effectiveness of the existing risk management process to identify, evaluate, manage and communicate significant risks. The changes in the nature and extent of significant risks and the Group's capabilities and strategies to respond to these changes were better captured and articulated within the organization.

During the Reporting Period, the Group has also engaged business consulting and risk advisory firms, to prepare risk management handbook, to conduct a thorough assessment of the Group's existing corporate governance infrastructure and assist in developing a blueprint for continuous improvement in the future.

To be more effective and timely compliance of the CG Code, a committee is intended to be formed and delegated with responsibilities by the Board to oversee the Group's overall risk management framework, including the risk governance structure and risk management process, and to advise the Board on the risk-related matters of the Group. This committee is also responsible for approving the Group's risk policies and assessing the effectiveness of the Group's risk controls/mitigation tools.

Based on the efforts devoted by the Group, external reviews carried out by the Advisor and the auditor's report from Deloitte Touche Tohmatsu, the Audit Committee and the Board concluded that there is neither material irregularities nor areas of material concerns that would have the significant adverse impact on the Company's financial positions or results of operations, and that the internal control systems are adequate and effective and the Company's staff and resources for the financial reporting function are adequate.

The Board Committees

(1) Remuneration Committee

The Remuneration Committee was set up on 15 September 2005 with written terms of reference published on the websites of the Company and the Stock Exchange to oversee the remuneration policy and structure for all Directors and senior management of the Company. The Remuneration Committee is currently chaired by Mr. LEE Conway Kong Wai, being an independence non-executive Director, and with four members, including Mr. ZHU Yufeng, Ms. SUN Wei, Mr. WANG Bohua and Mr. WANG Yanguo, comprising a majority of independent non-executive Directors.

Provided with sufficient resources by the Company to discharge its duties, the roles of the Remuneration Committee are:

- to recommend to the Board the policy and structure for the remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- to review and approve the remuneration proposals of senior management, the President and the chief financial officer of the Company with reference to the goals and objectives of the Company;
- to determine and approve, with delegated responsibility, the performance-based remuneration packages (included benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment) of executive Directors and senior management with reference to the corporate goals and objectives, and to make recommendations to the Board on the remuneration of non-executive Directors; and
- to make recommendations to the board on the remuneration of non-executive Directors;

The Remuneration Committee held 10 meetings during the Reporting Period. The Company Secretary acts as the secretary to the Remuneration Committee. To minimise any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion. No individual Director is involved in deciding his or her own remuneration. No disagreement on the remuneration or compensation arrangement resolved by the Board during the Reporting Period.

In considering the level of remuneration payable to the executive Directors and recommending remuneration of non-executive Directors, the Remuneration Committee have referred to the incentive policies of the Company to link rewards to corporate and individual performance, the Guide for Remunerating Independent Non-executive Directors issued by The Hong Kong Institute of Directors, the CG Code and the associated Listing Rules.

Details of Directors' remuneration are set out in note 12 to the consolidated financial statements in this annual report.

The Company has conditionally adopted the 2014 Share Option Scheme (as defined below). The purpose of the share option scheme is to enable the Board, at its discretion, to grant options to selected eligible participants to motivate them and to optimise their performance and efficiency for the benefit of the Group.

The senior management remuneration during the periods within the following bands:

	Number of individuals	
	Reporting Period	**Prior Reporting Period**
Nil to RMB2,000,000	3	5
RMB2,000,001 to RMB4,000,000	1	1
Over RMB4,000,001	5	4

(2) Nomination Committee

The Nomination Committee was set up on 9 May 2014 with written terms of reference published on the websites of the Company and the Stock Exchange to review the structure, size and composition (including but not limited to the gender, skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

The Nomination Committee was previously chaired by Mr. TANG Cheng, being the Chairman of the Board, until 11 December 2015 and the vacancy is filled by Mr. ZHU Yufeng, the Chairman of the Board and executive Director, and with three members, Mr. WANG Bohua, Mr. XU Songda and Mr. WANG Yanguo, comprising a majority of independent non-executive Directors.

The Nomination Committee held 5 meetings during the Reporting Period. The Company Secretary acts as the secretary to the Nomination Committee. The roles and functions of the Nomination Committee include to identify individuals suitably qualified to become Board members, select or make recommendations to the Board on the selection of nomination individuals nominated for directorships, review the nomination policy and the progress on achieving the objectives set for implementing the policy, make recommendations to the Board on the appointment or reappointment of Directors, and succession planning for Directors, in particular the chairman of the Board and the President.

Board Diversity Policy

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board. The board diversity policy (the "Policy") adopted aims to set out the approach to achieve diversity on the Board. A summary of the Policy is set out below:

Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, ethnicity, age, length of service) will be disclosed in the Corporate Governance Report annually.

Monitoring and Reporting

The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

Review of this Policy

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

Disclosure of this Policy

A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the annual Corporate Governance Report.

(3) Audit Committee

The Audit Committee was set up on 1 April 1999 with written terms of reference published on the websites of the Company and the Stock Exchange. The Audit Committee comprises all independent non-executive Directors and is currently chaired by Mr. LEE Conway Kong Wai, and with two members, Mr. WANG Bohua and Mr. XU Songda. The Audit Committee held 3 meetings during the Reporting Period. The Company Secretary acts as the secretary to the Audit Committee. The Audit Committee performs, amongst others, the following roles and functions:

- ensure that co-operation is given by the Company's management to the external auditor where applicable;
- review the Group's half-yearly and annual results announcements and reports and the financial statements prior to their recommendations to the Board for approval;
- review the effectiveness of Group's financial reporting process, risk management and internal control system;
- review of transactions with connected persons (if any);
- considered and endorsed the proposed amendments to the Company's policy on connected transactions, with a recommendation to the Board for approval; and
- considered and approved the Company's policy on engaging non-audit services from external auditor and the revised whistle-blowing policy of the Company.

Accountability and Audit

The Board acknowledges its responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group. The Board is not aware of any material uncertainties relating to events or condition that might cast significant doubt upon the Company's ability to continue in business. Accordingly, the Board has prepared the financial statements of the Company on a going concern basis. The interim and annual results and reports were published within the time limits as required under the Listing Rules after the end of the relevant periods to provide stakeholders with transparent and timely financial information.

The Board also acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual and half-yearly reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to the regulators as well as to information required to be disclosed pursuant to statutory requirements.

The above statements, which should be read in conjunction with the independent auditor's report, are made with a view to distinguishing for Shareholders how the responsibilities of the Directors differ from those of the auditor in relation to the financial statements.

Having made appropriate enquiries and examined major areas which could give rise to significant financial exposures, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the Reporting Period, the Directors considered the Group has applied appropriate accounting policies consistently, made judgments and estimates that are prudent and reasonable in accordance with applicable accounting standards.

Auditor's Remuneration

During the Reporting Period, the remuneration, reviewed and approved by the Audit Committee on its statutory audit scope and non-audit services, paid or payable to the auditor in respect of audit and non-audit services provided by the past auditor and existing auditor of the Group, Messrs. PricewaterhouseCoopers and Deloitte Touche Tohmatsu respectively, were as follows:

Nature of services	1 January 2015 to 31 December 2015 RMB'000	1 April 2014 to 31 December 2014 RMB'000 (Restated)
Audit services	3,292	3,237
Non-audit services	4,556	3,218

Risk management and Internal Control

The Board is committed to implementing an effective and sound risk management and 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 risk management and 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 control system, ensuring its effectiveness. The Company will continue to use its best endeavours to enhance the existing internal control system.

Board and Board Committee Meetings

Practices and Conduct of Meetings

The Board meets regularly at least four times each year and more frequently as the needs of the business demand. Apart from the Board meetings, the Board would from time to time devote separate sessions to consider and review the Group's strategy and business activities.

The Board and Committees' meeting schedule and the agenda of each meeting are made available to Directors in advance.

Notices of regular Board meetings were served to all Directors at least 14 days before the meetings. For all other Board and Committees' meetings, reasonable notices were given.

Papers for Board meetings or Committees' meetings together with all relevant information are sent to all Directors or Committee members at least 3 days before each meeting to enable them to make informed decisions with adequate data. The Board and each Director also have direct and independent access to the management whenever necessary.

According to the current Board practice, any material transactions involving a conflict of interest with a substantial Shareholder or a Director will be considered and dealt with by the Board at a duly convened Board meeting. The Bye-laws also contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

Meetings Held and Attendance

As at 31 December 2015, the Board comprised six executive Directors, three non-executive Directors and five independent non-executive Directors. The Company has met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of whom is with appropriate professional qualifications or accounting or related financial management expertise throughout the Reporting Period.

The Board held 34 meetings and passed 2 written resolutions during the Reporting Period.

Biographical details of the Directors are shown on pages 28 to 32 and set out on the website of the Company. The Board is currently supported by the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee specific areas of the Company's affairs. Each of these Committees has been established with written terms of reference, which were approved by the Board, setting out the Committee's major duties and responsibilities. These terms of reference were published both on the websites of the Company and the Stock Exchange. The composition of the Board and the Committees, and the individual attendance records of each Director at the Board and Committees' meetings during the Reporting Period are set out below:

	Meetings attended/Meetings held				
Name of Directors	**Board meeting**	**Audit Committee meeting**	**Remuneration Committee meeting**	**Nomination Committee meeting**	**Annual general meeting**
Executive Directors					
Mr. ZHU Gongshan	12/34	N/A	N/A	N/A	0/1
Mr. ZHU Yufeng *(note 3)*	15/32	N/A	5/8	3/4	0/1
Mr. SUN Xingping *(note 4)*	26/29	N/A	N/A	N/A	1/1
Ms. HU Xiaoyan	32/34	N/A	N/A	N/A	0/1
Mr. TONG Wan Sze *(note 8)*	1/1	N/A	N/A	N/A	N/A
Mr. YIP Sum Yin	33/34	N/A	N/A	N/A	1/1
Mr. TANG Cheng *(note 7)*	31/33	N/A	N/A	4/5	1/1
Mr. ZHANG Guoxin *(note 5)*	3/11	N/A	N/A	N/A	0/1
Mr. GU Xin *(note 2)*	1/2	N/A	N/A	N/A	N/A
Non-executive Directors					
Ms. SUN Wei	18/34	N/A	5/10	N/A	0/1
Mr. SHA Hongqiu *(note 3)*	25/32	N/A	N/A	N/A	0/1
Mr. YEUNG Man Chung, Charles *(note 6)*	10/10	N/A	N/A	N/A	N/A
Mr. YU Baodong *(note 2)*	1/2	N/A	N/A	N/A	N/A
Independent Non-executive Directors					
Mr. WANG Bohua	25/34	3/3	8/10	3/4	0/1
Mr. XU Songda	31/34	3/3	N/A	5/5	0/1
Mr. LEE Conway Kong Wai	31/34	3/3	9/9	N/A	1/1
Mr. WANG Yanguo *(note 3)*	16/32	N/A	6/8	4/4	0/1
Dr. CHEN Ying *(note 4)*	25/29	N/A	N/A	N/A	0/1
Mr. HAN Qing-hua *(note 1)*	0/1	N/A	N/A	N/A	N/A

Notes:

1. Mr. HAN Qing-hua passed away on 30 January 2015. His attendance was shown with reference to the number of the meetings held during the Reporting Period before his passing away.

2. Mr. GU Xin and Mr. YU Baodong resigned as the executive Director and non-executive Director respectively with effect from 9 February 2015. Their attendance were shown with reference to the number of the meetings held during the Reporting Period before their cessation as the Directors.

3. Mr. ZHU Yufeng, Mr. SHA Hongqiu and Mr. WANG Yanguo were appointed as the non-executive Director with effect from 9 February 2015 and subsequently Mr. ZHU Yufeng was appointed as the executive Director and chairman of the Nomination Committee with effect from 11 December 2015. Their attendance were shown with reference to the number of the meetings held during the Reporting Period after their appointment as the Directors, members of the Remuneration Committee and chairman/members of the Nomination Committee.

4. Mr. SUN Xingping and Dr. CHEN Ying were appointed as the executive Director and independent non-executive Director respectively with effect from 22 April 2015. Their attendance were shown with reference to the number of the meetings held during the Reporting Period after their appointment as the Directors.

5. Mr. ZHANG Guoxin resigned as the executive Director with effect from 26 June 2015. His attendance was shown with reference to the number of the meetings held during the Reporting Period before his cessation as the Director.

6. Mr. YEUNG Man Chung, Charles was appointed as the non-executive Director with effect from 18 September 2015. His attendance was shown with reference to the number of the meetings held during the Reporting Period after his appointment as the Director.

7. Mr. TANG Cheng resigned as the executive Director and chairman of the Nomination Committee with effect from 11 December 2015. His attendance was shown with reference to the number of the meetings held during the Reporting Period before his cessation as the Director and chairman of Nomination Committee.

8. Mr. TONG Wan Sze was appointed as the executive Director with effect from 11 December 2015. His attendance was shown with reference to the number of the meetings held during the Reporting Period after his appointment as the Director.

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 (being the non-executive Director at that time), Ms. SUN Wei, Mr. SHA Hongqiu, Mr. WANG Bohua, Mr. XU Songda, Mr. WANG Yanguo and Dr. CHEN Ying were unable to attend the AGM held on 28 May 2015 as they had other important business engagement.

Induction and Continuous Development

Upon their appointment, Directors are advised on the legal and other duties and obligations they have as directors of a listed company. Each newly appointed Director receives a comprehensive induction package designed to enhance his/her knowledge and understanding of the Group's culture and operations. The package usually includes a briefing or an introduction to the Group's structure, businesses strategies, recent developments and governance practices. Discussion sessions with key management personnel are also held.

Through the course of their directorship, Directors are updated on any developments or changes affecting the Company and their obligations to it at regular Board meetings.

The Company provided continuous professional training and Directors received regular updates and presentations on changes and developments to the Group's business and to the legislative and regulatory environments in which the Group operates from time to time. In addition, all Directors were requested to provide the Company with the records of the other training they received. All Directors are also encouraged to attend relevant training courses at the Company's expense. During the Reporting Period, the Company has applied and paid for training sessions held by external professional party for Directors.

The Directors acknowledge the need for continuous professional development so that they can continue contributing to the Company, and the Company provides support whenever relevant and necessary.

Company Secretary

The selection, appointment and dismissal of the company secretary (the "Company Secretary") of the Company is subject to approval by the Board in accordance with the Bye-laws and CG Code. The Company Secretary is an employee of the Company and responsible for facilitating the Board's processes and communications among Board members, with the Shareholders and with the management of the Company. Draft and final versions of minutes are disseminated to Directors for comment and filed for record purposes respectively within a reasonable time after each meeting. All Directors have access to the minutes of the Board and committee meetings of the Company.

Index and Market Recognition

GCL New Energy is currently a constituent member of the Morgan Stanley Capital International ('MSCI') Global Small Cap Indexes-MSCI Hong Kong Index with effective from November 2014, which indicated market recognition for the Company's achievements and growth potential in the industry and has enhanced its reputation on the international capital market.

Report of the Directors

The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2015.

Principal Activities and Segment Information

For the Reporting Period, the principal activity of the Company is investment holding. The principal activities of the Group were the development, construction, operation and management of solar power plants as well as the manufacturing and selling of printed circuit boards.

An analysis of the performance of the Group for the Reporting Period by segments is set out in note 6 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income on page 59. The Board does not recommend the payment of a final dividend for the Reporting Period.

Reserves

Details of movements in the reserves of the Group and of the Company during the Reporting Period are set out in the consolidated statement of changes in equity on pages 62 to 63 and note 44 to the consolidated financial statements.

As at 31 December 2015, the Company had no distributable reserves calculated in accordance with the Companies Act 1981 of Bermuda (as amended) (31 December 2014: Nil).

Donations

Charitable and other donations made by the Group during the Reporting Period amounted to approximately RMB6,911,000.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the Reporting Period are set out in note 15 to the consolidated financial statements.

Share Capital

Details of movements in the share capital of the Company during the Reporting Period are set out in note 32 to the financial statements.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 23 May 2016 to Tuesday, 24 May 2016, both days inclusive, during which period no transfer of shares (the "Shares") of the Company will be effected and for the purpose of determining the identity of members who are entitled to attend and vote at the AGM of the Company to be held on Tuesday, 24 May 2016 at 11:00 a.m. In order to be eligible to attend and vote at the AGM, all completed share transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Friday, 20 May 2016.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Bye-laws, or the laws of Bermuda which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

Summary Financial Information

A summary of the results and of the assets and liabilities of the Group for the last five financial years/period is set out on page 170. Readers of the summary financial information are strongly encouraged to read the Management Discussion and Analysis section set out in this annual report, which does not form part of the consolidated financial statements, for a reasonable appreciation of the Group's financial results and positions in the context of its activities.

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 Reporting Period.

Directors

The Directors during the Reporting Period and up to the date of this report were:

Executive Directors	Non-executive Directors	Independent Non-executive Directors
Mr. ZHU Gongshan *(Honorary Chairman)* Mr. ZHU Yufeng *(Chairman)* *(appointed as an executive Director on 11 December 2015)* Mr. SUN Xingping *(President)* *(appointed on 22 April 2015)* Ms. HU Xiaoyan Mr. TONG Wan Sze *(appointed on 11 December 2015)* Mr. YIP Sum Yin Mr. TANG Cheng *(resigned on 11 December 2015)* Mr. ZHANG Guoxin *(resigned on 26 June 2015)* Mr. GU Xin *(resigned on 9 February 2015)*	Ms. SUN Wei Mr. SHA Hongqiu *(appointed on 9 February 2015)* Mr. YEUNG Man Chung, Charles *(appointed on 18 September 2015)* Mr. YU Baodong *(resigned on 9 February 2015)*	Mr. WANG Bohua Mr. XU Songda Mr. WANG Yanguo *(appointed on 9 February 2015)* Mr. LEE Conway Kong Wai Dr. CHEN Ying *(appointed on 22 April 2015)* Mr. HAN Qing-hua *(passed away on 30 January 2015)*

In accordance with bye-law 83(2) of the Bye-laws, Mr. YEUNG Man Chung, Charles was appointed as a non-executive director of the Company on 18 September 2015 and as an addition to the Board, and Mr. TONG Wan Sze was appointed as an executive director of the Company on 11 December 2015 to fill a casual vacancy. Mr. YEUNG shall hold office until the forcoming annual general meeting of the Company and Mr. TONG shall hold office until the first general meeting of the Company following his appointment and, being eligible, both Mr. YEUNG and Mr. TONG will offer themselves for re-election at the AGM.

In accordance with bye-law 84(1) of the Bye-laws, at each annual general meeting one-third of the Directors of the Company shall retire from office and shall be eligible for re-election. Each of Mr. WANG Bohua, Mr. XU Songda and Mr. LEE Conway Kong Wai shall retire by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM. Mr. ZHU Gongshan will not offer himself for re-election at the AGM. Mr. ZHU Gongshan confirms that he has no claims whatsoever against the Company for fees, compensation for loss of office, remuneration, severance payments, pension, expenses or otherwise and there is no disagreement with the Board and there are no matters relating to his retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

The Company confirmed that it has received from each of the independent non-executive Directors the annual confirmation for his/her independence pursuant to the Listing Rules and still considers them to be independent as at the date of this annual report.

The Directors' biographical details are set out on pages 28 to 32.

Directors' Service Contracts

No Director proposed for re-election at the AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Share Option Schemes

2014 Share Option Scheme

The Company adopted a new share option scheme on 15 October 2014 (the "2014 Share Option Scheme"). The purpose of the 2014 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 2014 Share Option Scheme shall be valid and effective for a period of 10 years from 15 October 2014, after which no further options will be granted or offered but the provisions of the 2014 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the 2014 Share Option Scheme.

Particulars of the 2014 Share Option Scheme are set out in note 33 to the consolidated financial statements.

Share options were first granted on 23 October 2014 to subscribe for 536,840,000 Shares. No option was exercised, cancelled or lapsed during the Reporting Period. Share options were second granted on 24 July 2015 to subscribe for 473,460,000 Shares. No option was exercised or cancelled during the Reporting Period. The fair values of the share options granted during the Reporting Period are set out in note 33 to the consolidated financial statements. As at the date of this annual report, 22 March 2016, the total number of shares issuable under the first grant on 23 October 2014 and second grant on 24 July 2015 are 154,192,000 shares (0.81% of total issued Shares) and nil share respectively.

Details of the share options movements under the 2014 Share Option Scheme of the Company during the Reporting Period are as follows:

				Number of share options				
Name or category of Participants	**Date of grant**	**Exercise Period**	**Exercise Price HK$** *(Note i)*	**As at 01.01.2015**	**Granted during the Reporting Period**	**Lapsed during the Reporting Period**	**Transferred during the Reporting Period** *(Note ii)*	**Outstanding as at 31.12.2015** *(Note i)*
Current Directors:								
Mr. ZHU Yufeng	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	3,500,000	–	–	3,500,000
Mr. SUN Xingping	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	16,000,000	–	–	16,000,000
Ms. HU Xiaoyan	23.10.2014	24.11.2014 to 22.10.2024	1.1875	16,000,000	–	–	–	16,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	3,000,000	–	–	3,000,000

Name or category of Participants	Date of grant	Exercise Period	Exercise Price HK$ *(Note i)*	Number of share options: As at 01.01.2015	Granted during the Reporting Period	Lapsed during the Reporting Period	Transferred during the Reporting Period *(Note ii)*	Outstanding as at 31.12.2015 *(Note i)*
Mr. TONG Wan Sze *(appointed on 11 December 2015)*	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	–	–	8,000,000	8,000,000
Mr. YIP Sum Yin	23.10.2014	24.11.2014 to 22.10.2024	1.1875	12,000,000	–	–	–	12,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	2,700,000	–	–	2,700,000
Ms. SUN Wei	23.10.2014	24.11.2014 to 22.10.2024	1.1875	24,000,000	–	–	–	24,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	3,000,000	–	–	3,000,000
Mr. SHA Hongqiu	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	8,000,000	–	–	8,000,000
Mr. YEUNG Man Chung, Charles	23.10.2014	24.11.2014 to 22.10.2024	1.1875	–	–	–	12,000,000	12,000,000
(appointed on 18 September 2015)	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	–	–	3,000,000	3,000,000
Mr. WANG Bohua	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	–	–	–	2,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	600,000	–	–	600,000
Mr. WANG Yanguo	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	1,000,000	–	–	1,000,000
Mr. XU Songda	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	–	–	–	2,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	600,000	–	–	600,000
Mr. LEE Conway Kong Wai	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	–	–	–	2,000,000
	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	600,000	–	–	600,000
Dr. CHEN Ying	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	1,000,000	–	–	1,000,000
Sub-total				58,000,000	40,000,000	–	23,000,000	121,000,000
Other:								
Eligible persons (in aggreagate)	23.10.2014	24.11.2014 to 22.10.2024	1.1875	478,840,000	–	(142,120,000)	(12,000,000)	324,720,000
(Notes iii to vii)	24.07.2015	24.7.2015 to 23.7.2025	0.61	–	433,460,000	(23,280,000)	(11,000,000)	399,180,000
Total				536,840,000	473,460,000	(165,400,000)	–	844,900,000

Notes:

(i) Pursuant to the terms of the 2014 Share Option Scheme, adjustments are required to be made to the exercise price and the number of Shares that can be subscribed for under the outstanding share options as a result of the rights issue of the Company (the "Rights Issue") with effect from 2 February 2016. The exercise prices were adjusted to HK$1.1798 and HK$0.6060 for the grant of share options on 23 October 2014 and 24 July 2015 respectively. Details can be referred to the announcement of the Company dated 2 February 2016.

(ii) The share options granted on 23 October 2014 are subject to a vesting scale in five even tranches and the first, second, third and fourth anniversary dates of the grant date, respectively. The share options granted on 24 July 2015 are subject to the achievement of performance target and a vesting scale in five even tranches and the first, second, third and fourth anniversary dates of the grant date, respectively.

(iii) Mr. Tang Cheng ("Mr. Tang"), who was entitled to 26,000,000 share options (granted on 23 October 2014) and 3,000,000 share options (granted on 24 July 2015) with an exercise price of HK$1.1875 per share and HK$0.61 per share respectively, resigned as the Chairman and executive Director with effect from 11 December 2015. The entitlement of Mr. Tang was re-classified to the category of "Other: Eligible person" under the column of "As at 01.01.2015".

(iv) Mr. HAN Qing-hua ("Mr. Han"), who was entitled to and vested with 2,000,000 and 400,000 share options for share options 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 person" under the column of "As at 01.01.2015".

(v) 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 person" under the column of the "As at 01.01.2015" and subsequently lapsed during the six months ended 30 June 2015.

(vi) 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 person" under the column of "As at 01.01.2015".

(vii) Mr. ZHANG Guoxin ("Mr. Zhang"), who was entitled to and vested with 24,000,000 (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 entitlement of Mr. Zhang was re-classified to the category of "Other: Eligible person" under the column of "As at 01.01.2015".

Interests of Directors and Chief Executive

As at 31 December 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 Companies (the "Model Code") were as follows:

(A) Long Position in the Ordinary Shares

	Number of Shares *(Note 1)*			
Name of Director	**Beneficiary of a trust**	**Number of underlying Shares**	**Total**	**Approximate percentage of issued Shares**
Mr. ZHU Yufeng	–	3,500,000	3,500,000	0.03%
Mr. SUN Xingping	–	16,000,000	16,000,000	0.12%
Ms. HU Xiaoyan	–	19,000,000	19,000,000	0.14%
Mr. TONG Wan Sze *(appointed on 11 December 2015)*	–	8,000,000	8,000,000	0.06%
Mr. YIP Sum Yin	708,963,376 *(Note 2)*	14,700,000	723,663,376	5.22%
Ms. SUN Wei	–	27,000,000	27,000,000	0.19%
Mr. SHA Hongqiu	–	8,000,000	8,000,000	0.06%
Mr. YEUNG Man Chung, Charles *(appointed on 18 September 2015)*	–	15,000,000	15,000,000	0.11%
Mr. WANG Bohua	–	2,600,000	2,600,000	0.02%
Mr. WANG Yanguo	–	1,000,000	1,000,000	0.01%
Mr. XU Songda	–	2,600,000	2,600,000	0.02%
Mr. LEE Conway Kong Wai	–	2,600,000	2,600,000	0.02%
Dr. CHEN Ying	–	1,000,000	1,000,000	0.01%

Notes:

1. Adjustments are required to be made to the number of underlying Shares as a result of the Rights Issue with effect from 2 February 2016. Details can be referred to the announcement of the Company dated 2 February 2016.

2. 708,663,400 Shares of HK$1/240 each (equivalent to HK$0.00416̇) 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

	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	5,723,811,992 *(Note 1)*	–	–	260,000,000 *(Note 1)*	5,983,811,992	38.63%
Mr. ZHU Yufeng	5,723,811,992 *(Note 1)*	–	–	262,500,000 *(Notes 1 & 3)*	5,986,311,992	38.65%
Ms. SUN Wei	–	–	5,723,000	4,700,000 *(Note 2)*	10,423,000	0.07%
Mr. SHA Hongqiu	–	–	–	1,680,000 *(Note 2)*	1,680,000	0.01%

Notes:

(1) An aggregate of 4,769,843,327 shares of GCL-Poly are collectively held by Highexcel Investments Limited ("Highexcel"), Happy Genius Holdings Limited ("Happy Genius") and Get Famous Investments Limited ("Get Famous"), which are wholly-owned by Golden Concord Group Limited, which in turn is wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited is ultimately held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries. Highexcel, Happy Genius and Get Famous had collectively irrevocably undertaken in an underwriting agreement dated 15 December 2015 to GCL-Poly and the underwriter that they will accept or procure the acceptance of the 953,968,665 rights shares as announced under the announcement of GCL-Poly dated 15 December 2015. Happy Genius had lent 260,000,000 shares of GCL-Poly to the convertible bond investor's associate under a securities lending agreement dated 27 November 2013 (as amended by an amendment agreement dated 15 July 2015), 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 per share.

(3) The 262,500,000 underlying shares of GCL-Poly comprises 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 31 December 2015, none of the Directors or any 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 scheme, at no time during the Reporting Period 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.

Interests of Substantial Shareholders

As at 31 December 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 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 (L) *(Note 2)*	5.11%
Aberdare	Corporate interest	708,663,400 (L) *(Note 2)*	5.11%
Mr. YIP How Yin, Maurice	Settlor and beneficiary of a trust	708,963,376 (L) *(Note 2)*	5.11%
Ms. YU Hung Min	Beneficiary of a trust	708,663,400 (L) *(Note 2)*	5.11%
Mr. YIP Wing Fung	Beneficiary of a trust	708,663,400 (L) *(Note 2)*	5.11%
Elite Time Global Limited	Beneficial owner	8,640,000,000 (L) *(Note 3)*	62.28%
GCL-Poly	Corporate interest	8,640,000,000 (L) *(Note 3)*	62.28%
COAMI ABS No.1 Limited	Beneficial owner	807,395,833 (L) *(Note 4)*	5.82%
Walkers Fiduciary Limited	Corporate interest	807,395,833 (L) *(Note 4)*	5.82%
Haitong International Securities Company Limited	Beneficial owner	2,327,863,830 (L) *(Note 5)*	11.40% *(Note 6)*
Haitong International Securities Group Limited	Corporate interest	2,327,863,830 (L) *(Note 5)* 2,327,863,830 (S)	11.40% *(Note 6)*
Haitong Securities Co., Ltd	Corporate interest	2,327,863,830 (L) *(Note 5)* 2,327,863,830 (S)	11.40% *(Note 6)*

Notes:

1. "L" denotes a long position whilst the letter "S" denotes a short position.

2. These Shares were beneficially owned by Sum Tai. Please refer to the Note 2 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.

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

4. Talent Legend Holdings Ltd. assigned the outstanding convertible bonds ("Convertible Bonds") in the aggregate principal amount of HK$775,100,000 issued to Talent Legend Holdings Ltd. due on 27 March 2018 to COAMI ABS No. 1 Limited with effect from 11 December 2015. COAMI ABS No.1 Limited is wholly owned by Walkers Fiduciary Limited. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, COAMI ABS No. 1 Limited and its ultimate holding company are not connected persons (as defined in the Listing Rules) of the Company.

5. According to the notice of interests filed by Haitong International Securities Group Limited and Haitong Securities Co., Ltd. on 26 November 2014, Haitong International Securities Company Limited is indirectly wholly-owned by Haitong International Securities Group Limited, which is indirectly owned as to 60.01% by Haitong Securities Co., Ltd.

6. The approximate percentage of the total issued Shares is calculated based on the maximum number of Shares in issue upon completion of the Rights Issue, being 20,415,500,711 shares (assuming all vested Share Options, Convertible Bonds and convertible bonds issued to Ivyrock are exercised on or before completion of Rights Issue).

Save as disclosed herein, as at 31 December 2015, according to the register of interests required to be kept by the Company under section 336 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.

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 his family members have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at 31 December 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 Reporting Period 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.

Connected Transactions

The Group did not enter into any connected transaction within the meaning of Chapter 14A of the Listing Rules during the Reporting Period.

Continuing Connected Transactions

Details of the related party transactions of the Group during the Reporting Period are set out in note 41 to the consolidated financial statements.

Leases of Factories

The rental paid or payable for leases of factories to Mr. Yip Sum Yin and his family members/related company during the Reporting Period constituted de minimis transactions under Chapter 14A of the Listing Rules and therefore was fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules.

Office Service Fees

Payments of shared office services to Peaceful Power Limited and Treasure Champ Investments Limited pursuant to the service agreement with the Company were exempt continuing connected transactions under Rules 14A.98 of the Listing Rules.

Interests on loan from a joint venture/fellow subsidiaries

The interest income from 伊犁協鑫能源有限公司 (Yili GCL New Energy Limited*), a joint venture of the Company, during the Reporting Period constituted de minimis transactions under Chapter 14A of the Listing Rules and therefore was fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules.

The interest on loan from 保利協鑫（蘇州）新能源有限公司 (GCL-Poly (Suzhou) New Energy Company Limited*), a fellow subsidiary of the Company during the Reporting Period constituted de minimis transactions under Chapter 14A of the Listing Rules and therefore was fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules.

Compensation of Key Management

Payments of emoluments and bonus to the Directors pursuant to their respective service contracts with the Company were exempt connected transactions under Rules 14A.95 of the Listing Rules while payments of emoluments/consultancy fee to senior management do not constitute connected transactions under Chapter 14A of the Listing Rules.

Purchase of Property, Plant and Equipment

Reference is made to the (i) the announcements of the Company dated 10 November 2014 and 28 November 2014 (the "November Announcements") where the Company announced that the restructuring plan of Shanghai Chaori Solar Energy Science & Technology Co., Ltd.* (the "Restructuring Plan") was approved by the creditors of Shanghai Chaori on 23 October 2014 and the Shanghai Municipal First Intermediate People's Court on 28 October 2014 and (ii) the announcement of the Company dated 23 January 2015 (together with the November Announcements, the "Announcements") in relation to an extraordinary general meeting of Shanghai Chaori on 10 February 2015 (the "Shanghai Chaori EGM") to approve, among other things, the appointment of directors in Shanghai Chaori nominated by Jiangsu Golden Concord, a company in which Mr. Zhu Gongshan, Mr. Zhu Yufeng and their family members (collectively, the "Zhu Family") have beneficial interest (the "Appointment").

The Board has been informed that the Appointment has been approved by the shareholders of Shanghai Chaori at the Shanghai Chaori EGM. As a result of the Appointment being approved, the Zhu Family is deemed to have obtained control of the composition of a majority of the board of directors of Shanghai Chaori. Jiangsu Golden Concord is currently interested in a 21% interest in Shanghai Chaori.

As Mr. Zhu Gongshan (an executive Director) and Mr. Zhu Yufeng (a non-executive Director and was appointed as an executive Director on 11 December 2015) are connected persons of the Company, Shanghai Chaori has become a connected person of the Company pursuant to Chapter 14A of the Listing Rules on 10 February 2015 as a result of the Appointment being approved at the Shanghai Chaori EGM.

As the Group had entered into the Shanghai Chaori Agreements, the Aggregated New Shanghai Chaori Agreements and the Eighth Module Sales Agreement (together the "Past Shanghai Chaori Agreements") with Shanghai Chaori prior to Shanghai Chaori becoming a connected person of the Company, the Past Shanghai Chaori Agreements and transactions contemplated thereunder have become continuing connected transactions (the "Shanghai Chaori CCT") of the Company on 10 February 2015 as a result of the Appointment being approved at the Shanghai Chaori EGM. Pursuant to Rule 14A.60 of the Listing Rules, the Company has complied with the applicable reporting and disclosure requirements under Chapter 14A of the Listing Rules regarding such continuing connected transactions. The Company shall comply with all connected transaction requirements under Chapter 14A of the Listing Rules upon any variation or renewal of such agreements. The related party transactions regarding the purchase of property, plant and equipment represented Shanghai Chaori CCT.

Details of the transaction have been set out in the announcement dated 10 February 2015 issued by the Company.

Management Services Income

On 22 August 2014, 南京協鑫新能源發展有限公司 (Nanjing GCL New Energy Development Limited*) ("Nanjing GCL New Energy") and 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 Group"), a subsidiary of GCL-Poly, entered into operation service agreement (the "Operation Service Agreement") for a term of three years commencing from 10 July 2014 (the "Continuing Connected Transactions with Suzhou GCL-Poly Group"). Under the Operation Service Agreement, Nanjing GCL New Energy will provide operation and management services for the power plants of Suzhou GCL-Poly Group under the terms and conditions set out in the Operation Service Agreement.

Nanjing GCL New Energy has agreed to provide operation and management services to Suzhou GCL-Poly Group for an annual fee of RMB35,300,000 (equivalent to approximately HK$44,400,340), receivable monthly in arrears for the period of three years commencing from 10 July 2014. The maximum aggregate annual values of the continuing connected transactions, as calculated with reference to the fees receivable under the Operation Service Agreement, were/will be RMB16,924,658 (equivalent to approximately HK$21,287,835) for the period from 10 July 2014 to 31 December 2014, RMB35,300,000 (equivalent to approximately HK$44,400,340) for the year ended 31 December 2015 (the "Annual Cap of the Reporting Period"), RMB35,300,000 (equivalent to approximately HK$44,400,340) for the year ending 31 December 2016, RMB18,375,342 (equivalent to approximately HK$23,112,505) for the period from 1 January 2017 to 9 July 2017.

The operation and management services include capital management, technology training, management consulting and other management services including budgeting, assets management, cost management, financial management, human resources and information management.

The fees receivable under the Operation Service Agreement were determined by arm's length negotiations between the parties and taking into account the installed capacity of the power plants, costs and risks of management. The existing installed capacity of the power plants is 353MW and the charging rate is RMB0.10 per watt.

Details of the transaction have been set out in the announcement dated 22 August 2014 issued by the Company.

The amount paid or payable to the Group for the provision of construction services under the Operation Service Agreement for the Reporting Period was RMB33,502,887. The independent non-executive Directors have reviewed such transactions for the Reporting Period and confirmed that such transactions have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the terms of the Operation Service Agreement that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the auditor of the Company to conduct certain procedures in respect of the continuing connected transactions of the Group in accordance with the Hong Kong Standard on Assurance Engagement 3000 "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The auditor has confirmed to the Board in writing that for the Relevant Period, the continuing connected transactions, which were entered into:

1. have received the approval of the Board;

2. have been in accordance with the pricing policies of the Company for transactions involving the provision of goods or services;

3. have been in accordance with the relevant agreement governing such transactions; and

4. have not exceeded the relevant announced cap amounts for the Relevant Period.

* *English name for identification only*

Directors' Interests in Contracts of Significance

Save as disclosed above no contracts of significance in relation to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which the Director had a material interest, whether directly or indirectly, subsisted at the end or at any time during the Reporting Period and up to the date of this report.

Emolument Policy

The emolument policy of the Group to reward its employees is based on their performance, qualifications, competence and market comparables. Remuneration package generally comprises salary, contribution to pension schemes and bonuses relating to the profit of the relevant company and individual's performance. The remuneration package of the executive Directors and the senior management are also linked to the performance of the Group and the return to its shareholders. The remuneration policy of the executive Directors is reviewed by the Remuneration Committee.

The Company has adopted 2014 Share Option Scheme as an incentive to Directors and eligible employees, details of the schemes are set out under the section headed "Share Option Schemes" in this report and in note 33 to the consolidated financial statements.

Retirement Benefit Plans

Details of the Group's retirement benefit plans are shown in note 40 to the consolidated financial statements.

Remuneration of Directors and Senior Management

Details of the remuneration paid by the Group to the Directors of the Company and the senior management of the Group for the Reporting Period are set out in note 12 to the consolidated financial statements.

Arrangement to Purchase Shares or Debentures

Other than as disclosed above, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Management Contracts

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the Reporting Period.

Finance Costs Capitalised

Finance costs amounting to approximately RMB138,781,000 (31 December 2014: RMB3,102,000 (Restated)) were capitalised by the Group during the Reporting Period as set out in note 9 to the consolidated financial statements.

Major Customers and Suppliers

The percentages of purchases and sales for the period/year attributable to the Group's major suppliers and customers are as follows:

	For the year ended 31 December 2015 %	Nine months ended 31 December 2014 %
Purchases		
– the largest supplier	**23**	26
– the five largest suppliers combined	**48**	54
Sales		
– the largest customer	**11**	16
– the five largest customers combined	**34**	37

None of the Directors, their associates or shareholders (who to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in the major suppliers or customers noted above.

Sufficiency of Public Float

As at the date of this annual report, to the best knowledge of the Directors and based on the information publicly available to the Directors, the Company has maintained sufficient public float of the Shares.

Auditor

With effect from 28 October 2015, Messrs. PricewaterhouseCoopers has resigned as auditor of the Company and Messrs. Deloitte Touche Tohmatsu has been appointed as auditor of the Company to fill the casual vacancy following the resignation of Messrs. Pricewaterhouse Coopers and to hold office until the conclusion of the AGM of the Company.

The consolidated financial statements have been audited by Messrs. Deloitte Touche Tohmatsu, who retires and, being eligible, offers itself for re-appointment at the AGM. A resolution will be proposed at the AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

By order of the Board

ZHU Yufeng
Chairman

Hong Kong, 22 March 2016

Communication with Shareholders

Access to Information

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, interim and/or quarter), 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 1701A-1702A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Telephone:	(852) 2606-9200
Facsimile:	(852) 2462-7713
Email:	gneir@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

Independent Auditor's Report

Deloitte.
德勤

TO THE SHAREHOLDERS OF GCL NEW ENERGY HOLDINGS LIMITED
協鑫新能源控股有限公司
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of GCL New Energy Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 169, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2 to the consolidated financial statements which indicates that the Group's current liabilities exceeded its current assets by approximately RMB6,303 million as at 31 December 2015; and it had incurred a net loss of approximately RMB15 million for the year then ended. In addition, the Group entered into agreements during the year ended 31 December 2015 and up to the date of this report to acquire solar power plant sites and construct the solar power plants thereon which will involve total capital expenditures of approximately RMB6,689 million. The directors have performed an assessment of the Group's future liquidity and cash flows which included a review of assumptions about the likelihood of success of the measures being implemented to ensure the Group's financing needs. These assumptions are described in more detail in note 2 to the consolidated financial statements. Based on this assessment, the director are satisfied that the Group would have sufficient working capital to finance its operations and to pay its financial obligations as and when they fall due for the foreseeable future. However, these conditions, along with other matters as described in more detail in note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

Other Matter

The consolidated financial statements of the Group for the period ended 31 December 2014 were audited by another auditor who expressed an unqualified opinion with an emphasis of matter paragraph about the going concern basis on those statements on 25 March 2015.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
22 March 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2015

	NOTES	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Revenue	6	**1,969,899**	930,433
Cost of sales		**(1,447,365)**	(855,380)
Gross profit		**522,534**	75,053
Other income	7	**277,577**	67,198
Distribution and selling expenses		**(17,133)**	(13,407)
Administrative expenses		**(358,805)**	(146,579)
Share-based payment expenses	33	**(135,542)**	(72,895)
Gain on change in fair value on convertible bonds	30	**29,064**	–
Change in fair value of embedded derivatives in convertible redeemable bonds	30	**–**	45,475
Other expenses, gains and losses, net	8	**53,018**	(16,661)
Impairment loss recognised on plant and equipment	15	**(42,104)**	–
Bargain purchase from business combination	34	**21,626**	–
Share of profits (losses) of joint ventures	17	**9,019**	(542)
Finance costs	9	**(335,923)**	(14,793)
Profit (loss) before tax		**23,331**	(77,151)
Income tax expense	10	**(38,803)**	(12,298)
Loss for the year/period	11	**(15,472)**	(89,449)
Other comprehensive income (expense):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation		**32,548**	(5,911)
Total comprehensive income (expense) for the year/period		**17,076**	(95,360)
Loss for the year/period attributable to:			
Owners of the Company		**(15,229)**	(89,397)
Non-controlling interests		**(243)**	(52)
		(15,472)	(89,449)
Total comprehensive income (expense) for the year/period attributable to:			
Owners of the Company		**17,321**	(95,310)
Non-controlling interests		**(245)**	(50)
		17,076	(95,360)
		RMB cent	RMB cent (Restated)
Loss per share	14		
– Basic		**(0.11)**	(0.71)
– Diluted		**(0.30)**	(0.71)

Consolidated Statement of Financial Position

At 31 December 2015

	NOTES	At 31 December 2015 RMB'000	At 31 December 2014 RMB'000 (Restated)	At 1 April 2014 RMB'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment	15	**14,193,691**	5,269,499	681,025
Prepaid lease payments	16	**52,159**	6,799	16,524
Interests in joint ventures	17	**67,633**	42,059	–
Amounts due from related companies	18	**129,936**	21,534	–
Deferred tax assets	31	**20,941**	10,073	–
Deposits, prepayment and other non-current assets	19	**2,355,322**	842,191	7,468
Pledged bank and other deposits	24	**126,980**	9,498	–
		16,946,662	6,201,653	705,017
CURRENT ASSETS				
Inventories	20	**166,784**	137,858	161,855
Trade and other receivables	21	**3,150,943**	451,412	289,906
Other loan receivables	23	**389,378**	–	–
Amounts due from related companies	18	**55,972**	35,629	–
Prepaid lease payments	16	**1,772**	–	–
Tax recoverable		**783**	–	–
Pledged bank and other deposits	24	**825,171**	438,900	4,000
Bank balances and cash	24	**1,964,993**	598,340	36,462
		6,555,796	1,662,139	492,223
CURRENT LIABILITIES				
Trade and other payables	25	**7,100,248**	2,874,138	377,656
Amounts due to related companies	18	**179,632**	44,874	–
Tax payable		**57,637**	38,803	31,798
Loan from a shareholder	26	**16,756**	15,778	15,767
Loans from fellow subsidiaries	26	**629,157**	750,000	–
Bank and other borrowings	27	**4,466,690**	254,066	193,363
Obligations under finance leases	28	**48,201**	29,899	15,320
Bonds payable	29	**360,000**	–	–
		12,858,321	4,007,558	633,904
NET CURRENT LIABILITIES		**(6,302,525)**	(2,345,419)	(141,681)
TOTAL ASSETS LESS CURRENT LIABILITIES		**10,644,137**	3,856,234	563,336

Consolidated Statement of Financial Position

At 31 December 2015

	NOTES	At 31 December 2015 RMB'000	At 31 December 2014 RMB'000 (Restated)	At 1 April 2014 RMB'000 (Restated)
NON-CURRENT LIABILITIES				
Bank and other borrowings	27	**7,393,429**	1,521,467	40,000
Obligations under finance leases	28	**47,163**	27,959	15,558
Convertible bonds	30	**732,856**	–	306,451
Deferred income		**6,623**	6,777	16,489
Deferred tax liabilities	31	**22,027**	11,310	10,852
		8,202,098	1,567,513	389,350
NET ASSETS		**2,442,039**	2,288,721	173,986
CAPITAL AND RESERVES				
Share capital	32	**48,491**	48,491	9,456
Reserves		**2,392,743**	2,239,880	164,530
Equity attributable to owners of the Company		**2,441,234**	2,288,371	173,986
Non-controlling interests		**805**	350	–
TOTAL EQUITY		**2,442,039**	2,288,721	173,986

The consolidated financial statements on pages 59 to 169 were approved and authorised for issue by the Board of Directors on 22 March 2016 and are signed on its behalf by:

Zhu Yufeng
DIRECTOR

Sun Xingping
DIRECTOR

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2015

	Attributable to owners of the Company									
	Share capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Legal reserves RMB'000	Translation reserve RMB'000	Share options reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Non-controlled interests RMB'000	Total equity RMB'000
At 1 April 2014	9,456	244,764	15,918	20,964	8,587	–	(125,703)	173,986	–	173,986
Loss for the period	–	–	–	–	–	–	(89,397)	(89,397)	(52)	(89,449)
Other comprehensive (expense) income for the period	–	–	–	–	(5,913)	–	–	(5,913)	2	(5,911)
Total comprehensive expense for the period	–	–	–	–	(5,913)	–	(89,397)	(95,310)	(50)	(95,360)
Transfer to legal reserve	–	–	–	4,231	–	–	(4,231)	–	–	–
Subscription of new shares *(note 32)*	28,559	1,113,793	–	–	–	–	–	1,142,352	–	1,142,352
Placement of new shares *(note 32)*	3,967	154,693	–	–	–	–	–	158,660	–	158,660
Shares issued upon conversion of convertible redeemable bond *(note 32)*	2,661	260,490	–	–	–	–	–	263,151	–	263,151
Top-up subscription for new share *(note 32)*	3,848	584,820	–	–	–	–	–	588,668	–	588,668
Transaction cost attributable to issue of new shares	–	(16,031)	–	–	–	–	–	(16,031)	–	(16,031)
Capital contributions from non-controlling interest	–	–	–	–	–	–	–	–	400	400
Recognition of equity settled share-based payments *(note 33)*	–	–	–	–	–	72,895	–	72,895	–	72,895
At 31 December 2014 (Restated)	48,491	2,342,529	15,918	25,195	2,674	72,895	(219,331)	2,288,371	350	2,288,721
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(15,229)**	**(15,229)**	**(243)**	**(15,472)**
Other comprehensive income (expense) for the year	**–**	**–**	**–**	**–**	**32,550**	**–**	**–**	**32,550**	**(2)**	**32,548**
Total comprehensive income (expense) for the year	**–**	**–**	**–**	**–**	**32,550**	**–**	**(15,229)**	**17,321**	**(245)**	**17,076**
Transfer to legal reserves	**–**	**–**	**–**	**26,094**	**–**	**–**	**(26,094)**	**–**	**–**	**–**
Recognition of equity settled share-based payments *(note 33)*	**–**	**–**	**–**	**–**	**–**	**135,542**	**–**	**135,542**	**–**	**135,542**
Forfeitures of share options *(note 33)*	**–**	**–**	**–**	**–**	**–**	**(40,804)**	**40,804**	**–**	**–**	**–**
Contribution from non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**700**	**700**
At 31 December 2015	**48,491**	**2,342,529**	**15,918**	**51,289**	**35,224**	**167,633**	**(219,850)**	**2,441,234**	**805**	**2,442,039**

Notes:

(a) Contributed surplus represents (i) the amount of HK$15,941,000 (equivalent to RMB16,924,000) credited to the contributed surplus as a result of the capital reduction and consolidation of shares of the Company on 16 September 2003; and (ii) the Company made a distribution in respect of 2008 final dividend amounting to HK$1,138,000 (equivalent to RMB1,006,000) out of the contributed surplus during the year ended 31 March 2009.

(b) Legal reserves represent the amounts set aside from the retained profits by certain subsidiaries incorporated in the PRC and is not distributable as dividend. In accordance with the relevant regulations and their articles of association, the Company's subsidiaries incorporated in the PRC are required to allocate at least 10% of their after-tax profit according to the PRC accounting standards and regulations to legal reserves until such reserves have reached 50% of registered capital. These reserves can only be used for specific purposes and are not distributable or transferable to the loans, advances, and cash dividends.

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2015

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
OPERATING ACTIVITIES		
Profit (loss) before tax	23,331	(77,151)
Adjustments for:		
Amortisation of prepaid lease payments	1,802	290
Amortisation of deferred income on government grants	(154)	(278)
Bad debts directly written off	896	2,164
Depreciation of property, plant and equipment	381,976	80,492
Loss on disposal of property, plant and equipment	941	–
Finance costs	335,923	14,793
Impairment loss recognised on plant and equipment	42,104	–
Impairment loss on goodwill	–	6,279
Interest income	(27,046)	(1,396)
Share-based payment expenses	135,542	72,895
Share of (profits) losses of joint ventures	(9,019)	542
Realised gain on convertible bonds payable upon conversion	–	(45,475)
Gain on change in fair value on convertible bonds	(29,064)	–
Bargain purchase from business combination	(21,626)	–
Write-off of/(reversal) of write-off of other receivables	66	(1,437)
Land use right written off	–	9,435
Reversal of government grants previously recognised as deferred income	–	(9,435)
Operating cash flows before movements in working capital	835,672	51,718
Increase in deposits, prepayment and other non-current assets	(162,779)	(359,221)
(Increase) decrease in inventories	(28,926)	23,997
(Increase) decrease in trade and other receivables	(1,870,287)	8,242
Increase (decrease) in amounts due from related companies	1,191	(12,703)
Increase (decrease) in trade and other payables	1,316,414	(129,119)
(Decrease) increase in amounts due to related companies	(34,616)	34,006
Cash generated from (used in) operations	56,669	(383,080)
Income taxes paid	(21,246)	(12,015)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	35,423	(395,095)

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2015

	NOTE	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
INVESTING ACTIVITIES			
Interest received		27,046	1,396
Payments for construction and purchase of property, plant and equipment		(7,902,802)	(2,096,287)
Acquisition of subsidiaries	34	(146,914)	(32,854)
Settlement of payables to vendors of solar power plants		(181,371)	–
Deposits paid for acquisitions of solar power projects		62,614	–
Capital injection to joint ventures		(16,255)	(7,542)
Loan to third parties		(389,378)	–
Proceeds from disposal of property, plant and equipment		409	–
Loans to a joint venture		(130,248)	–
Withdrawal of pledged bank and other deposits		440,258	5,600
Placement of pledged bank and other deposits		(944,011)	(440,427)
NET CASH USED IN INVESTING ACTIVITIES		(9,180,652)	(2,570,114)
FINANCING ACTIVITIES			
Interest paid		(438,478)	(17,641)
Proceeds from bank borrowings		12,113,395	1,094,464
Repayment of bank borrowings		(2,282,686)	(197,375)
Proceeds from loans from a fellow subsidiary		999,268	750,000
Repayment of loans from a fellow subsidiary		(1,120,112)	–
Proceeds from issuance of shares		–	1,873,649
Proceeds from issuance of convertible bonds		768,964	–
Proceeds from issuance of bonds		360,000	–
Advance from third parties		40,600	–
Proceeds from inception of sales and lease back of finance leases		76,593	46,230
Repayment of obligations under finance leases		(39,190)	(19,274)
Contribution from non-controlling interests		700	400
NET CASH FROM FINANCING ACTIVITIES		10,479,054	3,530,453
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,333,825	565,244
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD		598,340	36,462
Effect of exchange rate changes on the balance of cash held in foreign currencies		32,828	(3,366)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD represented by bank balances and cash		1,964,993	598,340

Notes to the Consolidated Financial Statement

1. General Information

GCL New Energy Holdings Limited (the "Company") is incorporated in Bermuda as exempted company with limited liability. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its immediate parent is Elite Time Global Limited, a company incorporated in British Virgin Islands. Its ultimate parent is GCL-Poly Energy Holdings Limited ("GCL-Poly"), a company incorporated in the Cayman Islands with shares listed on the Stock Exchange. The address of the registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business is at Unit 1701A-1702A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Company is an investment holding company. Its subsidiaries are principally engaged in the development, construction, operation and management of solar power plants ("Solar Energy Business"), as well as the manufacturing and selling of printed circuit boards ("PCB Business").

In July 2014, the Company changed its financial year end date from 31 March to 31 December to align with the financial year end date of its subsidiaries incorporated in the People's Republic of China (the "PRC"). Accordingly, the corresponding comparative amounts presented in the consolidated financial statements for the year ended 31 December 2015 shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes covered a nine-month period from 1 April 2014 to 31 December 2014 and therefore may not be comparable with amounts shown for the current year.

Prior to 1 July 2015, Hong Kong dollars ("HK$") was regarded as the functional currency of the Company and the consolidated financial statements were also presented in HK$. After reviewing the Group's interim financial performance, the directors of the Company (the "Directors") consider that as a result of continued growth of the Solar Energy Business in the PRC, the primary economic environment in which the Company operates has changed and it is more appropriate to use Renminbi ("RMB") as the functional currency. The presentation currency also changed to RMB in line with the change in functional currency.

The change in functional and presentation currencies was accounted for in accordance with International Accounting Standard ("IAS") 21 *The Effects of Changes in Foreign Exchange Rates*. Comparative figures have been re-stated to reflect the change in the Group's presentation currency. The Group has also presented the consolidated statement of financial position as at 1 April 2014 without related notes.

For the purpose of re-presentation of the consolidated financial statements of the Group from Hong Kong dollars to RMB, the assets and liabilities as at 1 April 2014 and 31 December 2014 were translated into RMB at the closing rate as of the respective reporting dates. Income and expenses are translated at the average exchange rates for the respective period years. Share capital, share premium and reserves were translated at the exchange rate at the date when the respective amounts were determined (i.e. historical exchange rates).

2. Basis of Preparation

As at 31 December 2015, the Group's current liabilities exceeded its current assets by approximately RMB6,303 million; and it incurred a net loss of approximately RMB15 million for the year then ended. In addition, as at 31 December 2015, the Group has capital commitments to acquire solar power plant sites and construct solar power plants which will involve capital expenditures of approximately RMB6,689 million to be settled within the next twelve months from 31 December 2015. This included payables of approximately RMB4,275 million that have been recognised in current liabilities (note 25). In addition, the Group, subject to the availability of additional financial resources, is currently looking for further opportunities to increase the scale of its solar power plant operations through mergers and acquisitions. In the event that the Group is successful in securing more solar power plant investments or expanding the investments in the existing solar power plants in the coming twelve months from 31 December 2015, additional cash outflows will be required to settle further committed capital expenditure.

As at 31 December 2015, the Group's total borrowings comprising bank and other borrowings, convertible bonds, bonds payable, obligations under finance leases, loan from a shareholder and loans from fellow subsidiaries amounted to approximately RMB13,694 million, out of which approximately RMB5,521 million will be due in the coming twelve months provided that the covenants under the borrowing agreements are satisfied. The Group's pledged bank and other deposits and bank balances and cash amounted to approximately RMB952 million and RMB1,965 million as at 31 December 2015, respectively. The financial resources available to the Group as at 31 December 2015 and up to the date of approval of these consolidated financial statements may not be sufficient to satisfy the above capital expenditure requirements. The Group is actively pursuing additional financing including, but not limited to, equity and debt financing and bank borrowings.

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 and therefore, the Directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from 31 December 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 power plants, that will be due in the coming twelve months from 31 December 2015 upon successful implementation of the following measures which will generate adequate financing and operating cash inflows for the Group:

(i) Subsequent to 31 December 2015, the Group successfully obtained new borrowings with an aggregate amount of approximately RMB852 million from banks in both Hong Kong and the PRC, of which approximately RMB723 million were with repayment terms of more than twelve months provided that the covenants under the borrowing agreements are satisfied. In addition, the Group also completed its rights issue of shares on 2 February 2016 (the "Rights Issue") with net proceeds of approximately RMB1,935 million (note 42);

(ii) The Group has been actively negotiating with banks for the renewal of its current borrowings as necessary when they fall due in the coming twelve months. Based on the past experience, the Group did not encounter any significant difficulties in renewing the borrowings and the Directors are confident that all borrowings can be renewed upon the Company's application when necessary;

2. Basis of Preparation *(continued)*

(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 RMB5,000 million to finance the solar energy projects undertaken by GCL-Poly and its subsidiaries. Up the date of approval of these consolidated financial statements, approximately RMB1,905 million were drawn down by GCL-Poly and its subsidiaries other than any members of the Group, and approximately RMB1,230 million were drawn down by the subsidiaries of the Group. The remaining undrawn facility of approximately RMB1,865 million is available for the Group to draw down to finance its solar power plant 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 borrowings 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 GCL-Poly's further 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;

(iv) The Group is currently 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 with repayment periods for more than one year. The Group also received letters of intent from certain other banks which indicated that these banks tentatively offer banking facilities to the Group;

(v) The Group is negotiating with other private investors for additional financing in the form of equity or debt or a combination of both. During the year ended 31 December 2015, the Group completed the issuance of convertible bonds to non-banking financial institutions and the issuance of bonds to certain private investors, and entered into trust scheme arrangements with certain financial institutions to secure a 3-year loan facility; and

(vi) The Group has completed the construction of 41 solar power plants with approval for on-grid connection up to 31 December 2015. The Group also has additional 10 solar power plants under construction targeting to achieve on-grid connection within the coming twelve months from the date of approval of these consolidated financial statements. The abovementioned solar power plants have an aggregate installed capacity of approximately 2.3 GW and are expected to generate operating cash inflows to the Group.

After taking into account the Group's business prospects, internal resources and the available financing facilities, the Directors are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described in (i) to (vi) above. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements is dependent on the Group's ability to generate adequate financing and operating cash flows through successful renewal of its bank borrowings upon expiry, compliance with the covenants under the borrowing agreements or obtaining waiver from the relevant banks if the Group is not able to satisfy any of the covenant requirements, successful securing of the financing from banks with repayment terms beyond twelve months from the date of approval of these consolidated financial statements, obtaining the necessary guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank (mentioned in note (iii) above) requires and other short-term or long-term financing; and the completion of the construction of the solar power plants 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 these consolidated financial statements.

3. Application of New and Revised International Financial Reporting Standards ("IFRSs")

(a) Application of new and revised IFRSs

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") for the first time in the current year:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to IFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and revised IFRSs issued but not yet effective

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

		Effective for annual periods beginning on or after
IFRS 9	Financial Instruments	1 January 2018
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
IFRS 14	Regulatory Deferred Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 16	Leases	1 January 2019
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to IAS 7	Disclosure Initiative	1 January 2017
Amendments to IAS 12	Precognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to IAS 1	Disclosure Initiative	1 January 2016
Amendments to HKAS 27	Equity Method in Separate Financial Statements	1 January 2016
Amendments to IFRSs	Annual Improvements to IFRSs 2012 – 2014 Cycle	1 January 2016

Except as described below, the Directors consider that the application of the above new and revised IFRSs will have no significant impact on the Group's consolidated financial statements.

3. Application of New and Revised International Financial Reporting Standards ("IFRSs") *(continued)*

(b) New and revised IFRSs issued but not yet effective *(continued)*

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

3. Application of New and Revised International Financial Reporting Standards ("IFRSs") *(continued)*

(b) New and revised IFRSs issued but not yet effective *(continued)*

IFRS 9 Financial Instruments (continued)

The Directors anticipate that the application of IFRS 9 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Group performs a detailed review.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

3. Application of New and Revised International Financial Reporting Standards (“IFRSs”) *(continued)*

(b) New and revised IFRSs issued but not yet effective *(continued)*

IFRS 15 Revenue from Contracts with Customers (continued)

The Directors anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group’s consolidated financial statements.

IFRS 16 Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. It distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Subject to limited exceptions for short-term leases and low value assets, distinctions of operating and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees. However, the standard does not significantly change the accounting of lessors.

Application of IFRS 16 may result in the Group’s recognition of right-of-use assets and corresponding liabilities in respect of certain lease arrangements. These assets and liabilities are currently not required to be recognised but certain relevant information is disclosed as commitments to these consolidated financial statements.

The Directors anticipate that the application of IFRS 16 in the future may have a material impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

(c) Changes of accounting estimates

In previous years, plant and machinery used for manufacturing of printed circuit boards (“PCB”) were depreciated at 10% per annum. Due to technology advancement on plant and machinery and products to be manufactured, the Directors have assessed that the estimated useful lives of these assets are expected to be shorter than previously estimated.

With effect from 31 December 2015, those plant and machinery are depreciated at 16.67% per annum. This change in depreciation rate has increased the depreciation charge for the current year by approximately RMB110,647,000.

4. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with IFRSs issued by IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the provisions of the new Hong Kong Companies Ordinance (Cap 622) regarding preparation of accounts and directors' reports and audits and to streamline with IFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis except for the convertible bonds that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4. Significant Accounting Policies *(continued)*

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. Significant Accounting Policies *(continued)*

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 and IAS 19 respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, where applicable, on the basis specific by another IFRS.

4. Significant Accounting Policies *(continued)*

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently whenever there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

4. Significant Accounting Policies *(continued)*

Investments in joint ventures *(continued)*

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

4. Significant Accounting Policies *(continued)*

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns.

Revenue from sales of goods are recognised when the goods are delivered and title has passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sales of electricity is recognised when electricity is generated and transmitted.

Tariff adjustment is recognised based on the prevailing nationwide government policies on renewable energy for the entitlement of the tariff subsidy when the electricity was delivered on grid.

Commission income on modules procurement, consultancy fees income and management fee income are recognised when the services are provided.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

4. Significant Accounting Policies *(continued)*

Leasing *(continued)*

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Sale and leaseback resulting in a finance lease

If a sale and leaseback transaction results in a finance lease, any excess of sale proceeds over the carrying amount is not immediately recognised as income by the Group. Instead, it is deferred and amortised over the lease term. If the fair value at the time of a sale and leaseback transaction is less than the carrying amount of the asset, no adjustment is necessary unless there has been an impairment in value, in which case the carrying amount is reduced to recoverable amount.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

When there is a change in functional currency, it is accounted for prospectively from the date of the change.

4. Significant Accounting Policies *(continued)*

Foreign currencies *(continued)*

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rate prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered services entitling them to the contributions.

4. Significant Accounting Policies *(continued)*

Share-based payment arrangements

Share options granted to employees and others providing similar services

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 33.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share based options reserve). For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit and loss. At the end of each reporting period, the Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

4. Significant Accounting Policies *(continued)*

Taxation *(continued)*

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administration purposes (other than construction in progress as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such property, plant and equipment are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

4. Significant Accounting Policies *(continued)*

Property, plant and equipment *(continued)*

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Prepaid lease payments

Payments for obtaining land use rights are accounted for as prepaid lease payments and are charged to profit or loss on a straight-line basis over the lease terms as stated in the relevant land use right certificates granted for usage by the Group in the PRC. Prepaid lease payments which are to be charged to profit or loss in the next twelve months are classified as current assets.

Impairment of tangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4. Significant Accounting Policies *(continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables and the classification of which depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related companies, other loan receivables, pledged bank and other deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate.

4. Significant Accounting Policies *(continued)*

Financial instruments *(continued)*

Financial assets *(continued)*

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, that are assessed for impairment on a collective basis even if they were assessed not be impaired individually. Objective evidence of impairment for a portfolio of receivables could include, but not limited to, the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

4. Significant Accounting Policies *(continued)*

Financial instruments *(continued)*

Financial liabilities and equity instruments *(continued)*

Financial liabilities at fair value through profit or loss ("FVTPL")

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL on initial recognition.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the "gain on change in fair value of convertible bonds" line item. Fair value is determined in the manner described in note 36.

Other financial liabilities

Other financial liabilities including trade and other payables, amounts due to related companies, loans from a shareholder and fellow subsidiaries, bank and other borrowings, obligations under finance leases and bonds payable are subsequently measured at amortised cost using the effective interest method.

4. Significant Accounting Policies *(continued)*

Financial instruments *(continued)*

Financial liabilities and equity instruments *(continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

Convertible bonds (issued in 2015)

At the date of issue, the Directors have designated convertible bonds payable as at FVTPL and initially recognised them at fair value. In subsequent periods, the convertible bonds payable are measured at fair value with changes in fair value recognised in profit or loss. Transaction costs relating to the issuance of the convertible bonds payable are charged to profit or loss immediately.

Convertible redeemable bonds (issued in 2011)

The component parts of the convertible redeemable bonds issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative.

At the date of issue, both the liability component and conversion and redemption option derivative are recognised at fair value. In subsequent periods, the liability component of the convertible redeemable bonds is carried at amortised cost using the effective interest method. The conversion and redemption option derivative is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible redeemable bonds are allocated to the liability and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

4. Significant Accounting Policies *(continued)*

Financial instruments *(continued)*

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises a financial liability when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Joint arrangement

The Group holds 60%, 50% and 50% of the voting rights of its joint arrangements with Shineng, Yili, and Qichuang (all defined in note 17), respectively. The Group has joint control over these arrangements as under the contractual agreements, unanimous consent is required from all parties to the agreements for key relevant activities.

The Group's joint arrangements are structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, these arrangements are classified as joint ventures.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty *(continued)*

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives and impairment of property, plant and equipment

The Group has made substantial investments in property, plant and equipment for the Solar Energy Business and PCB Business. Changes in technology on plant and machinery or products to be manufactured may cause a change in the estimated useful lives or value of these assets.

The Group evaluates whether there is any event or change in circumstances which indicates that the carrying amounts of property, plant and equipment may not be recoverable. Whenever such events or changes in circumstances occur, these assets are reviewed for impairment.

Additionally, the Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation charge where useful lives are expected to be shorter than previously estimated. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in future periods.

During the year ended 31 December 2015, the Group recognised impairment on plant and equipment of approximately RMB42,104,000 in relation to the PCB business segment (note 15). In addition, the Group changed the estimated useful lives of certain plant and machinery in relation to the PCB business segment which caused an additional depreciation of approximately RMB110,647,000 (note 3c).

As at 31 December 2015, the carrying amount of property, plant and equipment was approximately RMB14,193,691,000 (2014: RMB5,269,499,000), net of accumulated depreciation and impairment of approximately RMB1,314,693,000 (2014: RMB874,259,000).

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty *(continued)*

Key sources of estimation uncertainty *(Continued)*

Estimated impairment of trade and other receivables, other loan receivables and amounts due from related companies

On assessing any impairment of the Group's trade and other receivables, other loan receivables and amounts due from related companies, the management regularly reviews the recoverability, creditworthiness of counterparties and ages of the receivables. Impairment on trade and other receivables, other loan receivables and amounts due from related companies are made based on estimation of the future cash flows discounted at the original effective interest rates. If the financial condition of the customers of the Group deteriorates, resulting in an impairment of their ability to make payments, additional impairment may be required.

As at 31 December 2015, the carrying amount of trade and other receivables was approximately RMB3,326,643,000 (2014: RMB451,412,000), the carrying amount of other loan receivables was approximately RMB389,378,000 (2014: nil) and the carrying amounts due from related companies is RMB185,908,000 (2014: RMB57,163,000).

Fair value of share-based compensation expenses

The Group granted share options in exchange for services received from grantees. The Directors have used the binominal model to determine the fair value of the options granted, which is to be expensed over the vesting period. Significant judgment on parameters, such as risk-free rate, dividend yield, expected volatility and expected life of options, is required to be made by the Directors in applying the binomial model.

The grant of equity instruments is conditional upon satisfying service and performance conditions. Judgment is required to take into or account the vesting conditions and adjust the number of equity instruments included in the measurement of share-based compensation expenses. The amount associated with share-based payment expense for the year ended 31 December 2015 is RMB135,542,000 (1.4.2014 to 31.4.2014: RMB72,895,000).

Fair value measurements and valuation processes

The Group's convertible bonds are measured at fair value for financial reporting purposes. In estimating the fair value of a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model and reports the valuation findings to the board of directors of the Company semi-annually to explain the cause of fluctuations in the fair value of convertible bonds.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of the convertible bonds. Note 36c provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of the convertible bonds.

6. Revenue and Segment Information

An analysis of the Group's revenue for the year/period is as follows:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Sales of electricity *(note)*	**688,009**	634
Sales of PCB	**1,281,890**	929,799
	1,969,899	930,433

Note: Sales of electricity included RMB418,694,000 (1.4.2014 to 31.12.2014: RM378,000) tariff adjustment received and receivable from the state grid companies in the PRC based on the prevailing nationwide government policies on renewable energy for solar power plants. In August 2013, the National Development and Reform Commission of the PRC released the New Tariff Notice (the "New Tariff Noitce") to launch a new subsidising policy for distributed solar power plants and to adjust benchmark on-grid price for electricity generated by centralised solar power plants. In particular, according to the New Tariff Notice, (i) for the centralised solar power plants, which will obtain on-grid approval and commence generating electricity on and after 1 January 2014, the benchmark on-grid price will be set at RMB0.9/KWh, RMB0.95/KWh and RMB1.0/KWh for the projects in energy zones I, II and III respectively which are categorised based on local solar energy resources and (ii) the new subsidising policy will apply to the solar power plants registered after 1 September 2013 and those registered before 1 September 2013 but which did not commence generating electricity until after 1 January 2014.

Information reported to the executive directors of the Company, being the Group's chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance, is based on the following reportable and operating segments identified under IFRS 8:

(a) Solar Energy Business – sale of electricity development, construction, management and operation of solar power plants.

(b) PCB Business – mainly manufacture and sales of PCB.

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

6. Revenue and Segment Information *(continued)*

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

Year ended 31 December 2015

	Solar Energy Business RMB'000	PCB Business RMB'000	Total RMB'000
Segment revenue			
Revenue from external customers	**688,009**	**1,281,890**	**1,969,899**
Segment profit (loss)	**288,504**	**(91,196)**	**197,308**
Unallocated income			**2,243**
Unallocated expenses			**(108,545)**
Share-based payment expenses			**(135,542)**
Gain on change in fair value of convertible bonds			**29,064**
Loss for the year			**(15,472)**

Period from 1 April to 31 December 2014

	Solar Energy Business RMB'000 (Restated)	PCB Business RMB'000 (Restated)	Total RMB'000 (Restated)
Segment revenue			
Revenue from external customers	634	929,799	930,433
Segment (loss) profit	(34,984)	12,391	(22,593)
Unallocated income			924
Unallocated expenses			(40,360)
Share-based payment expenses			(72,895)
Change in fair value of embedded derivatives in convertible bonds			45,475
Loss for the period			(89,449)

6. Revenue and Segment Information *(continued)*

Segment revenue and results *(continued)*

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit (loss) represents the profit (loss) of each segment without allocation of central administration costs which includes head office expenses such as directors' emoluments, staff salaries, legal and professional fees and rental expenses, share-based payment expenses, change in fair value of convertible bonds, change in fair value of embedded derivatives in convertible bonds and interest income and finance cost arising from corporate assets and borrowings. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

Segment assets and liabilities

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

	2015 RMB'000	2014 RMB'000 (Restated)
Segment assets		
Solar Energy Business	**22,101,563**	6,065,925
PCB Business	**1,265,699**	1,157,812
Total segment assets	**23,367,262**	7,223,737
Unallocated	**135,196**	640,055
Consolidated assets	**23,502,458**	7,863,792

	2015 RMB'000	2014 RMB'000 (Restated)
Segment liabilities		
Solar Energy Business	**19,434,879**	4,902,343
PCB Business	**866,719**	657,405
Total segment liabilities	**20,301,598**	5,559,748
Convertible bonds	**732,856**	–
Unallocated	**25,965**	15,323
Consolidated liabilities	**21,060,419**	5,575,071

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments other than assets of the management companies and investment holdings companies; and
- All liabilities are allocated to operating segments other than corporate bank borrowings and liabilities (including convertible bonds) of the management companies and investment holdings companies.

6. Revenue and Segment Information *(continued)*

Other segment information (included in the segment profit or loss or segment assets, or regularly provided to the CODM)

Year ended 31 December 2015

	Solar Energy Business RMB'000	PCB Business RMB'000	Unallocated RMB'000	Total RMB'000
Amount included in the measure of segment profit or loss or segment assets:				
Additions to joint ventures	16,255	–	–	16,255
Additions to property, plant and equipment and prepaid lease payments:				
– arising from acquisition of subsidiaries	1,522,872	–	–	1,522,872
– other additions	7,726,587	216,915	1,401	7,944,903
Amortisation of prepaid lease payments	(1,631)	(171)	–	(1,802)
Depreciation of property, plant and equipment	(152,433)	(229,177)	(366)	(381,976)
Impairment loss on property, plant and equipment	–	(42,104)	–	(42,104)
Loss on disposal of property, plant and equipment	–	(941)	–	(941)
Amount regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Bargain purchase gain from business combination	21,626	–	–	21,626
Finance costs	(321,873)	(14,050)	–	(335,923)
Income tax expenses	(6,266)	(32,537)	–	(38,803)
Interest income	26,666	380	–	27,046
Share of profits of joint ventures	9,019	–	–	9,019

6. Revenue and Segment Information *(continued)*

Other segment information (included in the segment profit or loss or segment assets, or regularly provided to the CODM) *(continued)*

Period from 1 April 2014 to 31 December 2014

	Solar Energy Business RMB'000 (Restated)	PCB Business RMB'000 (Restated)	Unallocated RMB'000 (Restated)	Total RMB'000 (Restated)
Amount included in the measure of segment profit or loss or segment assets:				
Additions to joint ventures	42,601	–	–	42,601
Additions to property, plant and equipment and prepaid lease payments				
– arising from acquisition of subsidiaries	747,826	–	–	747,826
– other additions	3,872,929	46,669	306	3,919,904
Depreciation of property, plant and equipment	(71)	(80,359)	(62)	(80,492)
Amortisation of prepaid lease payments	–	(290)	–	(290)
Impairment loss on goodwill	(6,279)	–	–	(6,279)
Amount regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Finance costs	(255)	(14,538)	–	(14,793)
Income tax income (expenses)	5,635	(17,933)	–	(12,298)
Interest income	1,215	181	–	1,396
Share of losses of joint ventures	(542)	–	–	(542)

6. Revenue and Segment Information *(continued)*

Geographical information

The Group's operations are principally located in Hong Kong and the PRC.

Information about the Group's revenue from external customers is presented based on the location of delivery of services or goods to the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets*	
	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)	**31.12.2015 RMB'000**	31.12.2014 RMB'000 (Restated)
The PRC	**1,379,240**	509,432	**16,454,757**	6,118,748
Hong Kong	**159,610**	113,412	**6,028**	41,800
Europe	**350,963**	239,885	**–**	–
Others	**80,086**	67,704	**32,320**	–
	1,969,899	930,433	**16,493,105**	6,160,548

* Non-current assets excluded deferred tax assets and financial instruments.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of total sales of the Group are as follows:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Customer A[1]	**223,866**	145,530

[1] Revenue from PCB Business.

7. Other Income

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Bank interest income	**9,474**	1,396
Commission income on modules procurement *(note a)*	**89,245**	–
Consultancy fees income *(note b)*	**81,678**	–
Government grants		
– Incentive subsidies *(note c)*	**10,930**	10,023
– Government grants previously recognised as deferred income *(note d)*	**–**	9,435
– Amortisation of deferred income on government grants *(note e)*	**154**	278
Insurance claim income	**3,449**	–
Interest income from other loan receivables	**17,572**	–
Management services income *(note 41b)*	**33,302**	15,845
Sales of manufacturing by-products	**29,827**	28,250
Others	**1,946**	1,971
	277,577	67,198

Notes:

(a) Commission income on modules procurement represents commission for providing sourcing and procurement services of solar modules for third parties.

(b) Consultancy fees income represents consultancy fees earned from third parties for design and planning for constructing solar power plants.

(c) The amounts mainly represented cash received from the local municipal government in the PRC as incentives to encourage export sales in the PRC, the conditions attached thereto were fully complied with.

(d) In prior periods, the Group received grants from the local municipal government in connection with its acquisition of land use rights and the establishment of a manufacturing base thereon in Jiangxi province, the PRC. The government grants were initially recognised as deferred income and amortised on a straight-line basis as other income over the lease period of the land use rights. The conditions attached to such government grants were fully complied with. During the nine months ended 31 December 2014, the Group received a notice from the local municipal government regarding the forfeiture of the Group's land use rights of certain parcels of land. The relevant land use rights were written off as 'other expense, gains and losses, net' and the corresponding unamortised portion of the government grants amounting to RMB9,435,000 (2015: nil) was recognised as 'other income'.

(e) The amount represented government grants received for the construction of a production plant in Jiangxi province, the PRC, which are amortised over the expected useful life of the plant upon the commencement of the operation.

8. Other Expenses, Gain and Losses

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Bad debts directly written off	(896)	(2,164)
Exchange gains, net	56,631	–
Impairment of goodwill	–	(6,279)
Land use right written off *(note 16)*	–	(9,435)
Loss on disposal of property, plant and equipment	(941)	–
(Write-off of) Reversal of write-off of other receivables	(66)	1,437
Others	(1,710)	(220)
	53,018	(16,661)

9. Finance Costs

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Interest on:		
Bank and other borrowings	410,238	14,506
Obligations under finance leases	3,202	2,160
Bonds payables	12,118	–
Convertible redeemable bonds	–	254
Loan from a fellow subsidiary *(note 26)*	27,763	975
Imputed interest expense on payables *(note)*	21,383	–
Total borrowing costs	474,704	17,895
Less: amounts capitalised in the cost of qualifying assets	(138,781)	(3,102)
	335,923	14,793

Borrowing costs capitalised during the year/period arose on the general borrowing pool and are calculated by applying a capitalisation rate of 8.03% (2014: 4.4%) per annum to expenditure on qualifying assets.

Note: Imputed interest expense arose from a discounting effect of the EPC payable in relation to the Acquisition of Changzhou Xintian. For more details, please refers to note 34(ii)(a).

10. Income Tax Expense

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
PRC Enterprise Income Tax ("EIT"):		
Current tax	**31,753**	18,079
Underprovision in prior years	**4,930**	896
	36,683	18,975
PRC withholding tax	**2,373**	–
Deferred tax *(note 31)*	**(253)**	(6,677)
	38,803	12,298

The basic tax rate of the Company's PRC subsidiaries is 25%, under the law of the PRC on Enterprise Income Tax (the "EIT Law") and implementation regulations of the EIT law.

Certain subsidiaries of the Group, being enterprises engaged in public infrastructure projects, under the PRC Tax Law and its relevant regulations, are entitled to tax holidays of 3-year full exemption followed by 3-year 50% exemption commencing from their respective years in which their first operating incomes were derived. For the year ended 31 December 2015, certain subsidiaries of the Company engaged in the public infrastructure projects had their first year with operating incomes.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year/period. No provision for taxation in Hong Kong profit tax was made for the year/period as the assessable profits was off-set by the tax losses brought forward.

10. Income Tax Expense *(continued)*

The tax charge for the year/period can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Profit (loss) before tax	**23,331**	(77,151)
Tax at the domestic income tax rate of 25% (2014: 16.5%) *(note)*	**5,833**	(12,730)
Tax effect of share of profits (losses) of joint ventures	**(2,255)**	–
Tax effect of expenses not deductible for tax purpose	**98,170**	18,325
Tax effect of income not taxable for tax purpose	**(48,634)**	(8,185)
Tax effect of deductible temporary difference not recognised	**10,526**	(2)
Tax effect of tax losses not recognised	**38,887**	12,296
Utilisation of tax losses previously not recognised	**(2,324)**	(1,481)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**14,194**	2,722
Effect of tax exemptions and concessions granted to PRC subsidiaries	**(84,934)**	–
PRC withholding tax on undistributed profits by subsidiaries	**4,478**	457
Underprovision in prior years	**4,930**	896
Others	**(67)**	–
Income tax expense for the year/period	**38,803**	12,298

Note: The domestic tax rate, which is PRC EIT rate (2014: Hong Kong Profit Tax rate), in the jurisdiction where the operation of the Group is substantially based is used.

11. Loss for the Year/Period

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Loss for the year/period has been arrived at after charging (crediting):		
Amortisation of deferred income on government grants	**(154)**	(278)
Amortisation of prepaid lease payments	**1,802**	290
Auditor's remuneration	**3,292**	3,237
Cost of inventories recognised as cost of sales	**1,255,538**	855,325
Depreciation of property, plant and equipment	**381,976**	80,492
Operating lease rental in respect of properties	**15,426**	8,568
Staff costs (including directors' remuneration but excluding share-based payments)		
– Salaries, wages and other benefits	**347,546**	199,532
– Retirement benefit scheme contributions	**36,686**	18,216
Share-based payment expenses *(note 33)* (Administrative expenses in nature)		
– Directors and staff	**103,958**	57,263
– Consultancy services	**31,584**	15,632

12. Directors', President/Chief Executive's and Employees' Emoluments

Particulars of the emoluments of directors, the president/chief executive and the five highest paid employees are as follows:

(a) Directors' and President/Chief Executive's emoluments

The emoluments of each of the Directors and the President/Chief Executive of the Company are set out below:

Year ended 31 December 2015

Name of director	Directors' fee RMB'000	Bonuses RMB'000	Salaries and other benefit RMB'000	Retirement benefits scheme contributions RMB'000	Share-based payments RMB'000	Total RMB'000
President and Executive Director						
Mr. SUN Xingping *(note 14)*	–	1,500	1,675	–	1,425	4,600
Executive Directors						
Mr. ZHU Gongshan *(note 1)*	–	–	802	–	–	802
Mr. TANG Cheng *(note 19)*	–	1,901	3,023	289	5,954	11,167
Mr. ZHANG Guoxin *(note 15)*	–	–	1,529	–	2,738	4,267
Mr. GU Xin *(note 9)*	–	–	180	–	662	842
Madam HU Xiaoyan *(note 1)*	–	2,011	1,196	192	3,800	7,199
Mr. TONG Wan Sze *(note 17)*	–	380	114	24	142	660
Mr. ZHU Yufeng *(note 18)*	–	1,676	140	–	312	2,128
Mr. YIP Sum Yin	–	289	1,735	–	2,890	4,914
Non-executive Directors						
Madam SUN Wei *(note 3)*	401	–	–	–	5,566	5,967
Mr. YU Baodong *(note 10)*	40	–	–	–	442	482
Mr. ZHU Yufeng *(note 18)*	336	–	–	–	–	336
Mr. SHA Hongqiu *(note 12)*	359	–	–	–	712	1,071
Mr. YEUNG Man Chung, Charles *(note 16)*	118	60	–	–	823	1,001
Independent Non-executive Directors						
Mr. WANG Bohua *(note 4)*	202	–	–	–	495	697
Mr. XU Songda *(note 4)*	202	–	–	–	495	697
Mr. HAN Qing-hua *(note 8)*	16	–	–	–	81	97
Mr. LEE Conway Kong Wai *(note 4)*	242	–	–	–	495	737
Mr. WANG Yanguo *(note 11)*	181	–	–	–	89	270
Dr. CHEN Ying *(note 13)*	141	–	–	–	89	230
Total	2,238	7,817	10,394	505	27,210	48,164

12. Directors', President/Chief Executive's and Employees' Emoluments *(continued)*

Particulars of the emoluments of directors, the president/chief executive and the five highest paid employees are as follows:

(a) Directors' and President/Chief Executive's emoluments *(continued)*

Period from 1 April 2014 to 31 December 2014

Name of director	Directors' fee RMB'000 (Restated)	Bonuses RMB'000 (Restated)	Salaries and other benefit RMB'000 (Restated)	Retirement benefits scheme contributions RMB'000 (Restated)	Share-based payments RMB'000 (Restated)	Total RMB'000 (Restated)
President and Executive Director						
Mr. ZHANG Guoxin *(note 15)*	–	595	–	–	3,751	4,346
Executive Directors						
Mr. ZHU Gongshan *(note 1)*	–	–	512	–	–	512
Mr. TANG Cheng *(note 19)*	–	1,507	2,048	–	4,063	7,618
Mr. GU Xin *(note 9)*	–	1,051	1,152	–	2,813	5,016
Madam HU Xiaoyan *(note 1)*	–	1,190	768	–	2,500	4,458
Mr. YIP Sum Yin	–	–	1,285	7	1,875	3,167
Madam YU Hung Min *(note 2)*	–	–	155	1	–	156
Mr. CHUNG Chi Shing *(note 2)*	–	–	80	1	–	81
Mr. MAO Lu *(note 2)*	–	–	80	1	–	81
Mr. YIP Wing Fung *(note 2)*	–	–	80	1	–	81
Non-executive Directors						
Madam SUN Wei *(note 3)*	256	–	–	–	3,751	4,007
Mr. YU Baodong *(note 10)*	256	–	–	–	1,875	2,131
Independent Non-executive Directors						
Mr. WANG Bohua *(note 4)*	128	–	–	–	313	441
Mr. XU Songda *(note 4)*	128	–	–	–	313	441
Mr. HAN Qing-hua *(note 8)*	128	–	–	–	313	441
Mr. LEE Conway Kong Wai *(note 4)*	154	–	–	–	313	467
Mr. LAI Wing Leung, Peter *(note 5)*	198	–	–	–	–	198
Mr. LAM Kwok Cheong *(note 5)*	198	–	–	–	–	198
Madam LEE Mei Ling *(note 5)*	198	–	–	–	–	198
Chief Executive Officer						
Mr. YIP How Yin, Maurice *(note 7)*	–	–	50	–	–	50
Total	1,644	4,343	6,210	11	21,880	34,088

12. Directors', President/Chief Executive's and Employees' Emoluments *(continued)*

(a) Directors' and President/Chief Executive's emoluments *(continued)*

Note 1: Mr ZHU Gongshan and Madam HU Xiaoyan were appointed as executive directors on 9 May 2014.

Note 2: Madam YU Hung Min, Mr. CHUNG Chi Shing, Mr. MAO Lu and Mr. YIP Wing Fung resigned as executive directors on 9 May 2014.

Note 3: Madam SUN Wei was appointed as non-executive director on 9 May 2014.

Note 4: Mr. WANG Bohua, Mr. XU Songda and Mr. LEE Conway Kong Wai were appointed as independent non-executive directors on 9 May 2014.

Note 5: Mr. LAI Wing Leung, Peter, Mr. LAM Kwok Cheong and Madam LEE Mei Ling resigned as independent non-executive directors on 9 May 2014.

Note 6: Mr. ZHANG Guoxin was appointed as executive director and President of the Company on 25 September 2014.

Note 7: Mr. YIP How Yin, Maurice resigned as the chief executive officer on 9 May 2014.

Note 8: Mr. HAN Qing-hua was appointed as independent non-executive director on 9 May 2014 and passed away on 30 January 2015.

Note 9: Mr. GU Xin was appointed and resigned as executive director on 9 May 2014 and 9 February 2015, respectively.

Note 10: Mr. YU Baodong was appointed and resigned as non-executive director on 9 May 2014 and 9 February 2015, respectively.

Note 11: Mr. WANG Yanguo was appointed as independent non-executive director on 9 February 2015.

Note 12: Mr. SHA Hongqiu was appointed as non-executive director on 9 February 2015.

Note 13: Dr. CHEN Ying was appointed as independent non-executive director on 22 April 2015.

Note 14: Mr. SUN Xingping was appointed as executive director on 22 April 2015 and further appointed as the President of the Company on 26 June 2015.

Note 15: Mr. ZHANG Gouxin was appointed as executive director and the President of the Company on 9 May 2014 and 25 September 2014, respectively. He resigned as executive director and President of the Company on 26 June 2015.

Note 16: Mr. YEUNG Man Chung, Charles was appointed as non-executive director on 18 September 2015.

Note 17: Mr. TONG Wan Sze was appointed as executive director on 11 December 2015.

Note 18: Mr. ZHU Yufeng was appointed as non-executive director on 9 February 2015 and appointed as executive director on 11 December 2015.

Note 19: Mr. TANG Cheng was appointed and resigned as executive director on 9 May 2014 and 11 December 2015.

12. Directors', President/Chief Executive's and Employees' Emoluments *(continued)*

(a) Directors' and President/Chief Executive's emoluments *(continued)*

Mr. YIP How Yin, Maurice was the chief executive officer of the Company till 9 May 2014 and his emoluments disclosed above include those for services rendered by him as the chief executive officer. Subsequent to his resignation, the Company appoints president to replace the role of chief executive officer.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown about were mainly for their services as directors of the Company. The independent non-executive directors' emoluments shown about were mainly for their services as directors of the Company.

Bonuses are discretionary and are based on the Group's performance for the year/period.

No Directors waived any emoluments and no incentive paid on joining and no compensation for the loss of office for the year/period.

(b) Employees' emoluments

The five highest paid employees of the Group during the year included four directors (2014: five), details of whose remuneration are set out in (a) above. Details of the emoluments of the remaining one highest paid employee in 2015 who is neither a director nor president/chief executive of the Company are as follows:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Salaries, allowances and benefits in kind	**1,607**	–
Performance related bonuses	**1,607**	–
Equity-settled share option expense	**1,567**	–
Retirement benefits scheme contributions	**–**	–
	4,781	–

13. Dividends

No dividend was paid or proposed for ordinary shareholders of the Company during 2015, nor has any dividend been proposed since the end of the reporting period (1.4.2014 to 31.12.2014: nil).

14. Loss Per Share

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Loss for the purposes of calculation of basic loss per share (Loss for the year/period attributable to owners of the Company)	(15,229)	(89,397)
Effective of dilutive potential ordinary shares:		
Gain on change in fair value on convertible bonds	(29,064)	–
Loss for the purpose of diluted loss per share	(44,293)	(89,397)

	2015 '000	2014 '000
Weighted average number of ordinary shares for the purposes of basic loss per share	13,995,252	12,671,400
Effect of dilutive potential ordinary shares:		
Convertible bonds	549,974	–
Weighted average number of ordinary shares for the purposes of diluted loss per share	14,545,226	12,671,400

For the period from 1 April 2014 to 31 December 2014, the weighted average number of ordinary shares was adjusted for the shares subdivisions on 30 June 2014 and 19 November 2014.

Diluted loss per share for both reporting periods did not assume (i) the exercise of the share options since the assumed exercise had an anti-dilutive effect on the loss per share for both periods nor (ii) the conversion of convertible redeemable bonds since their assumed conversion had an anti-dilutive effect on loss per share for the period from 1 April to 31 December 2014.

As described in note 42, the Company completed the Rights Issue subsequent to the end of the reporting period but prior to the date the consolidated financial statements were authorised for issue. Since there is a bonus element in the Rights Issue, retrospective adjustment has been made to the weighted average number of ordinary shares for the current year and prior period.

15. Property, Plant and Equipment

	Buildings RMB'000	Power generators and equipment RMB'000	Plant and machinery RMB'000	Leasehold improvements, furniture, fixtures and equipment RMB'000	Motor vehicles RMB'000	Construction in progress RMB'000	Total RMB'000
COST							
At 1 April 2014 (Restated)	188,625	–	1,174,374	103,690	7,198	684	1,474,571
Additions	–	–	42,592	6,227	7,375	3,863,710	3,919,904
Acquired on acquisition of subsidiaries	8,649	659,716	–	217	1,084	78,160	747,826
Transfer	–	623,030	–	–	–	(623,030)	–
Effect of foreign currency exchange differences	9	1,258	157	36	(3)	–	1,457
At 31 December 2014 (Restated)	197,283	1,284,004	1,217,123	110,170	15,654	3,319,524	6,143,758
Additions	19,194	296	191,718	4,163	18,874	7,591,446	7,825,691
Acquired on acquisition of subsidiaries	–	442,569	–	53	–	1,080,250	1,522,872
Transfer	375,627	7,307,181	–	5,245	–	(7,688,053)	–
Disposals	–	–	(1,282)	(29)	(1,227)	–	(2,538)
Effect of foreign currency exchange differences	815	–	14,262	3,254	270	-	18,601
At 31 December 2015	**592,919**	**9,034,050**	**1,421,821**	**122,856**	**33,571**	**4,303,167**	**15,508,384**
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
At 1 April 2014 (Restated)	22,672	–	680,806	84,443	5,625	–	793,546
Depreciation expense	2,847	–	73,815	3,208	622	–	80,492
Effect of foreign currency exchange differences	2	–	145	46	28	–	221
At 31 December 2014 (Restated)	25,521	–	754,766	87,697	6,275	–	874,259
Depreciation expense	12,385	141,261	220,546	4,676	3,108	–	381,976
Eliminated on disposals of assets	–	–	(226)	(1)	(961)	–	(1,188)
Impairment losses recognised in profit or loss	–	–	38,461	3,556	87	–	42,104
Effect of foreign currency exchange differences	360	–	14,252	2,746	184	–	17,542
At 31 December 2015	**38,266**	**141,261**	**1,027,799**	**98,674**	**8,693**	**–**	**1,314,693**
CARRYING AMOUNTS							
At 31 December 2015	**554,653**	**8,892,789**	**394,022**	**24,182**	**24,878**	**4,303,167**	**14,193,691**
At 31 December 2014 (Restated)	171,762	1,284,004	462,357	22,473	9,379	3,319,524	5,269,499

15. Property, Plant and Equipment *(continued)*

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Buildings	2% – 4% or over the lease term, whichever is shorter
Power generators and equipment	Higher of 4% per annum or the percentage calculated based on license period
Plant and machinery	10% – 25%
Leasehold improvements	20% – 25%
Furniture, fixtures and equipment	20% – 25%
Motor vehicles	20% – 30%

Due to the recent unsatisfactory performance and the potential additional costs in compliance with the environmental policies and regulations imposed upon Dongguan Red Board Limited (the "Dongguan Factory"), being one of the factories of the Group engaging in the PCB Business, the Directors impaired fully the plant and machinery and other assets relating to the Dongguan Factory amounting to RMB42,104,000 during the year ended 31 December 2015 for a possible discontinuance or disposal of the Dongguan Factory.

All buildings were held under leases in the PRC.

The net book value of plant and machinery includes an amount of approximately RMB145,718,000 (2014: RMB84,245,000) in respect of assets held under finance leases.

At 31 December 2015, the Group was in the process of obtaining property ownership certificates in respect of property interests held under land use rights in the PRC with a carrying amount of approximately RMB326,153,000 (2014: RMB1,942,000). In the opinion of the Directors, the absence of the property ownership certificates to these property interests does not impair their carrying value to the Group as the Group paid the full purchase consideration of these property interests and the probability of being evicted on the ground of an absence of property ownership certificates is remote.

16. Prepaid Lease Payments

	2015 **RMB'000**	2014 RMB'000 (Restated)
Analysed for reporting purposes as:		
Current assets	**1,772**	–
Non-current assets	**52,159**	6,799
	53,931	6,799

During the nine months ended 31 December 2014, the Group received a notice from the local municipal government in the PRC which forfeited the Group's prepaid lease payments of certain portion of a piece of land in Jiangxi province, the PRC. The relevant prepaid lease payments of RMB9,435,000 were impaired accordingly.

17. Interests in Joint Ventures

	2015 RMB'000	2014 RMB'000 (Restated)
Details of the Group's investments in joint ventures are as follows:		
Cost of unlisted investment in joint ventures	**58,856**	42,601
Share of post-acquisition profits (losses)	**8,789**	(542)
Effect of foreign currency exchange differences	**(12)**	–
	67,633	42,059
Loan to a joint venture *(note 18)*	**6,548**	–
Less: share of post-acquisition losses that are in excess of the costs of investments	**(312)**	–
	6,236	–

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

Name of company	Country of incorporation/ operation	Proportion of ownership interest held by the Group 2015	2014	Proportion of voting right held by the Group 2015	2014	Principal activities
伊犁協鑫能源有限公司 Yili GCL New Energy Limited* ("Yili") *(Note a)*	PRC	**50%**	50%	**50%**	50%	Operation of solar power plant in the PRC
海南州世能光伏發電有限公司 Hainanzhou Shineng Photovoltaic Power Co., Ltd.* ("Shineng") *(Note b)*	PRC	**60%**	60%	**60%**	60%	Operation of solar power plant in the PRC
啟創環球有限公司 Qichuang Global Limited ("Qichuang") *(Note c)*	British Virgin Islands ("BVI")/Japan	**50%**	–	**50%**	–	Operation of solar power plant in Japan

* English name for identification only

17. Interests in Joint Ventures *(continued)*

Notes:

(a) On 12 November 2014, the Group entered into an agreement with GCL-Poly, pursuant to which the Group purchased 50% equity interest in Yili from GCL-Poly at a consideration of approximately RMB2,625,000. The acquisition was completed on 30 November 2014.

In December 2014, the Group and the other joint venturer agreed to increase Yili's paid up capital from approximately RMB2,000,000 to approximately RMB49,200,000 in proportion to the percentage of the respective equity interest held by the joint venturers. As at 31 December 2015, the Group has further injected capital of RMB16,100,000 (2014: RMB7,500,000) to Yili.

(b) On 30 December 2014, the Company acquired 100% equity interests in Delingha Century Concord Photovoltaic Power Co., Ltd. ("Delingha") which in turn holds 60% equity interest in Shineng. Pursuant to shareholders agreement of Shineng, two-third of the votes is required to direct the relevant activities. The Directors consider that the Group can only exercise joint control over Shineng and it is therefore classified as a joint venture of the Group.

(c) In November 2015, the Group entered into an agreement with independent third parties, pursuant to which the Group invested 50% equity interest in Qichuang at a consideration of approximately RMB155,000. The Group has joint control over Qichuang as under the contractual agreements, unanimous consent is required from all parties to the agreements for all the relevant activities.

Summarised financial information of joint ventures

Set out below is the aggregate financial information of joint ventures that are not individually material. All joint ventures are accounted for using the equity method in these consolidated financial statements.

	2015 RMB'000	2014 RMB'000
Revenue	**46,563**	40,974
Profit or loss from operations and total comprehensive income	**12,344**	535
Current assets	**84,787**	74,732
Non-current assets	**471,226**	321,460
Current liabilities	**(228,017)**	(66,862)
Non-current liabilities	**(200,000)**	(216,768)

18. Amounts Due from/to Related Companies

	2015 RMB'000	2014 RMB'000 (Restated)
Amounts due from joint ventures		
– Current *(note a)*	33,451	22,925
– Non-current *(note b)*	123,700	21,534
– Non-current *(note c)*	6,236	–
	163,387	44,459
Amounts due from fellow subsidiaries		
– Current *(note a)*	22,521	12,704
Amounts due to fellow subsidiaries		
– Current *(note a)*	179,632	44,874

Notes:

a. The amounts due from joint ventures and amounts due from/to fellow subsidiaries are unsecured, non-interest bearing and repayable on demand except for a loan to Shineng of RMB21,534,000 as at 31 December 2015 (2014: see b. below) which has no fixed repayment term. The Directors expected the loan would be realised within twelve months from 31 December 2015 and classified it as current assets as at 31 December 2015.

b. As at 31 December 2015, a loan to Yili amounting to RMB123,700,000 (2014: nil) is unsecured and interest-bearing at a fixed rate of 9.05% per annum with no fixed repayment term. As at 31 December 2014, amount represents loan to Shineng which was unsecured, non-interest bearing with no fixed repayment term. The Directors expected the loan to be realised after twelve months from 31 December 2014 and accordingly is classified as non-current assets.

c. Amount consists of advance to Qichuang in which settlement is neither planned nor likely to occur in the foreseeable future and the Directors considered that it forms part of the investor's net investment in Qichuang (note 17).

19. Deposits, Prepayment and Other Non-Current Assets

	2015 RMB'000	2014 RMB'000 (Restated)
Deposits paid for engineering, procurement and construction ("EPC") contracts and constructions *(note)*	929,739	393,789
Refundable value-added tax	1,036,986	335,670
Deposits paid for acquisitions of solar power plant projects	13,410	76,024
Prepaid rent for parcels of land	160,715	21,557
Trade receivables *(note 21)*	175,700	–
Others	38,772	15,151
	2,355,322	842,191

Note: Deposits for EPC contracts and constructions represent deposits paid to contractors which will be transferred to solar power plant under construction when the constructions commence.

20. Inventories

	2015 RMB'000	2014 RMB'000 (Restated)
Raw materials	34,768	36,599
Work in progress	40,134	34,333
Finished goods	91,882	66,926
	166,784	137,858

21. Trade and Other Receivables

	2015 RMB'000	2014 RMB'000 (Restated)
Trade receivables	**865,270**	338,913
Bills receivable	**682,813**	–
Prepayment and deposits	**130,566**	7,688
Other receivables		
– Consultancy service fee receivables	**82,079**	–
– Receivables for modules procurement	**1,325,203**	–
– Refundable value-added tax	**153,440**	61,917
– Others	**87,272**	42,894
	3,326,643	451,412
Analysed as:		
Current	**3,150,943**	451,412
Non-current (note 19)	**175,700**	–
	3,326,643	451,412

Trade receivables primarily comprise amounts receivable for the sale of PCB products and receivables for electricity sales which include tariff adjustment receivables to be received from the state grid companies. The tariff adjustment receivables amounting to approximately RMB456,673,000 (2014: RMB59,084,000) are recognised based on the prevailing nationwide government policies on renewable energy for solar power plants. The Directors expected certain part of the tariff adjustment receivables will be recovered after twelve months from the reporting date and have classified them as non-current assets accordingly. The current portion and non-current portion of tariff adjustment receivables are approximately RMB280,973,000 (2014: RMB59,084,000) and RMB175,700,000 (2014: nil) (included in note 19), respectively.

Receivables for modules procurement comprise modules procurement cost and commission earned by the Group.

For sales of PCB products, the Group generally allows credit period of 30 to 120 days.

For sales of electricity in the PRC, the Group generally grants credit period of approximately one month to local power grid companies in the PRC from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective local grid companies.

All bills receivables of the Group are with a maturity period of less than 180 days and not yet due at the end of the reporting period, and management considers the default rate is low based on historical information and experience.

21. Trade and Other Receivables *(continued)*

The following is an aged analysis of trade receivables classified as current assets, which are presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	2015 RMB'000	2014 RMB'000 (Restated)
Unbilled *(note)*	**456,673**	59,084
0 – 90 days	**347,492**	261,254
91 – 180 days	**38,762**	17,223
Over 180 days	**22,343**	1,352
	865,270	338,913

Note: Unbilled receivables represent tariff adjustments to be billed and received based on the prevailing national government policies on renewable energy.

Consultancy service fee and commission receivables and receivables for modules procurement are aged from 0 to 90 days.

Included in these trade receivables are debtors with aggregate carrying amount of RMB72,902,000 (2014: RMB66,439,000) which are past due as at the end of the reporting date. These trade receivables relate to a number of customers for whom there is no recent history of default. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired:

	2015 RMB'000	2014 RMB'000 (Restated)
0 – 90 days	**69,008**	63,775
91 – 180 days	**3,113**	1,447
Over 180 days	**781**	1,217
	72,902	66,439

No provision for impairment of trade receivables was made for the year/period.

During the year ended 31 December 2015, bad debts of approximately RMB896,000 (1.4.2014 to 31.12.2014: RMB2,164,000) were directly written off.

22. Transfer of Financial Assets

During the year ended 31 December 2015, the Group endorsed certain bills receivable for the settlement of trade and other payables; and discounted certain bills receivable to banks for raising of cash.

The following were the Group's bills receivable as at 31 December 2015 that were transferred to banks or creditors by discounting or endorsing those receivables, on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as a secured borrowing (see note 27) or the amounts outstanding with the creditors remain to be recognised as trade and other payables and amount due to related companies, respectively. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

At 31 December 2015

	Bills receivable discounted to banks with full recourse RMB'000	Bills receivable endorsed to creditors with full recourse RMB'000	Total RMB'000
Bills receivable from third parties	–	663,452	663,452
Bills receivable from group entities	2,300,000	–	2,300,000
Carrying amount of transferred assets	2,300,000	663,452	2,963,452
Carrying amount of associated liabilities	(2,300,000)	(663,452)	(2,963,452)
Net position	–	–	–

The Directors consider that the carrying amounts of the endorsed and discounted bills receivable approximate their fair values.

The finance costs recognised for bills receivable discounted to banks are RMB68,289,000 for the year ended 31 December 2015 (1.4.2014 to 31.12.2014: nil) which was included in interest on bank and other borrowings (note 9).

The Group does not hold any bills receivable during the period from 1 April 2014 to 31 December 2014.

23. Other Loan Receivables

During the year ended 31 December 2015, the Group, as lender, entered into loan agreements with independent third parties to provide an aggregate principal amount of RMB460,000,000 to finance their development and operation of certain solar power plant projects in the PRC (the "Projects"). Approximately RMB389,378,000 was drawn down at the end of the reporting period. The terms of the loans are one year to no specific maturity and carry interest from 6.765% to 15% per annum.

Certain loan receivables are secured by pledge of equity interest of the borrowers, pledge of the rights over electricity fee receivables by borrowers in the Projects and a grant of security over any future equipment and engineering works acquired or constructed by the borrowers in the Projects.

24. Pledged Bank and Other Deposits and Bank Balances

Pledged bank and other deposits

Pledged bank and other deposits represent deposits pledged to banks and other financial institutions to secure banking facilities granted to the Group.

Pledged bank deposits carry fixed interest rates ranging from 0.3% to 2.8% (2014: 0.385% to 3.05%) per annum.

Deposits amounting to RMB825,171,000 (2014: RMB438,900,000) have been pledged to secure short-term borrowings granted to the Group are therefore classified as current assets.

Bank balances

Bank balances carry interest at floating rates which range from 0.001% to 0.35% (2014: 0.001% to 0.4%) per annum or fixed rates which range from 0.001% to 0.44% (2014: 0.001% to 1.485%) per annum.

25. Trade and Other Payables

	2015 RMB'000	2014 RMB'000 (Restated)
Trade payables	326,862	251,038
Bills payable	986,008	–
Payables for purchase of plant and machinery and constructions costs	4,095,487	2,233,915
Payables to vendors of solar power plants	179,741	250,221
Payables for module procurement	1,211,075	–
Other tax payables	44,601	5,779
Other payables	87,667	30,594
Receipt in advance	8,500	23,874
Accruals		
– Staff costs	78,648	55,376
– Legal and professional fees	25,363	9,554
– Utilities	6,219	4,564
– Interest expenses	43,774	2,366
– Others	6,303	6,857
	7,100,248	2,874,138

The credit period for purchase of goods is normally ranged from 90 to 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

The following is an aged analysis of trade payables, presented based on the invoice date at the end of the reporting period:

	2015 RMB'000	2014 RMB'000 (Restated)
0 – 90 days	198,134	163,013
91 – 180 days	117,278	79,938
Over 180 days	11,450	8,087
	326,862	251,038

All bills payable of the Group is aged within 180 days (2014: 180 days) and not yet due at the end of the reporting period.

26. Loan from Related Parties

(a) A shareholder

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

(b) Fellow subsidiaries

As at 31 December 2014, the loan from a fellow subsidiary of RMB750,000,000 was unsecured, interest-bearing at a fixed rate of 5.6% per annum and with a repayment term of three months. The entire balance was repaid during 2015.

As at 31 December 2015, the Group obtained additional loans from a fellow subsidiary of approximately RMB629,157,000. The loans were unsecured, interest-bearing at 4.85% and had a repayment period of six months. These loans were borrowed from a fellow subsidiary in the form of bills receivables from relevant banks with maturities of four to six months.

27. Bank and Other Borrowings

	2015 RMB'000	2014 RMB'000 (Restated)
Bank loans	7,241,761	1,775,533
Other loans	4,618,358	–
	11,860,119	1,775,533
Secured	6,826,307	1,764,466
Unsecured	5,033,812	11,067
	11,860,119	1,775,533
The carrying amounts of the above borrowings are repayable*:		
Within one year	4,466,690	254,066
More than one year, but not exceeding two years	2,363,488	927,467
More than two years, but not exceeding five years	2,382,933	122,000
More than five years	2,647,008	472,000
	11,860,119	1,775,533
Less: Amounts due within one year shown under current liabilities	(4,466,690)	(254,066)
Amounts due after one year	7,393,429	1,521,467
Analysed as:		
Fixed-rate borrowings	6,388,522	600,206
Variable-rate borrowings	5,471,597	1,175,327
	11,860,119	1,775,533

* The repayable amounts of bank and other borrowings due are based on scheduled repayment dates set out in the respective loan agreements.

27. Bank and Other Borrowings *(continued)*

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are analysed as follows:

	2015	2014
Fixed-rate borrowings	**4.6% to 11.45%**	2.59% to 7.84%
Variable-rate borrowings	**100% to 110% of Benchmark Borrowing Rate of The People's Bank of China ("Benchmark Rate")**	100% to 110% of Benchmark Rate

The Group's borrowings are denominated in currencies other than the functional currency of the relevant group entities are set out below:

	2015 RMB'000	2014 RMB'000 (Restated)
HK$	**9,490**	–
US$	**11,478**	12,235

Included in other loan is an amount of RMB1,000,000,000 obtained by the Group through an investment fund established in the form of a limited partnership ("Limited Partnership"), the capital of which is contributed by two subsidiaries of the Group as to approximately 20% with the remainder contributed by a third party asset management company (the "Limited Partner"). Pursuant to the investment agreement and fund repurchase agreement entered into between the Group and the Limited Partner in conjunction with the formation of the Limited Partnership, the capital contributed by the Limited Partner will reserve a fixed return of 7.2% per annum ("Fixed Return") and the Group has agreed to repurchase the Limited Partner's interest in the Limited Partnership upon the occurrence of certain events but in any case before 29 May 2017, for a consideration equal to the outstanding capital of the Limited Partner plus the Fixed Return. As the investment fund has been fully utilised for the acquisition of new energy businesses of the Group, this arrangement is accounted for as financing to the Group with the equity interest in the invested project companies as collateral.

Included in short-term bank borrowings are obligations arising from bills receivable issued by the Group's entities with aggregate carrying amount of approximately RMB2,158 million (2014: nil) discounted to banks with recourse at interest rates of 10% per annum (2014: nil).

The Group is required to comply with certain restrictive financial covenants and undertaking requirements. During 2015, certain subsidiaries of the Group did not comply with a required debt to asset ratio requirement as set out in the loan agreements entered into between the subsidiaries and a PRC bank. On discovery of the breach, the Directors informed the lender and 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. As at 31 December 2015, the relevant covenant requirement has been remediated and the Directors had reviewed all required covenant requirements of the Group and no breach of covenants was noted.

28. Obligations under Finance Leases

	Minimum lease payments		Present value of minimum lease payments	
	2015	2014	**2015**	2014
	RMB'000	RMB'000 (Restated)	**RMB'000**	RMB'000 (Restated)
Amounts payable under finance leases				
Within one year	**49,980**	30,931	**48,201**	29,899
More than one year, but not exceeding two years	**35,480**	23,345	**32,670**	21,201
More than two years, but not exceeding five years	**16,593**	7,828	**14,493**	6,758
	102,053	62,104	**95,364**	57,858
Less: future finance charges	**(6,689)**	(4,246)	**N/A**	N/A
Present value of lease obligations	**95,364**	57,858	**95,364**	57,858
Less: Amount due for settlement within one year (shown under current liabilities)			**(48,201)**	(29,899)
Amount due for settlement after one year			**47,163**	27,959

The finance leases have terms of one to three years (2014: three years). Interest rate underlying all obligations under finance leases are fixed at respective contract dates ranging from 4.74% to 7.20% (2014: 5.25% to 7.2%) per annum.

Finance lease obligations that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

	2015	2014
	RMB'000	RMB'000 (Restated)
HK$	**391**	4,695

29. Bonds Payable

On 19 June 2015 and 7 July 2015, Nanjing GCL New Energy Development Co., Ltd., a wholly-owned subsidiary of the Group, issued bonds with a total nominal value of RMB360,000,000. The bonds mature one year from the date of issuance. The bonds payable is interest bearing at 6.7% per annum.

30. Convertible Bonds

Year ended 31 December 2015

	2015 RMB'000
As at 1 January 2015	–
Issue of convertible bonds on 27 May 2015	611,244
Issue of convertible bonds on 20 July 2015	157,720
Payment of interests	(7,044)
Change in fair value charged to profit or loss	(29,064)
As at 31 December 2015	732,856

On 27 May 2015 and 20 July 2015, the Company issued three-year convertible bonds at a nominal value of HK$775,100,000 (equivalent to approximately RMB611,244,000) ("Talent Legend Issue") and HK$200,000,000 (equivalent to approximately RMB157,720,000) ("Ivyrock Issue"), respectively. The major terms and conditions of the convertible bonds 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 and HK$200,000,000 respectively 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.

30. Convertible Bonds *(continued)*

Year ended 31 December 2015 *(continued)*

(b) Conversion price *(continued)*

(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 and 20 July 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 (see definition below) 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 adjustments in the same manner as the conversion price. The Minimum Commission Price has been further adjusted to HK$0.754 with effect from 6 January 2016 as a result of the determination of entitlements to the Rights Issue.

Pursuant to the terms of the Talent Legend Issue, the 30-day average price has fallen below 80% of the applicable conversion price. Accordingly, the conversion price of the Talent Legend Issue was adjusted from HK$1.20 per Share to HK$0.96 per share with effect from 30 October 2015. The Company further announced that the conversion price of such convertible bond was adjusted down to HK$0.93 with effect from 6 January 2016 as a result of the determination of entitlements to the Rights Issue. On 29 February 2016, the Company announced that the conversion price of Talent Legend Issue was adjusted further down to HK$0.754 per share as a result of the 30-day average price has fallen below 80% of the applicable conversion price.

Pursuant to the terms of Ivyrock Issue, the Company announced that the conversion price of such convertible bond was adjusted from HK$1.20 to HK$1.16 with effect from 6 January 2016 as a result of the determination of entitlements to the Rights Issue. On 21 January 2016, the Company announced that the conversion price of such convertible bond was adjusted further down to HK$0.93 per share as a result of the 30-day average price has fallen below 80% of the applicable conversion price.

30. Convertible Bonds *(continued)*

Year ended 31 December 2015 *(continued)*

(c) Maturity

The maturity for Talent Legend Issue and Ivyrock Issue are 26 May 2018 and 19 July 2018, respectively.

(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 dates at 112% of the outstanding principal amount.

The Company designated the convertible bonds (including the conversion option) as financial liabilities at FVTPL and initially recognised at fair value. In subsequent periods, such convertible bonds are measured at fair value with changes in fair values recognised in profit or loss. Transaction costs relating to the issurance of the convertible bonds are charged to profit or loss immediately.

The fair value of the convertible bond, was determined by an independent qualified valuer based on the Binominal Lattice Model.

The following assumptions were applied.

	Talent Legend Issue		Ivyrock Issue	
	31 December 2015	27 May 2015	31 December 2015	20 July 2015
Discount rate	30.97%	22.13%	31.03%	16.96%
Fair value of each share of the Company	HK$0.46	HK$0.87	HK$0.46	HK$0.61
Conversion price (per share)	HK$0.96	HK$1.20	HK$1.20	HK$1.20
Risk free interest rate	0.62%	0.70%	0.68%	0.79%
Time to maturity	2.41 years	3 years	2.56 years	3 years
Expected volatility	64.85%	54.23%	64.42%	63.94%
Expected dividend yield	0%	0%	0%	0%

30. Convertible Bonds *(continued)*

Period ended 31 December 2014

On 16 June 2011, the Group issued a three-year 1% convertible redeemable bond at a total nominal value of HK$90,000,000 (equivalents to approximately RMB71,397,000) due on 16 June 2014. The bond matured three years from the date of issuance at their nominal value or could be converted into ordinary shares of the Company at an original conversion price of HK$1.80 per share after six months from the date of issuance, subject to adjustments stipulated under the terms and conditions of the convertible redeemable bond. The terms and conditions of the convertible redeemable bond also provided the Company and the bond holder with certain redeemable options under different circumstances and different terms.

The conversion price was adjusted to HK$1.75 per share in accordance with the terms on conversion price adjustment in 2012.

On 9 May 2014, the then remaining outstanding convertible redeemable bond with a principal amount of HK$58,700,000 (equivalents to approximately RMB46,520,000) was converted into 33,542,857 ordinary shares of HK$0.1 each of the Company at the price of HK$1.75 per share.

The conversion feature failed the fixed-for-fixed requirement for equity classification as one of the conversion ratio adjustments did not preserve the relative interest between bondholder and ordinary shareholders. The option was therefore regarded as derivative with changes in fair value being recognised in profit or loss in accordance with IAS 39. The liability components and the embedded derivatives of the convertible redeemable bond have been separately accounted for. The embedded derivatives concerned referred to the conversion right and redemption rights of the convertible redeemable bond exercisable by the bond holder and the Company, respectively.

30. Convertible Bonds *(continued)*

Period ended 31 December 2014 *(continued)*

The movement of liability component is as follows:

	2014 RMB'000 (Restated)
As at 1 April 2014	45,977
Interest expense for the period *(note 9)*	254
Conversion into ordinary shares	(46,520)
Effect of foreign currency exchange differences	289
As at 31 December 2014	–

The interest expense of the liability component was calculated using the effective interest method with effective interest rate of 6.61% per annum.

The movement of fair value of the embedded derivative is as follows:

	2014 RMB'000 (Restated)
As at 1 April 2014	260,474
Change in fair value upon date of conversion	(45,475)
Conversion to ordinary shares	(216,631)
Effect of foreign currency exchange differences	1,632
As at 31 December 2014	–

The fair value of the embedded derivatives was affected by factors including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of conversion right and redemption rights of the convertible redeemable bond by the bond holder and the Company, respectively.

31. Deferred Taxation

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2015 RMB'000	2014 RMB'000 (Restated)
Deferred tax assets	20,941	10,073
Deferred tax liabilities	(22,027)	(11,310)
	(1,086)	(1,237)

The following are the deferred tax liabilities (assets) recognised and movements thereon during the year/ period :

	Accelerated tax depreciation RMB'000	Fair vale adjustments on acquisitions RMB'000	Unrealised profits on plant and equipment RMB'000	Withholding tax on undistributed profits RMB'000	Others RMB'000	Total RMB'000
At 1 April 2014 (Restated)	510	–	–	10,342	–	10,852
Acquisitions of subsidiaries	–	(2,229)	–	–	(710)	(2,939)
(Charge) credit to profit or loss	–	–	(6,888)	457	(246)	(6,677)
Effect of foreign currency exchange differences	–	–	(1)	1	1	1
At 31 December 2014 (Restated)	510	(2,229)	(6,889)	10,800	(955)	1,237
Acquisitions of subsidiaries	–	–	–	–	72	72
(Charge) credit to profit or loss	–	–	(11,113)	2,105	8,755	(253)
Effect of foreign currency exchange differences	30	–	–	–	–	30
At 31 December 2015	540	(2,229)	(18,002)	12,905	7,872	1,086

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries after 1 January 2008 onwards. Accordingly, a provision for deferred taxation of RMB2,105,000 (2014: RMB457,000) in respect of withholding tax on undistributed profits has been recognised in profit or loss during the current year. In addition, PRC withholding tax of RMB2,373,000 has been provided for as current tax in the current year for dividends declared.

At the end of the reporting period, the Group has unused tax losses of approximately RMB301,118,000 (2014: RMB110,889,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Unrecognised tax losses of approximately RMB56,324,000 will expire from 2019 to 2020 (2014: 2017 to 2022) and other losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences in respect of impairment of certain assets in aggregate of RMB42,104,000 (2014: nil). No deferred tax asset has been recognised due to the unpredictability of future profit streams.

32. Share Capital

	Number of shares	Amount HK$'000
Authorised:		
At 1 April 2014 (Ordinary shares of HK$0.1 each)	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 31 December 2014, 1 January 2015 and 31 December 2015 (Ordinary shares of HK$0.00416 each)	36,000,000,000	150,000

	Number of shares	Amount HK$'000	Shown in consolidated financial statements as RMB'000
Issued and fully paid:			
At 1 April 2014 (Ordinary shares of HK$0.1 each)	85,948,520	8,595	9,456
Subscription of new share *(note a)*	360,000,000	36,000	28,559
Placement of new share *(note b)*	50,000,000	5,000	3,967
Share issued upon conversion of convertible redeemable bond *(note c)*	33,542,857	3,354	2,661
First Shares Subdivision (note d)	2,647,456,885	–	–
Top-Up Subscription for new shares *(note f)*	291,000,000	4,850	3,848
Second Shares Subdivision *(note g)*	10,403,844,786	–	–
At 31 December 2014, 1 January 2015 and 31 December 2015 (Ordinary shares of HK$0.00416 each)	13,871,793,048	57,799	48,491

32. Share Capital *(continued)*

Notes:

(a) On 13 February 2014, the Company entered into a conditional subscription agreement with GCL-Poly (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 a net proceeds of approximately HK$1,431,157,000 (equivalent to approximately RMB1,135,337,000) (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 (equivalent to approximately RMB154,694,000). The Placement was completed on 9 May 2014.

(c) On 9 May 2014, the convertible redeemable bond issued by the Company with details set out in note 30 was fully converted into 33,542,857 shares of the Company (the "Conversion").

(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. Upon the First 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 immediate holding company 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 million (equivalent to approximately RMB583,618,000).

(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 a "Second Subdivided Share") (the "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 Second Share Subdivision becoming effective, the authorised capital of the Company was HK$150,000,000, divided into 36,000,000,000 Second 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 Second Subdivided Shares were in issue and fully paid or credited as fully paid.

33. Share-Based Payment Transactions

Equity settled share option scheme

The Company's new share option scheme was adopted pursuant to a resolution passed on 15 October 2014 ("New Share Option Scheme") for the primary purpose of providing incentives to directors and eligible employees. Under the New Share Option Scheme, the Board of Directors of the Company may grant options to eligible employees, including the Directors, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside third parties for settlement in respect of goods or services provided to the Company.

At 31 December 2015, the number of shares in respect of the share options which had been granted under the New Share Option Scheme and remained outstanding was 844,900,000 (2014: 536,840,000) shares, representing 6.1% (2014:3.9%) of the issued share capital of the Company at that date. The maximum number of shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme shall not in aggregate exceed 10% of the shares of the Company in issue at the date of approval of the New Share Option Scheme. The maximum entitlement for any one participant is that the total number of shares issued or to be issued upon exercise of the options granted to each participant in any twelve-month period shall not exceed 1% of the total number of shares in issue.

The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

On 23 October 2014, the Company granted 134,210,000 share options at exercise price of HK$4.75 per share option ("2014 Share Options"), subject to acceptance by the grantees, to subscribe for an aggregate of 134,210,000 shares under the New Share Option Scheme, and of which 35,000,000 share options were granted to the Directors. These 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, as well as market performance conditions. The share options granted are exercisable from the respective vesting dates to the last day of the ten-year period after the grant date.

As a result of the share subdivision as mentioned in note 32(g), the exercise price per 2014 Share Options granted and the number of subdivided shares falling to be issued upon exercise of the options granted had been adjusted to HK$1.1875 per share option and 536,840,000 share options, respectively.

On 24 July 2015, the Company granted 473,460,000 share options at exercise price of HK$0.61 per share option ("2015 Share Options"), subject to acceptance by the grantees, to subscribe for an aggregate of 473,460,000 shares under the New Share Option Scheme, and of which 43,000,000 share options were granted to the Directors. These share options are subject to certain service and market performance conditions and a vesting scale in five even tranches on 24 July 2015 and the first, second, third and fourth anniversary dates of the grant date, respectively. The share options granted are exercisable after the respective vesting date and upon meeting the service and market performance conditions up to the last day of the ten-year period after the grant date.

Pursuant to the terms of the New Share Option Scheme, the exercise price of the 2014 Share Options and 2015 Share Options is adjusted from HK$1.1875 to HK$1.1798 and from HK$0.61 to HK$0.606, respectively, with effect from 2 February 2016 as a result of the determination of entitlements to the Rights Issue mentioned in note 42.

33. Share-Based Payment Transactions *(continued)*

Equity settled share option scheme *(continued)*

The following table discloses movements of the Company's share options:

2015

	Exercise price	Date of grant	Number of share options: Outstanding at 1 January 2015	During the year: Granted	During the year: Forfeited	During the year: Transferred *(Note)*	Outstanding at 31 December 2015
Directors	HK$1.1875	23.10.2014	140,000,000	–	(46,800,000)	(23,200,000)	70,000,000
	HK$0.61	24.7.2015	–	43,000,000	(3,000,000)	11,000,000	51,000,000
Employees and others	HK$1.1875	23.10.2014	396,840,000	–	(95,320,000)	23,200,000	324,720,000
	HK$0.61	24.7.2015	–	430,460,000	(20,280,000)	(11,000,000)	399,180,000
			536,840,000	473,460,000	(165,400,000)	–	844,900,000
Exercisable at the end of the year			107,368,000				157,888,000
Weighted average exercise price (HK$)			1.1875	0.61	1.1062	–	0.8798

Note: Transfer upon appointment as directors of the Comapny or resignation as director but remains as an employee of the Group.

2014

	Exercise price *(Note c)*	Date of grant	Number of share options: Outstanding at 1 April 2014	During the period: Granted *(Note a)*	During the period: Share subdivision *(Note b)*	Outstanding at 31 December 2014 *(Note c)*
Directors	HK$1.1875	23.10.2014	–	35,000,000	105,000,000	140,000,000
Employees and others	HK$1.1875	23.10.2014	–	99,210,000	297,630,000	396,840,000
			–	134,210,000	402,630,000	536,840,000
Exercisable at the end of the period			–			107,368,000
Weighted average exercise price (HK$)			–	4.75	–	1.1875

33. Share-Based Payment Transactions *(continued)*

Equity settled share option scheme *(continued)*

2014 *(continued)*

Notes:

(a) The shares options were granted before the Second Share Subdivision as mentioned in note 32(g) and accordingly, the exercise price presented were before the effect of the Second Share Subdivision.

(b) As a result of the Second Share Subdivision on 19 November 2014, the exercise price per share and the number of the then outstanding share options were adjusted from HK$4.75 to HK$1.1875 and from 134,210,000 to 536,840,000, respectively.

(c) The number of shares and average exercise price presented were after the effect of the Second Share Subdivision.

The fair value of the 2014 Share Options measured at the date of grant on 23 October 2014 for each share option to be vested in 0.09 year, 1 year, 2 years, 3 years and 4 years from the grant date were HK$0.599, HK$0.621, HK$0.650, HK$0.668 and HK$0.677, respectively.

The following inputs were used to derive the fair value of the share options, using the Binomial model:

	23 October 2014
Spot price (closing price at grant date, adjusted by the effect of the Second Share Subdivision)	HK$1.188
Exercise price (adjusted by the effect of the Second Share Subdivision)	HK$1.1875
Expected volatility	74%
Dividend yield	1.02%
Risk-free interest rate	1.741%
Option life	10 years

The fair value of the 2015 Share Options measured at the date of grant on 24 July 2015 for each share option to be vested in 0.09 year, 1 year, 2 years, 3 years and 4 years from the grant date were HK$0.360, HK$0.371, HK$0.381, HK$0.399 and HK$0.405 for directors, and HK$0.321, HK$0.362, HK$0.381, HK$0.399 and HK0.405 for employees and others, respectively. The following inputs were used to derive the fair value of the share options, using the Monte Carlo model:

	24 July 2015
Spot price	**HK$0.58**
Exercise price	**HK$0.61**
Expected volatility	**75%**
Dividend yield	**0%**
Risk-free interest rate	**1.732%**
Option life	**10 years**

The expected volatility was determined by using the volatility of the stock return of the Company and comparable listed companies as at the valuation date. The expected life used in the model had been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

33. Share-Based Payment Transactions *(continued)*

Equity settled share option scheme *(continued)*

The variables and assumptions used in estimating the fair value of the share options were based on the Director's best estimate. Change in subjective input assumptions can materially affect the fair value.

During the current year, share-based payment expense of RMB135,542,000 (1.4.2014 to 31.12.2014: RMB72,895,000) has been recognised in profit or loss. In addition, certain share options granted to employees have been forfeited after the vesting period, and respective share options reserve of approximately RMB40,804,000 (1.4.2014 to 31.12.2014: nil) are transferred to the Group's accumulated losses.

At each reporting date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to the share-based payment reserve.

34. Acquisitions of subsidiaries

Year ended 31 December 2015

During the current year, the Group had several material acquisitions in acquiring a controlling interest in certain companies for a total consideration of approximately RMB175,831,000. For the companies set out in note (i), they did not operate any business prior to the respective dates of acquisitions and accordingly, the Group considers the nature of these acquisitions as acquisitions of assets in substance and the considerations have been attributed to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items. For the other four acquisitions as mentioned in note (ii), the construction of the respective solar power plant projects is either close to completion or have been completed as at the date of the respective acquisitions. Therefore, the acquisitions are considered as business combinations under IFRS 3 and accounted for using acquisition method.

(i) Assets acquisition

(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 RMB10,000,000. At the date of acquisition, Nantong had a 22MW solar power plant project under development.

(b) 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 RMB6,000,000 and obtained control of Yuanmou by holding 70% voting power in the shareholders' meeting. At the date of acquisition, Yuanmou had a 50MW solar power plant project under preliminary development.

The Group has an obligation to acquire the remaining 70% equity interest in Yuanmou at RMB14,000,000. The acquisition of the remaining 70% equity interest was subsequently completed during the current year.

Following the acquisition of the remaining 70% equity interest, the Group further injected capital to Yuanmou by increasing its total registered capital from RMB20,000,000 to RMB85,000,000. In December 2015, the Group entered into a separate sales and purchase agreement with a related party of the vendor to dispose 20% equity interest in Yuanmou to the related party of the vendor at RMB17,000,000. The disposal was yet to be completed as at 31 December 2015.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2015 *(continued)*

(i) Assets acquisition *(continued)*

(c) 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 RMB2,819,000 and obtained control of Taigu by holding 100% voting power in the shareholders' meeting. At the date of acquisition, Taigu had a 20MW solar power plant project under preliminary development.

The Group has an obligation to acquire the remaining 70% equity interest in Taigu at RMB6,578,000 after the project has obtained the on-grid connection, and accordingly, other payable of RMB6,578,000 had been recognised as at 31 December 2015 in this regard.

As at 31 December 2015, the project has not yet obtained the on-grid connection.

(d) Acquisition of 余干縣協鑫新能源有限責任公司 ("Yugan")

On 26 August 2015, the Group acquired 100% equity interest in Yugan at a consideration of RMB500,000 and obtained control of Yugan. At the date of acquisition, Yugan had a 130MW solar power plant project under preliminary development.

(e) Acquisition of 榆林隆源光伏電力有限公司 ("Longyuan")

On 26 August 2015, the Group acquired 100% equity interest in Longyuan at a consideration of RMB10,000,000 and obtained control of Longyuan. At the date of acquisition, Longyuan had a 200MW solar power plant project under preliminary development.

Pursuant to the acquisition agreement, the Group is required to settle the consideration of RMB10,000,000 after the project has been connected to the grid, and accordingly, other payable of RMB10,000,000 has been recognised as at 31 December 2015.

As at 31 December 2015, the project was not yet connected to the grid.

(f) Acquisition of 寧夏綠昊光伏發電有限公司 ("Lvhao")

On 17 November 2015, the Group acquired 95% equity interest in Lvhao at a consideration of RMB9,500,000 and obtained control of Lvhao. At the date of acquisition, Lvhao had a 20MW solar power plant project under development. The Group has an obligation to acquire the remaining 5% equity interest in Lvhao at approximately RMB500,000. Accordingly, other payable of RMB500,000 had been recognised as at 31 December 2015 in this regard.

Following the transfer of the equity interest, both the Group and the vendor further injected capital to Lvhao by increasing its total registered capital from RMB10,000,000 to RMB36,050,000 at the same time maintaining their respective ownership of 95% (attributable to the Group) and 5% (attributable to the vendor) of the total equity interests in Lvhao. The minority shareholder paid up RMB1,303,000 during 2015, and accordingly, total payable of RMB1,803,000 had been recognised as at 31 December 2015 as the Group has an obligation to acquire the remaining 5% interest as enlarged by the capital contribution at this price.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2015 *(continued)*

(i) Assets acquisition *(continued)*

(g) Acquisition of 靖邊縣順風新能源有限公司 ("Jingbian")

On 4 December 2015, the Group acquired 95% equity interest in Jingbian at a consideration of RMB1,012,000 and obtained control of Jingbian. At the date of acquisition, Jingbian had a 40MW solar power plant project under preliminary development. The Group has an obligation to acquire the remaining 5% equity interest in Jingbian at approximately RMB53,000. Accordingly, other payable of RMB53,000 had been recognised as at 31 December 2015 in this regard.

	Nantong RMB'000	Yuanmou RMB'000	Taigu RMB'000	Yugan RMB'000	Longyuan RMB'000	Lvhao RMB'000	Jingbian RMB'000	Total RMB'000
Consideration paid as at acquisition date	10,000	6,000	2,819	500	–	9,500	1,012	29,831
Consideration payable to the former owner	–	14,000	6,578	–	10,000	500	53	31,131
Total consideration	10,000	20,000	9,397	500	10,000	10,000	1,065	60,962
Assets and liabilities recognised at the date of acquisition								
Property, plant and equipment	3,250	–	–	–	–	455	18,945	22,650
Prepayments and other receivables	8,003	19,993	9,900	–	120	14,491	8,652	61,159
Bank balances and cash	1,512	7	8	4,350	21,790	74	–	27,741
Other payables	(2,765)	–	(511)	(3,850)	(11,910)	(5,020)	(26,532)	(50,588)
Total identifiable net assets acquired	10,000	20,000	9,397	500	10,000	10,000	1,065	60,962
Cash consideration paid	10,000	6,000	2,819	500	–	9,500	1,012	29,831
Bank balances and cash	(1,512)	(7)	(8)	(4,350)	(21,790)	(74)	–	(27,741)
Net cash outflow	8,488	5,993	2,811	(3,850)	(21,790)	9,426	1,012	2,090

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2015 *(continued)*

(ii) Business acquisition

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

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 for a total consideration of RMB5,000,000. The transaction was completed on 31 March 2015. At the date of acquisition, a wholly-owned subsidiary of Changzhou Xintian had a 50MW solar power plant project under development. The acquisition was accounted for using the acquisition method.

(b) Acquisition of 湖北麻城市金伏太陽能電力有限公司 ("Hubei Macheng")

On 10 December 2015, the Group entered into equity purchase agreement with 武漢日新能源有限公司 ("Wuhan Rixin"), pursuant to which the Group agreed to acquire 100% equity interest of Hubei Macheng for a total consideration of approximately RMB45,000,000. The transaction was completed on 11 December 2015. At the date of acquisition, Wuhan Rixin had a 110MW solar power plant project under development. The acquisition was accounted for using the acquisition method.

(c) Acquisition of 內蒙古源海新能源有限責任公司 ("Yuanhai")

In November 2015, the Group entered into equity purchase agreement with two individuals, pursuant to which the Group agreed to acquire 100% equity interest of Yuanhai for a total consideration of approximately RMB51,000,000. The transaction was completed on 11 December 2015. At the date of acquisition, a wholly owned subsidiary of Yuanhai had a 30MW solar power plant project, of which 20MW was completed while 10MW was under development. The acquisition was accounted for using the acquisition method.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2015 *(continued)*

(ii) Business acquisition *(continued)*

(d) Acquisition of 邯能廣平縣光伏電力開發有限公司 ("Guangping")

On 30 December 2015, the Group entered into equity purchase agreement with 英利光伏電力投資集團有限公司 ("Yingli"), pursuant to which the Group agreed to acquire 100% equity interest of Guangping for a total consideration of approximately RMB124,760,000. Included in the total consideration, RMB45,000,000 has been paid by cash and RMB79,760,000 has been recognised as other payable as at 31 December 2015 in this regards. At the date of acquisition, Guangping had a solar power plant project of 50MW under development. The acquisition was accounted for using the acquisition method.

	Changzhou Xintian RMB'000	Hubei Macheng RMB'000	Yuanhai RMB'000	Guangping RMB'000	Total RMB'000
Fair value of assets and liabilities recognised at the date of acquisition:					
Property, plant and equipment	477,246	518,754	136,295	367,927	1,431,632
Prepayments and other receivables	50,592	1,958	51,976	49,446	153,972
Bank balances and cash	206	23	947	–	1,176
Other payables	(501,346)	(475,735)	(138,218)	(38,738)	(1,154,037)
Deferred tax liabilities	(72)	–	–	–	(72)
Borrowings	–	–	–	(253,875)	(253,875)
Total identifiable net assets acquired	26,626	45,000	51,000	124,760	247,386
Consideration payable to the former owner	–	–	–	(79,760)	(79,760)
Cash consideration paid	(5,000)	(45,000)	(51,000)	(45,000)	(146,000)
Bargain purchase gain recognised *(note)*	21,626	–	–	–	21,626
Cash consideration paid	5,000	45,000	51,000	45,000	146,000
Bank balances and cash acquired	(206)	(23)	(947)	–	(1,176)
Net cash outflow	4,794	44,977	50,053	45,000	144,824

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 discounting effect of the EPC payable.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2015 *(continued)*

(ii) Business acquisition *(continued)*

Impact of acquisition on the results of the Group

Had the acquisitions as mentioned in note (ii) been effected at the beginning of the year, the total amounts of revenue and profit for the year of the Group would have been increased by RMB16,768,000 and RMB1,358,000, respectively. Such pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

In determining the above pro-forma financial information, depreciation and amortisation of the property, plant and equipment was calculated based on their recognised amounts as at the date of the acquisition.

Period ended 31 December 2014

During the period from 1 April 2014 to 31 December 2014, the Group had several material acquisitions in acquiring a controlling interest in certain companies for a total consideration of approximately RMB751,431,000. For the companies set out in note (iii), they did not operate any business prior to the respective dates of acquisitions and accordingly, the Group considers the nature of these acquisitions as acquisitions of assets in substance and the considerations have been attributed to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items. For the acquisition as mentioned in note (iv), the solar power plant project has commenced operation. Therefore, the acquisition was considered as a business combination under IFRS 3 and accounted for using the acquisition method.

(iii) Assets acquisition

(a) Acquisition of 金湖正輝太陽能電力有限公司 ("Jinhu Zhenghui")

On 26 August 2014, the Group acquired 90% equity interest in Jinhu Zhenghui at a consideration of RMB72,000,000 and obtained control of Jinhu Zhenghui. At the date of acquisition, Jinhu Zhenghui owns a 100MW solar power plant project under development.

Pursuant to the subscription agreement, the Group is required to further inject capital to Jinhu Zhenghui by increasing its total registered capital from RMB80,000,000 to RMB160,600,000 which changed the Group and the vendor's respective ownership to 95.02% (attributed to the Group) and to 4.98% (attributable to the vendor) of the total enlarged equity interest in Jinhu Zhenghui, respectively. The Group subsequently injected the additional RMB80,600,000 capital accordingly in 2014 and the acquisition was completed on 4 September 2014.

Pursuant to the above subscription agreement, the Group has an obligation to purchase the remaining 4.98% equity interest in Jinhu Zhenghui at RMB8,000,000 within one year and two months after the completion of the development project and grid connection testing. Accordingly, other payable of RMB8,000,000 had been recognised as at 31 December 2014 and 2015 in this regard.

The project was completed in December 2014 and the respective procedures to apply for shares transfer is in progress.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

(b) Acquisition of 横山晶合太陽能發電有限公司 ("Hengshan")

On 28 August 2014, the Group entered into a subscription agreement with 西安黃河光伏科技有限公司 ("Huanghe Solar") pursuant to which the Group agreed to subscribe for 91% equity interest in Hengshan at a total consideration of RMB81,900,000. Hengshan has a 150 MW photovoltaic power generation project which was then under development in Xian, the PRC. The acquisition was completed on 5 November 2014.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 9% equity interest in Hengshan at RMB8,100,000 one year after connecting to the grid. However, the minority shareholders only paid up RMB500,000 at the date of acquisition and 31 December 2014, and accordingly, other payable of RMB500,000 had been recognised as at 31 December 2014 in this regard. During the year ended 31 December 2015, the minority shareholders paid up the remaining RMB7,600,000 of registered capital and accordingly, total payable of RMB8,100,000 has been recognised as at 31 December 2015.

The project was connected to the grid in December 2015 and the respective procedures to apply for shares transfer will be started one year after.

(c) Acquisition of 正藍旗國電光伏發電有限公司 ("Zheng Lan Qi")

On 22 September 2014, the Group acquired 93.75% equity interest in Zheng Lan Qi at a consideration of RMB15,000,000. Zheng Lan Qi owns a 50MW solar power plant project which was then under preliminary development.

Pursuant to the acquisition agreement, the Group has an obligation to purchase the remaining 6.25% equity interest in Zheng Lan Qi at RMB1,000,000 after grid connection and generation of electricity. However, the minority shareholders not yet paid up its share capital of RMB1,000,000 at acquisition date, which was settled subsequently during the year of 2014. Accordingly, other payable of RMB1,000,000 had been recognised as at 31 December 2014 and 2015 in this regard.

The project was completed in February 2015 and the respective procedures to apply for shares transfer is in progress.

(d) Acquisition of 哈密耀輝光伏電力有限公司 ("Hami Yaohui")

On 25 September 2014, the Group acquired 100% equity interest in Hami Yaohui at a consideration of RMB10,000,000. At the date of acquisition, Hami Yaohui owns a 60MW solar power plant project under preliminary development.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

(e) Acquisition of 榆林市榆神工業區東投能源有限公司 ("YuShen")

On 25 September 2014, the Group acquired 100% equity interest in YuShen at a consideration of RMB1,000,000. YuShen is a 100MW solar power plant project under development.

(f) Acquisition of 浙江舒奇蒙能源科技股份有限公司 ("Zhejiang Shuqimeng")

On 29 September 2014, the Group acquired 91% equity interest in Zhejiang Shuqimeng at a consideration of RMB9,100,000. Zhejiang Shuqimeng owns a 17.5MW solar power plant project which was then under development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 9% equity interest in Zhejiang Shuqimeng at RMB900,000 three years after the agreement date of 8 August 2014.

Following the transfer of the equity interest, both the Group and the vendor further injected capital to Zhejiang Shuqimeng by increasing its total registered capital from RMB10,000,000 to RMB28,403,000 at the same time maintaining their respective ownership of 91% (attributable to the Group) and 9% (attributable to the vendor) of the total equity interests in Zhejiang Shuqimeng. The minority shareholders paid up RMB1,656,000 during 2014, and accordingly, total payable of RMB2,556,000 has been recognised as at 31 December 2014 and 2015.

(g) Acquisition of 內蒙古香島新能源開發有限公司 ("Inner Mongolia Xiangdao")

On 6 October 2014, the Group entered into an investment agreement with 內蒙古香島生態農業開發有限公司 (the "Seller") pursuant to which the Seller agrees to sell to Suzhou GCL New Energy Investment Company Limited, a wholly-owned subsidiary of the Company, 90.10% of the issued share capital of 內蒙古香島新能源開發有限公司 ("Inner Mongolia Xiangdao") at a consideration of RMB45,050,000. The acquisition was completed on 22 October 2014.

Pursuant to the investment agreement, the Group has an obligation to acquire the remaining 9.90% equity interest in Inner Mongolia Xiangdao at RMB4,950,000.

Inner Mongolia Xiangdao has two solar power plant projects under development in the city of Hohhot in the Inner Mongolia Autonomous Region; namely (i) a 31MW photovoltaic power generation project; and (ii) a 130MW building-integrated photovoltaic project.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

(g) Acquisition of 內蒙古香島新能源開發有限公司 ("Inner Mongolia Xiangdao") *(continued)*

Following the transfer of the equity interest, both the Group and the Seller further injected capital to Inner Mongolia Xiangdao by increasing its total registered capital from RMB50,000,000 to RMB273,600,000 at the same time maintaining their respective ownership of 90.10% (attributable to the Group) and 9.90% (attributable to the Seller) of the total equity interests in Inner Mongolia Xiangdao. The minority shareholders paid up RMB22,136,000 during 2014, and accordingly, total payable of RMB27,086,000 has been recognised as at 31 December 2014 and 2015.

(h) Acquisition of 海南天利科新能源項目投資有限公司 ("Tianlike")

On 11 October 2014, the Group acquired 76.47% equity interest in Tianlike at a consideration of RMB32,880,000. Tianlike owns a 25MW solar power plant project which was then under development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 23.53% equity interest in Tianlike at RMB10,120,000 within three years from the date of connecting the grid. Accordingly, other payable of RMB10,120,000 had been recognised as at 31 December 2014 and 2015 in this regard.

The project has been connected to the grid in February 2015.

(i) Acquisition of 海南意晟新能源有限公司 ("Yicheng")

On 12 October 2014, the Group acquired 61.54% equity interest in Yicheng at a consideration of RMB16,000,000. At the date of acquisition, Yicheng owns a 25MW solar power plant project which was then under development.

Pursuant to the subscription agreement, the Group is required to further inject capital to Yicheng by increasing its total registered capital from RMB26,000,000 to RMB43,000,000 which changed the Group and the vendor's respective ownership to 76.74% (attributed to the Group) and to 23.26% (attributable to the vendor) of the total equity interest in Yicheng, respectively. The Group paid RMB16,000,000 to the vendor with outstanding investment commitment of RMB17,000,000 as at 31 December 2014. The Group subsequently injected RMB17,000,000 capital to Yicheng on 23 June 2015.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 23.26% equity interest in Yicheng at RMB10,000,000 with three settlement conditions: (i) to settle 50% of outstanding balance after the transfer of 76.74%; (ii) to settle 30% of the outstanding balance when registration of the transfer of 23.26% is completed, and (iii) to settle 20% of outstanding balance upon the date when Yicheng obtains the approval of tariff subsidy from the PRC government. Accordingly, other payable of RMB10,000,000 had been recognised as at 31 December 2014 in this regard. As at 31 December 2015, the second and third conditions were yet to complete and accordingly, other payable of RMB5,000,000 is outstanding as at 31 December 2015.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

(j) Acquisition of 尚義元辰新能源開發有限公司 ("Shangyi")

On 13 November 2014, the Group acquired 95% equity interest in Shangyi at a consideration of RMB1,900,000. Shangyi owns a 50MW solar power plant project which was then under development.

(k) Acquisition of 宿遷綠能電力有限公司 ("Suqian")

On 13 November 2014, the Group acquired 90.50% equity interest in Suqian at a consideration of RMB1,810,000. Suqian owns a 22MW solar power plant project which was then under preliminary development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 9.50% equity interest in Suqian at initial investment cost within three years from the date of acquisition agreement. Accordingly, other payable of approximately RMB190,000 had been recognised as at 31 December 2014 and 2015 in this regard.

(l) Acquisition of 山西佳盛能源股份有限公司 ("Jiasheng")

On 17 November 2014, the Group acquired 93.33% equity interest in Jiasheng at a consideration of RMB28,000,000. Jiasheng owns a 20MW solar power plant project which was then under development.

Pursuant to the acquisition agreement, the Group has the obligation to acquire the remaining 6.67% equity interest in Jiasheng at RMB2,000,000 after connecting to the grid. Accordingly, other payable of RMB2,000,000 had been recognised as at 31 December 2014 and 2015 in this regard.

The project has been connected to the grid in January 2015 and the respective procedures to apply for shares transfer is in progress.

(m) Acquisition of 盂縣晉陽新能源發電有限公司 ("Jinyang")

On 27 October 2014, the Group acquired 98.86% equity interest in Jinyang at a consideration of RMB86,800,000. Jinyang owns a 50MW solar power plant project which was then under preliminiary development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 1.14% equity interest in Jinyang at RMB1,000,000. Accordingly, other payable of RMB1,000,000 had been recognised as at 31 December 2014 and 2015 in this regard.

(n) Acquisition of 哈密歐瑞光伏發電有限公司 ("Ouri")

On 29 October 2014, the Group acquired 100% equity interest in Ouri at a consideration of RMB10,000,000. Ouri owns a 20MW solar power plant project which was then under preliminary development.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

(o) Acquisition of 寧夏盛景太陽能科技有限公司 ("Shengjing")

On 29 October 2014, the Group acquired 90.10% equity interest in Shengjing at a consideration of RMB46,221,000. Shengjing owns a 30MW solar power plant project which was then under preliminary development.

Pursuant to the acquisition agreement, the minority shareholders have an option to sell the remaining 9.90% equity interest in Shengjing at initial investment cost. Accordingly, other payable of RMB5,079,000 had been recognised as at 31 December 2014 in this regard.

Following the transfer of the equity interest above, Shengjing increased its total registered capital from RMB51,300,000 to RMB75,000,000 with same shareholding percentage and the minority shareholders paid up RMB2,346,000 during 2015 and accordingly, total payable of RMB7,425,000 has been recognised as at 31 December 2015.

(p) Acquisition of four solar power plant projects under development from a fellow subsidiary

On 12 November 2014, the Group entered into an equity transfer agreement with 蘇州保利協鑫光伏電力投資有限公司 ("Suzhou GCL-Poly"), a subsidiary of GCL-Poly, pursuant to which the Group purchased 100% equity interest in 朔州市協鑫光伏電力有限公司 (Shuozhou GCL Solar Energy Limited, or "Shuozhou GCL"), 酒泉協鑫新能源有限公司 (Jiuquan GCL New Energy Limited, or "Jiuquan GCL"), 黎城協鑫光伏電力有限公司 (Licheng GCL Solar Energy Limited, or "Licheng GCL") and 50% equity interest in Yili GCL from Suzhou GCL-Poly at a consideration of RMB10,805,000, subject to and in accordance with the terms and conditions of the equity transfer agreement. The consideration for the four acquisitions of RMB10,805,000 is paid by the Group during 2015. Shuozhou GCL, Jiuquan GCL, Licheng GCL and Yili GCL hold solar power plants of planned capacity of 50MW, 50MW, 30MW and 30MW, respectively.

The acquisitions of the subsidiaries were completed on 31 December 2014, 17 December 2014 and 19 November 2014, respectively, and Yili GCL was accounted for as a joint venture as disclosed in note 17.

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

The relative fair values of assets acquired and liabilities assumed at the acquisition dates are analysed as follows:

	Jinhu Zhenghui RMB'000 (Restated)	Hengshan RMB'000 (Restated)	Zheng Lan Qi RMB'000 (Restated)	Hami Yaohui RMB'000 (Restated)	YuShen RMB'000 (Restated)	Zhejiang Shuqimeng RMB'000 (Restated)	Inner Mongolia Xiangdao RMB'000 (Restated)	Tianlike RMB'000 (Restated)	Yicheng RMB'000 (Restated)	Total RMB'000 (Restated)
Assets and liabilities										
Property, plant and equipment	199	5,552	–	–	971	3,582	2,128	5,213	2,035	19,680
Non-current deposits and prepayments	721	–	–	182	6,070	1,586	47,871	4,907	7,821	69,158
Amount due from former owner	6,222	–	–	–	–	4,698	–	–	–	10,920
Prepayments and other receivables	819	–	–	–	959	–	–	–	141	1,919
Receivable from a shareholder	–	–	1,000	–	–	–	–	–	–	1,000
Bank balances and cash	72,039	81,924	15,000	10,010	–	134	1	32,880	16,003	227,991
Trade and other payables	–	(5,076)	–	(192)	(7,000)	–	–	–	–	(12,268)
Total identifiable net assets acquired	80,000	82,400	16,000	10,000	1,000	10,000	50,000	43,000	26,000	318,400
Consideration payable to former owner	(8,000)	(500)	(1,000)	–	–	(900)	(4,950)	(10,120)	(10,000)	(35,470)
Consideration paid as at acquisition date	72,000	81,900	15,000	10,000	1,000	9,100	45,050	32,880	16,000	282,930
Consideration paid in cash	72,000	81,900	15,000	10,000	1,000	9,100	45,050	32,880	16,000	282,930
Bank balances and cash acquired	(72,039)	(81,924)	(15,000)	(10,010)	–	(134)	(1)	(32,880)	(16,003)	(227,991)
Net cash (inflow) outflow	(39)	(24)	–	(10)	1,000	8,966	45,049	–	(3)	54,939

34. Acquisitions of subsidiaries *(continued)*

Period ended 31 December 2014 *(continued)*

(iii) Assets acquisition *(continued)*

The relative fair values of assets acquired and liabilities assumed at the acquisition dates are analysed as follows: (continued)

	Shangyi RMB'000 (Restated)	Suqian RMB'000 (Restated)	Jiasheng RMB'000 (Restated)	Jinyang RMB'000 (Restated)	Ouri RMB'000 (Restated)	Shengjing RMB'000 (Restated)	Shuozhou GCL RMB'000 (Restated)	Jiuquan GCL RMB'000 (Restated)	Licheng GCL RMB'000 (Restated)	Total RMB'000 (Restated)
Assets and liabilities										
Property, plant and equipment	756	–	203	–	–	–	2,481	–	54,204	57,644
Non-current deposits and prepayments	–	–	–	–	–	1,000	–	–	15,257	16,257
Prepayments and other receivables	–	–	–	–	–	–	31	–	693	724
Receivable from a shareholder	–	190	1,965	–	–	4,070	–	–	–	6,225
Bank balances and cash	1,900	1,810	28,078	87,800	10,000	46,230	333	1,921	7,923	185,995
Trade and other payables	(756)	–	(246)	–	–	–	(865)	(1)	(73,797)	(75,665)
Total identifiable net assets acquired	1,900	2,000	30,000	87,800	10,000	51,300	1,980	1,920	4,280	191,180
Consideration payable to former owner	–	(190)	(2,000)	(1,000)	–	(5,079)	(1,980)	(1,920)	(4,280)	(16,449)
Consideration paid as at acquisition date	1,900	1,810	28,000	86,800	10,000	46,221	–	–	–	174,731
Consideration paid in cash	1,900	1,810	28,000	86,800	10,000	46,221	–	–	–	174,731
Bank balances and cash acquired	(1,900)	(1,810)	(28,078)	(87,800)	(10,000)	(46,230)	(333)	(1,921)	(7,923)	(185,995)
Net cash (inflow) outflow	–	–	(78)	(1,000)	–	(9)	(333)	(1,921)	(7,923)	(11,264)

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2014 *(continued)*

(iv) Business acquisition

Acquisition of 德令哈協合光伏發電有限公司 ("Delingha")

On 3 December 2014, the Group, Yinhua Century Concord New Energy Investment Limited* (銀華協合新能源投資有限公司) ("Yinhua") and Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司) ("Century Concord") entered into a sale and purchase agreement pursuant to which the Group acquired 100% equity interest in Delingha at a consideration of RMB232,590,000 in cash.

The acquisition of 100% equity interest in Delingha was completed on 31 December 2014 and was accounted for using the acquisition method.

Assets and liabilities recognised at the date of acquisition

	RMB'000 (Restated)
Non-current assets	
Property, plant and equipment	670,502
Investment in a joint venture	32,476
Deferred tax assets	2,939
Non-current deposits and prepayments	11,928
Amount due from a joint venture – non-current	21,534
Current assets	
Trade receivables	66,608
Prepayments and other receivables	58,027
Amount due from a joint venture – current	22,925
Bank balances and cash	60,821
Current liabilities	
Trade and other payables	(76,449)
Borrowings	(645,000)
Total identifiable net assets acquired	226,311

* English name for identification only.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2014 *(continued)*

(iv) Business acquisition *(continued)*

Acquisition of 德令哈協合光伏發電有限公司 ("Delingha") *(continued)*

Goodwill arising on acquisition

	RMB'000 (Restated)
Consideration payable	232,590
Less: fair values of identifiable net assets acquired	(226,311)
Goodwill arising on acquisition	6,279
Less: impairment of goodwill *(note 11)*	(6,279)
	–

Net cash inflow arising on acquisition

	RMB'000 (Restated)
Consideration paid in cash	50,000
Bank balances and cash acquired	(60,821)
Net cash inflow arising on acquisition	(10,821)

Goodwill arising from the acquisition of Delingha had been fully impaired with an impairment charge of RMB6,279,000. The impairment charge represents the difference between the recoverable amount and carrying amount of this solar power plant acquired which is considered as a CGU. The recoverable amount of the CGU is determined based on the value in use calculation. The budgeted revenue and the annual growth rate are based on the past performance and the management's expectations of the market development. The discount rate of 8% used is pre-tax and reflects specific risks relating to the operation.

34. Acquisitions of subsidiaries *(continued)*

Year ended 31 December 2014 *(continued)*

(iv) Business acquisition *(continued)*

Acquisition of 德令哈協合光伏發電有限公司 ("Delingha") *(continued)*

Impact of acquisition on the results of the Group

As Delingha was acquired on 31 December 2014, no profit or loss from Delingha was included in the loss for the nine-month period ended 31 December 2014 of the Group.

Had the acquisition of Delingha been effected at the beginning of the period, the total amounts of revenue and the loss for the period of the Group would have been increased by RMB106,547,000 and decreased by RMB21,822,000, respectively. Such pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

In determining the above pro-forma financial information, depreciation and amortisation of the property, plant and equipment was calculated based on their recognised amounts at the date of the acquisition.

35. Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which mainly includes loans from a shareholder and fellow subsidiaries, bank and other borrowings, obligations under finance leases, bonds payable and convertible bonds, respectively, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Directors review the capital structure on a periodical basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debt.

36. Financial Instruments

36a. Categories of financial instruments

	2015 RMB'000	2014 RMB'000 (Restated)
Financial assets		
Loans and receivables (including cash and cash equivalents)	6,535,067	1,485,708
Financial liabilities		
FVTPL:		
Convertible bonds payables	732,856	–
Amortised cost	19,932,504	5,351,953
Obligations under finance leases	95,364	57,858

36b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, other loan receivables, amounts due from related companies, pledged bank and other deposits and bank balances and cash, trade and other payables, amounts due to related companies, loans from a shareholder and fellow subsidiaries, bank and other borrowings, obligations under finance leases, bonds payable and convertible bonds. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to HK$ and United States dollar ("US$"), Japan Yen ("JPY") and Euro ("EUR"). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Group currently does not have a currency risk hedging policy. However, the management monitors foreign currency risk exposure by closely monitoring the movement of foreign currency rate and considers hedging against it should the need arise.

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

Currency risk *(continued)*

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2015	2014	**2015**	2014
	RMB'000	RMB'000	**RMB'000**	RMB'000
		(Restated)		(Restated)
HK$	**139,648**	182,534	**831,465**	53,737
US$	**236,331**	177,798	**52,073**	29,080
JPY	**14,712**	–	**1,828**	–
EUR	**342**	382	**9**	21

The foreign currency assets in 2015 and 2014 mainly relate to the US$ denominated trade receivables and HK$, JPY and EUR denominated pledged bank and other deposits and bank balances.

The foreign currency liabilities in 2015 and 2014 mainly relate to the US$, HK$ and JPY denominated bank borrowings and convertible bonds payable.

Sensitivity analysis

The following sensitivity analysis details the Group's sensitivity to a 5% (2014: 3%) increase and decrease in functional currency of respective entities against the relevant foreign currencies. 5% (2014: 3%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2014: 3%) change in foreign currency rates. A positive number below indicates an increase in post-tax loss or a negative number below indicates a decrease in post-tax loss, where the functional currency of the respective entities had strengthened 5% (2014: 3%) against the relevant foreign currency. For a 5% (2014: 3%) weakening of functional currency of respective entities against the foreign relevant currency, there would be an equal and opposite impact on the loss for the year/period.

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

Currency risk *(continued)*

Sensitivity analysis (continued)

	HK$ RMB'000	US$ RMB'000	JPY RMB'000	EUR RMB'000
2015				
Increase (decrease) in loss for the year	**(5,746)**	**1,550**	**106**	**3**
2014 (Restated)				
Increase (decrease) in loss for the period	1,067	1,212	–	3

In the opinion of the Directors, the sensitivity analysis is not representative of the Group's exposure to currency risk during the year/period.

Interest rate risk

The management has considered the Group's exposure to cash flow interest rate risk in relation to variable-rate pledged bank and other deposits and bank balances (see note 24) to be limited because the current market interest rates on general deposits are relatively low and stable.

The Group's interest rate risk arises from borrowings. Certain of the Group's borrowings are issued at variable rates which expose the Group to cash flow interest rate risk. It is the Group's policy to maintain an appropriate level between its fixed-rate and variable-rate borrowings so as to minimise the fair value and cash flow interest rate risk. The Group currently does not have a hedging policy on interest rate exposure. However, the management monitor interest rate exposure and will consider hedging significant interest rate exposure should the need arises. The Group's exposures to interest rates on financial liabilities are detailed in liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. The following sensitivity analysis is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2015 would increase/decrease by approximately RMB27,899,000 (1.4.2014 to 31.12.2014: RMB6,192,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings.

In the opinion of the Directors, the sensitivity analysis is not representative of the Group's exposure to interest rate risk during the year/period.

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Credit risk

As at 31 December 2015, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade debt periodically to ensure that adequate impairment losses has been made for irrecoverable amounts. The Group has a credit control policy in place under which credit evaluations of customers are performed on all customers requiring credit.

Credit terms are mainly granted to customers in the PRC which either have letters of credit issued by banks or are of good credit quality for PCB Business. The management of the Group also has monitoring procedures to ensure follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of its financial assets including trade and other receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Credit risk on sales of electricity is concentrated on a limited number of local electric power bureaus. However, as the local electric power bureaus are state-owned and have good repayment history, the management accordingly considers that there is no significant credit risk on respective sales.

Credit risk on sales of PCB is concentrated with 41% (2014: 41%) of total receivables as at reporting period end belonging to five customers. The Group has policies in place to ensure that the sales of products are made to customers with an appropriate credit history. In addition, collection of receivables is monitored on an ongoing basis. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Credit risk on pledged bank and other deposits and bank balances is limited because the counterparties are reputable banks in the PRC and Hong Kong.

As at 31 December 2015, the Group also had concentration of credit risk on other loan receivables amounting to approximately RMB389 million (2014: nil). Credit risk is considered to be limited as the Group holds collateral over most of these balances as disclosed in note 23.

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings to ensure unutilised banking facilities are adequate and ensures compliance with loan covenants.

The Group finances its capital intensive operations by short-term and long-term bank borrowings and shareholders' equity. As at 31 December 2015, the Group's current liabilities exceeded its current assets by RMB6,303 million and had bank balances and cash of approximately RMB1,965 million against bank and other borrowings due within one year amounted to approximately RMB4,467 million.

The Group successfully renewed banking facilities that were due during the year. In addition, management maintains continuous communication with the Group's principal banks on the renewal of existing banking facilities that will fall due in the coming twelve months and the grant of additional banking facilities. The Directors have reviewed the Group's bank loans and banking facilities available to the Group and are of the opinion that the bank loans and banking facilities would be renewed when their current terms expire. The Directors have evaluated all the relevant facts available to them and are of the opinion that there are good track records or relationship with the relevant banks which enhance the Group's ability to renew the current bank loans upon expiry. Up to the date of approval of these financial statements, the Directors are not aware of any intention of the Group's principal banks to withdraw their banking facilities granted or request early repayment of the utilised facilities within the next twelve months from the end of the reporting period.

Despite uncertainties and measures mentioned in note 2, the Directors believe that the Group will be able to generate sufficient cash flows to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period.

In addition to the Group's current undrawn banking facilities and renewable bank borrowings, in order to improve liquidity, the Group has negotiated with certain banks, who have indicated that they do not foresee any reasons to withdraw the existing facilities in the foreseeable future, and will continue to negotiate with other banks to obtain revolving banking facilities to ensure the Group's bank borrowings can be renewed on an on-going basis. The Directors believe that the Group will be able to renew the banking facilities upon maturity.

The Directors are of the opinion that, taking into account the undrawn banking facilities, renewal of existing banking facilities, the net proceeds from the Rights Issue and the Group's cash flow projection for the coming year, the Group will have sufficient working capital to meet its cashflow requirements in the next twelve months.

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Liquidity risk *(continued)*

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

Liquidity and interest rate risk tables

	Weighted average interest rate %	On demand or less than 3 months RMB'000	3 months to 1 year RMB'000	1 – 2 years RMB'000	2 – 5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flows RMB'000	Carrying amount RMB'000
At 31 December 2015								
Trade and other payables	–	6,854,950	31,890	–	–	–	6,886,840	6,886,840
Amounts due to related companies	–	179,632	–	–	–	–	179,632	179,632
Loan from a shareholder	–	16,756	–	–	–	–	16,756	16,756
Loan from fellow subsidiaries	4.85	636,785	–	–	–	–	636,785	629,157
Bank and other borrowings								
– fixed-rate	9.02	1,044,209	3,132,626	2,004,284	1,309,343	188,824	7,679,286	6,888,522
– variable-rate	5.64	250,331	792,817	787,816	1,712,718	2,992,658	6,536,340	4,971,597
Bonds payable	6.70	–	384,120	–	–	–	384,120	360,000
Convertible bonds payables	6.00	12,288	36,863	49,016	748,837	–	847,004	732,856
Subtotal		8,994,951	4,378,316	2,841,116	3,770,898	3,181,482	23,166,763	20,665,350
Obligations under finance leases	5.49	12,995	36,985	35,480	16,593	–	102,053	95,364
		9,007,946	4,415,301	2,876,596	3,787,491	3,181,482	23,268,816	20,760,724

36. Financial Instruments *(continued)*

36b. Financial risk management objectives and policies *(continued)*

Liquidity risk *(continued)*

Liquidity and interest rate risk tables (continued)

	Weighted average interest rate %	On demand or less than 3 months RMB'000 (Restated)	3 months to 1 year RMB'000 (Restated)	1 – 2 years RMB'000 (Restated)	2 – 5 years RMB'000 (Restated)	Over 5 years RMB'000 (Restated)	Total undiscounted cash flows RMB'000 (Restated)	Carrying amount RMB'000 (Restated)
At 31 December 2014								
Trade and other payables	–	2,742,454	23,314	–	–	–	2,765,768	2,765,768
Amounts due to related companies	–	–	44,874	–	–	–	44,874	44,874
Loan from a shareholder	–	–	15,778	–	–	–	15,778	15,778
Loans from fellow subsidiaries	5.60	759,597	–	–	–	–	759,597	750,000
Bank borrowings								
– fixed-rate	4.99	31,758	158,333	910,829	–	–	1,100,920	1,080,533
– variable-rate	7.00	22,707	137,670	70,884	250,651	810,461	1,292,373	695,000
Subtotal		3,556,516	379,969	981,713	250,651	810,461	5,979,310	5,351,953
Obligations under finance leases	6.36	7,733	23,198	23,345	7,827	–	62,103	57,858
		3,564,249	403,167	1,005,058	258,478	810,461	6,041,413	5,409,811

The amounts included above for variable-rate borrowings is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

36. Financial Instruments *(continued)*

36c. Fair value measurements of financial instruments

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation techniques and inputs used).

Financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
	2015 **RMB'000**	2014 RMB'000			
Convertible bonds	**732,856**	–	Level 3	Binomial Lattice model, the key input are: underlying share price, conversion price, risk free rate, share price volatility, discount rate and dividend yield	Share price volatility of 64.42%-64.85% and discount rate of 30.97%-31.03%, respectively, taking into account the historical share price of the Company for the period of time close to the expected time to exercise

If the share price 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 the convertible bonds issued by the Company would decrease by approximately RMB11,230,000/increase by approximately RMB23,494,000.

If the discount rate used was multiplied by 95% or 105% while all the other variables were held constant, the gain on change in fair value of the convertible bonds issued by the Company would increase by approximately RMB12,863,000/decrease by approximately RMB13,383,000.

There is no transfer between the different levels of the fair value hierarchy for the year.

The Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Movements of convertible bonds included in Level 3 fair value hierarchy are disclosed in note 30.

37. Operating Leases

The Group as lessee

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Minimum lease payments paid under operating leases during the year/period:		
Buildings	15,119	8,568
Land	273	–
Others	34	–
	15,426	8,568

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2015 RMB'000	2014 RMB'000 (Restated)
Within one year	11,803	12,574
In the second to fifth year inclusive	65,696	33,266
After five years	426,851	165,235
	504,350	211,075

Leases are negotiated and rentals are fixed for terms ranging from 3 to 34 years for parcels of land and ranging from 1 to 3 years for the office premises and staff quarters.

38. Capital Commitments

	2015 RMB'000	2014 RMB'000 (Restated)
Contracted for but not provided:		
Construction commitments in respect of solar power plants	4,847,312	3,250,938
Property, plant and equipment and leasehold improvements	15,998	26,385
Commitment to contribute share capital to a joint venture	36,000	52,100
	4,899,310	3,329,423

39. Pledge of Assets

The Group's borrowings had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	2015 RMB'000	2014 RMB'000 (Restated)
Property, plant and equipment	6,347,711	1,375,719
Prepaid lease payments	6,173	6,326
Pledged bank and other deposits	952,151	448,398
Trade receivables	144,228	–
	7,450,263	1,830,443

Certain subsidiaries also pledged their fee collection rights in relation to the sales of electricity and as at 31 December 2015, trade receivables in respect of such fee collection rights pledged amounting to approximately RMB144,228,000 (2014: nil).

In addition, certain bank and other borrowings were secured by legal charge on equity interest of fellow subsidiaries and certain subsidiaries of the Group and pledged by collection rights for sales of electricity of certain subsidiaries of the Group.

At 31 December 2015, bonds payable amounting to RMB360,000,000 (2014: nil) were guaranteed by a fellow subsidiary and certain bank and other loans of the Group amounting to RMB3,803,523,000 (2014: RMB550,000,000) were guaranteed by fellow subsidiaries, RMB30,000,000 (2014: RMB30,000,000) were guaranteed by a shareholder and RMB972,000,000 (2014: nil) were guaranteed by third parties, respectively.

40. Retirement Benefits Scheme

(a) The PRC

The Group contributes to retirement plans for its employees in the PRC at a percentage of their salaries in compliance with the requirements of the respective municipal governments in the PRC. The municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group in the PRC.

In addition, the Group established a defined contribution pension scheme in July 2013 for employees in a subsidiary incorporated in the PRC who elect to join the scheme. The scheme is funded through payments by the Group at a percentage of their salaries to the funds administered by an independent trustee. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. There were no unutilised forfeited contributions at the end of the reporting periods nor forfeited contributions utilised by the Group to reduce existing level of contributions for the current and prior years.

(b) Hong Kong

The Group participates in a pension scheme, which was registered under the Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance"), for all its employees in Hong Kong. The scheme is a defined contribution scheme and is funded by contributions from employers and employees according to the provisions of the MPF Ordinance.

The Group also operates a defined contribution pension scheme in Hong Kong which is an exempted scheme ("the Exempted Scheme") under the MPF Ordinance and provides retirement benefits to its employees in Hong Kong who joined the Group prior to 1 December 2000. These employees can elect to join the MPF Scheme or to remain as a member of the Exempted Scheme. The assets of the Exempted Scheme are held under provident funds managed by an independent administrator. Under the Exempted Scheme, both the employers and employees are required to contribute 5% of the employees' basic salaries on a monthly basis. Where there are employees who leave the Exempted Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. There were no unutilised forfeited contributions at the end of reporting periods nor forfeited contributions utilised by the Group to reduce existing level of contributions for the current and prior periods.

During the year ended 31 December 2015, the total amounts contributed by the Group to the schemes in the PRC and Hong Kong and charged to profit or loss, which represent contributions payable to the schemes by the Group at rates specified in the rules of the schemes are approximately RMB36,685,000 (1.4.2014 to 31.12.2014: RMB18,217,000).

41. Related Party Disclosures

Except as disclosed elsewhere in the consolidated financial statements, the Group also entered into the following transactions or arrangements with related parties:

(a) Leases of factories

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Mr. Yip Sum Yin ("Mr. Yip")	388	150
Madam Yu Hung Min and Mr. Yip Wing Fung (son of Mr. Yip)	370	147
Dyford Industries Limited * ("Dyford")	405	297
	1,163	594

Mr. Yip is a director of the Company and leases of factories from Mr. Yip and his family members and Dyford are based on terms mutually agreed between the Group and the respective related parties. Dyford is an entity controlled by Mr. Yip and Madam Yu Hung Min (the spouse of Mr. Yip).

(b) Management services income

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
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")	33,302	15,845

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 power plants 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

41. Related Party Disclosures *(continued)*

(c) Purchase of property, plant and machinery

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
協鑫集成科技股份有限公司 GCL System Integration Technology Co.,Ltd ("GCL System")	188,400	–

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, purchased property, plant and machinery from GCL System during the year ended 31 December 2015. GCL System (previously called "上海超日太陽能科技股份有限公司") became a fellow subsidiary of the Group on 10 February 2015.

(d) Office service fees

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Peaceful Power Limited	4,020	2,369
Treasure Champ Investments Limited	753	–

Peaceful Power Limited and Treasure Champ Investments Limited shared office services with 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.

41. Related Party Disclosures *(continued)*

(e) Interest income from a joint venture

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Yili	**1,589**	–

* English name for identification only

Loan to Yili is unsecured, interest-bearing at fixed rate of 9.05% per annum for operation purpose. The loan is denominated in RMB.

(f) Interest on loans from fellow subsidiaries

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
保利協鑫(蘇州)新能源有限公司 GCL-Poly (Suzhou) New Energy Company Limited* ("GCL-Poly (Suzhou)")	**26,788**	975
太倉港協鑫發電有限公司 Taicang Harbour Golden Concord Electric-Power Generation Co., Ltd* ("Taicang Harbour")	**1,479**	–

* English name for identification only

Loans from GCL-Poly (Suzhou) and Taicang Harbour are 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 are denominated in RMB.

(g) Guarantees granted by related companies and a shareholder

At 31 December 2015, bonds payable amounting to RMB360,000,000 (2014: nil) were guaranteed by a fellow subsidiary and certain bank and other loans of the Group amounting to RMB3,803,523,000 (2014: RMB550,000,000) were guaranteed by fellow subsidiaries and RMB30,000,000 (2014: RMB30,000,000) were guaranteed by a shareholder, respectively.

41. Related Party Disclosures *(continued)*

(h) Compensation of key management personnel

The remuneration of senior management personnel, including executive directors' remuneration during the year/period was as follows:

	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Short-term benefits	17,962	10,503
Post-employment benefits	15	11
Share-based payments	17,923	15,002
	35,900	25,516

The remuneration of Directors and other key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

42. Events after Reporting Period

Other than disclosed elsewhere in the consolidated financial statements, the Group also has the following significant events after the end of the reporting period:

(i) On 2 February 2016, the Company completed the Rights Issue on the basis of three rights shares for every eight existing shares held, on a pro rata basis. 5,201,922,393 rights shares were issued at the subscription price of HK$0.45 per share. Net proceeds from the Rights Issue is approximately HK$2,309,865,000 (equivalent to approximately RMB1,935,205,000), after deducting related expenses of approximately HK$31,000,000 (equivalent to approximately RMB25,920,000).

(ii) On 16 February 2016, GCL New Energy (NC) I, LLC, a subsidiary of the Company entered into two sale and purchase agreements with two independent third parties, pursuant to which the Group conditionally agreed to purchase entire equity interests of a total of eight companies for a total consideration of US$4,932,000 (equivalent to approximately RMB32,281,000). The consideration is subject to change upon occurrence of certain conditions. These companies own the development rights to eight yet to be constructed photovoltaic electrical energy producing utility systems located in North Carolina in the United States. The acquisitions were completed as of the date of approval of these consolidated financial statements. The management of the Group is currently assessing the financial impact of these acquisitions.

43. Particulars of Principal Subsidiaries

Details of the Group's principal subsidiaries at the end of the reporting period are set out below:

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/ registered capital	Attributable equity interest held by the Group At 31 December 2015 %	2014 %	Principal activities
Directly held:					
Same Time International (B.V.I.) Limited	BVI/Hong Kong	US$50,000	100	100	Investment holding
Indirectly held:					
Solar energy business segment					
協鑫新能源投資（中國）有限公司 GCL New Energy Investment (China) Co., Ltd.[1,2]	PRC	US$590,000,000 (2014: US$299,000,000)	100	100	Investment holding
南京協鑫新能源發展有限公司 Nanjing GCL New Energy Development Co., Ltd.[1,2]	PRC	US$490,000,000 (2014: US$200,000,000)	100	100	Investment holding
蘇州協鑫新能源投資有限公司 Suzhou GCL New Energy Investment Co., Ltd.[1]	PRC	RMB5,000,000,000 (2014: RMB300,000,000)	100	100	Investment holding
南京協鑫新能源科技有限公司 Nanjing GCL New Energy Technology Co., Ltd.[1]	PRC	RMB300,000,000 (2014: RMB300,000,000)	100	100	Investment holding
金湖正輝太陽能電力有限公司 Jinhu Zhenghui Photovoltaic Co., Ltd.[1]	PRC	RMB160,600,000	95.02	95.02	Operation of solar power plants
哈密耀輝光伏電力有限公司 Hami Yaohui Photovoltaic Co., Ltd.[1]	PRC	RMB181,960,000 (2014: RMB118,600,000)	100	100	Operation of solar power plants
尚義元辰新能源開發有限公司 Shangyi Yuanchen New Energy Development Co., Ltd.[1]	PRC	RMB230,000,000 (2014: RMB81,340,000)	95	95	Operation of solar power plants
寧夏盛景太陽能科技有限公司 Ningxia Shengjing Solar Power Technology Co., Ltd.[1]	PRC	RMB75,000,000 (2014: RMB51,300,000)	90.1	90.1	Operation of solar power plants
盂縣晉陽新能源發電有限公司 Yu County Jinyang New Energy Power Generation Co., Ltd.[1]	PRC	RMB87,800,000	98.86	98.86	Operation of solar power plants

43. Particulars of Principal Subsidiaries *(continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/ registered capital	Attributable equity interest held by the Group At 31 December 2015 %	2014 %	Principal activities
Indirectly held: ***(continued)***					
Solar energy business segment ***(continued)***					
內蒙古香島新能源發展有限公司 Inner Mongolia Xiangdao New Energy Development Co., Ltd.[1]	PRC	RMB273,600,000	**90.1**	90.1	Operation of solar power plants
德令哈協合光伏發電有限公司 Delingha Century Concord Photovoltaic Power Co., Ltd.[1]	PRC	RMB222,000,000	**100**	100	Operation of solar power plants
黎城協鑫光伏電力有限公司 Licheng GCL Solar Energy Ltd.[1]	PRC	RMB52,540,000	**100**	100	Operation of solar power plants
宿遷綠能電力有限公司 Suqian Luneng Solar Power Co., Ltd.[1]	PRC	RMB2,000,000	**90.5**	90.5	Operation of solar power plants
浙江舒奇蒙電力科技有限公司 Zhejiang Shuqimeng Electricity Science and Technology Co., Ltd.[1]	PRC	RMB36,498,500 (2014: RMB28,402,500)	**91**	91	Operation of solar power plants
哈密歐瑞光伏發電有限公司 Hami Ourui Photovoltaic Power Generation Co., Ltd.[1]	PRC	RMB36,000,000	**100**	100	Operation of solar power plants
橫山晶合太陽能發電有限公司 Hengshan Jinghe Solar Energy Co., Ltd.[1]	PRC	RMB222,000,000 (2014: RMB90,000,000)	**96.35**	95	Operation of solar power plants
正藍旗國電光伏發電有限公司 Zhenglanqi State Power Photovoltaic Co., Ltd.[1]	PRC	RMB85,000,000	**98.82**	93.75	Operation of solar power plants
山西佳盛能源股份有限公司 Shanxi Jiasheng Energy Holding Ltd.[1]	PRC	RMB50,000,000 (2014: RMB30,000,000)	**96**	93.33	Operation of solar power plants
海南意晟新能源有限公司 Hainan Yisheng New Energy Co., Ltd.[1]	PRC	RMB43,000,000	**76.74**	76.74	Operation of solar power plants
海南天利科新能源項目投資有限公司 Hainan Tianlike New Energy Project Investment Co., Ltd.[1]	PRC	RMB76,000,000 (2014: RMB43,000,000)	**76.47**	76.47	Operation of solar power plants
寧夏金禮光伏電力有限公司 Ningxia Jinli Photovoltaic Electric Power Co., Ltd.[1]	PRC	RMB86,300,000 (2014: RMB2,000,000)	**100**	100	Operation of solar power plants

43. Particulars of Principal Subsidiaries *(continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/ registered capital	Attributable equity interest held by the Group At 31 December 2015 %	2014 %	Principal activities
Indirectly held: *(continued)*					
Solar energy business segment *(continued)*					
寧夏金信光伏電力有限公司 Ningxia Jinxin Photovoltaic Electric Power Co., Ltd.[1]	PRC	RMB126,300,000 (2014: RMB2,000,000)	100	100	Operation of solar power plants
汝陽協鑫新能源有限公司 Ruyang GCL New Energy Ltd.[1]	PRC	RMB84,000,000 (2014: RMB1,000,000)	100	100	Operation of solar power plants
中利騰暉海南電力有限公司 Zhongli Tenghui Hainan Solar Power Co., Ltd.[1]	PRC	RMB10,000,000	100	–	Operation of solar power plants
天長市協鑫光伏電力有限公司 Tianchang GCL Solar Energy Ltd.[1]	PRC	RMB30,160,000 (2014: RMB2,000,000)	100	100	Operation of solar power plants
南通海德新能源有限公司 Nantong Haide New Energy Company Ltd.[1]	PRC	RMB10,000,000	100	–	Operation of solar power plants
元謀綠電新能源開發有限公司 Yuanmou Green Power New Energy Development Ltd.[1]	PRC	RMB85,000,000	100	–	Operation of solar power plants
徐州鑫日光伏電力有限公司 Xuzhou Xinre Solar Energy Ltd.[1]	PRC	RMB16,000,000	100	–	Operation of solar power plants
猛海協鑫光伏農業電力有限公司 Menghai GCL Solar Agricultural Power Co., Ltd.[1]	PRC	RMB85,000,000	100	–	Operation of solar power plants
淇縣協鑫新能源有限公司 Qixian GCL New Energy Ltd.[1]	PRC	RMB84,000,000	100	–	Operation of solar power plants

43. Particulars of Principal Subsidiaries *(continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/ registered capital	Attributable equity interest held by the Group At 31 December 2015 %	2014 %	Principal activities
Indirectly held: *(continued)*					
Solar energy business segment *(continued)*					
輝縣市協鑫光伏電力有限公司 Huixian GCL Solar Energy Ltd.[1]	PRC	RMB31,000,000	100	–	Operation of solar power plants
東海縣協鑫光伏電力有限公司 Donghai GCL Solar Energy Ltd.[1]	PRC	RMB24,500,000	100	–	Operation of solar power plants
靖邊縣順風新能源有限公司 Jingbian Shunfeng New Energy Ltd.[1]	PRC	RMB5,000,000	95	–	Operation of solar power plants
湖北省麻城市金伏太陽能電力有限公司 Hubei Macheng Jinfu Solar Energy Ltd.[1]	PRC	RMB45,000,000	100	–	Operation of solar power plants
烏拉特後旗源海新能源有限責任公司 Wulate Houqi Yuanhai New Energy Ltd.[1]	PRC	RMB50,000,000	100	–	Operation of solar power plants
邯能廣平縣光伏電力開發有限公司 Hanneng Guangping Solar Energy Development Ltd.[1]	PRC	RMB130,000,000	100	–	Operation of solar power plants
榆林隆源光伏電力有限公司 Yulin Longyuan Solar Energy Ltd.[1]	PRC	RMB465,000,000	100	–	Operation of solar power plants
通榆咱家禽業科技有限公司 Tongyu Zajia Qinye Technology Ltd.[1]	PRC	RMB36,000,000	100	–	Operation of solar power plants
余干縣協鑫新能源有限責任公司 Yugan GCL New Energy Ltd.[1]	PRC	RMB100,000,000	100	–	Operation of solar power plants
平山縣世景新能源有限公司 Pingshan Shijing New Energy Ltd.[1]	PRC	RMB50,000,000	70	–	Operation of solar power plants

43. Particulars of Principal Subsidiaries *(continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/ registered capital	Attributable equity interest held by the Group At 31 December 2015 %	2014 %	Principal activities
Indirectly held: (continued)					
PCB segment					
東莞紅板多層線路板有限公司 Dongguan Red Board Limited[1, 2]	PRC	HK$250,000,000	100	100	Manufacture and sale of PCB
紅板（江西）有限公司 Red Board (Jiangxi) Limited[1, 2]	PRC	HK$373,969,000	100	100	Manufacture and sale of PCB
Red Board Limited	Hong Kong	Ordinary shares – HK$4 Non-voting deferred shares – HK$5,000,000	100	100	Sale of PCB
Same Time Electronics (B.V.I.) Limited	BVI/PRC	US$1	100	100	Property holding

1 English name for identification only
2 Wholly-owned foreign investment enterprises

The above table lists the subsidiaries of the Group which in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year/period except for Nanjing GCL New Energy Development Co., Ltd. which has issued RMB360,000,000 (2014: nil) of bonds payables, in which the Group has no interest.

At the end of the reporting period, the Group does not have any significant non-controlling interests and accordingly, no details of the non-controlling interests are presented.

44. Summary Financial Information of the Company

Statement of financial position

	2015 RMB'000	2014 RMB'000 (Restated)
NON-CURRENT ASSETS		
Investment in subsidiaries	267,187	267,187
Amounts due from subsidiaries	2,773,820	1,834,493
	3,041,007	2,101,680
CURRENT ASSETS		
Prepayments	752	709
Amounts due from joint ventures	13	–
Bank balances and cash	5,164	20,842
	5,929	21,551
CURRENT LIABILITIES		
Accruals and other payables	19,951	10,480
Amount due to a subsidiary	1,457	–
	21,408	10,480
NET CURRENT (LIABILITIES) ASSETS	(15,479)	11,071
TOTAL ASSETS LESS CURRENT LIABILITIES	3,025,528	2,112,751
NON-CURRENT LIABILITIES		
Convertible bonds	732,856	–
NET ASSETS	2,292,672	2,112,751
CAPITAL AND RESERVES		
Share capital	48,491	48,491
Reserves	2,244,181	2,064,260
TOTAL EQUITY	2,292,672	2,112,751

44. Summary Financial Information of the Company *(continued)*

Movement in reserves

	Share capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Translation reserve RMB'000	Share options reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 April 2014	9,456	244,764	56,318	(57,347)	–	(299,625)	(46,434)
Loss for the period	–	–	–	–	–	(39,666)	(39,666)
Other comprehensive expenses for the period	–	–	–	(10,844)	–	–	(10,844)
Total comprehensive expense for the period	–	–	–	(10,844)	–	(39,666)	(50,510)
Subscription of new shares *(note 32)*	28,559	1,113,793	–	–	–	–	1,142,352
Placement of new shares *(note 32)*	3,967	154,693	–	–	–	–	158,660
Shares issued upon conversion of convertible redeemable bond *(note 32)*	2,661	260,490	–	–	–	–	263,151
Top-up subscription for new shares *(note 32)*	3,848	584,820	–	–	–	–	588,668
Transaction costs attributable to issue of new shares	–	(16,031)	–	–	–	–	(16,031)
Recognition of equity settled share-based payments *(note 33)*	–	–	–	–	72,895	–	72,895
At 31 December 2014 (Restated)	48,491	2,342,529	56,318	(68,191)	72,895	(339,291)	2,112,751
Profit for the year	**–**	**–**	**–**	**–**	**–**	**40,203**	**40,203**
Other comprehensive income for the year	**–**	**–**	**–**	**4,176**	**–**	**–**	**4,176**
Total comprehensive income for the year	**–**	**–**	**–**	**4,176**	**–**	**40,203**	**44,379**
Recognition of equity settled share-based payments *(note 33)*	**–**	**–**	**–**	**–**	**135,542**	**–**	**135,542**
Forfeitures of share options *(note 33)*	**–**	**–**	**–**	**–**	**(40,804)**	**40,804**	**–**
At 31 December 2015	**48,491**	**2,342,529**	**56,318**	**(64,015)**	**167,633**	**(258,284)**	**2,292,672**

45. Reclassification

Reclassification has been made to reclassify interest paid as financing activities as it related to the costs of obtaining financial resources. As a result, comparative figures of the consolidated statement of cash flows have been adjusted to conform to the current year's presentation.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years/period is set out below:

	For the year ended 31 December 2015 RMB'000	For the nine months ended 31 December 2014 RMB'000 (Restated)	For the year ended 31 March 2014 RMB'000 (Restated)	2013 RMB'000 (Restated)	2012 RMB'000 (Restated)
Results					
Revenue	**1,969,899**	930,433	1,254,663	1,157,868	1,257,539
Loss attributable to owners of the Company	**(15,229)**	(89,397)	(137,642)	(141,181)	(178)

	As at 31 December 2015 RMB'000	As at 31 December 2014 RMB'000 (Restated)	As at 31 March 2014 RMB'000 (Restated)	2013 RMB'000 (Restated)	2012 RMB'000 (Restated)
Assets and liabilities					
Total assets	**23,502,458**	7,863,792	1,197,240	1,232,504	1,228,979
Total liabilities	**(21,060,419)**	(5,575,071)	(1,023,254)	(930,315)	(844,260)
Total equity	**2,442,039**	2,288,721	173,986	302,189	384,719

The financial year end date of GCL New Energy Holdings Limited has been changed from 31 March to 31 December commencing from the financial period ended 31 December 2014.

Attention should be drawn to the fact that the comparative figures presented herein are for the years ended 31 March 2012 (Restated), 2013 (Restated) and 2014 (Restated), and for the period ended 31 December 2014 (Restated). The difference in duration of the financial periods should be considered when making year-on-year comparisons.

Corporate Information

Board of Directors

Executive Directors

Mr. ZHU Gongshan *(Honorary Chairman)*
Mr. ZHU Yufeng *(Chairman)*
Mr. SUN Xingping *(President)*
Ms. HU Xiaoyan
Mr. TONG Wan Sze
Mr. YIP Sum Yin

Non-executive Directors

Ms. SUN Wei
Mr. SHA Hongqiu
Mr. YEUNG Man Chung, Charles

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. ZHU Yufeng *(Chairman)*
Mr. WANG Bohua
Mr. XU Songda
Mr. WANG Yanguo

Strategic Planning Committee

Mr. ZHU Gongshan *(Chairman)*
Mr. ZHU Yufeng
Mr. SUN Xingping
Ms. HU Xiaoyan
Ms. SUN Wei
Mr. WANG Bohua
Mr. XU Songda

Risk Management Committee

Ms. HU Xiaoyan *(Chairman)*
Mr. SUN Xingping
Mr. TONG Wan Sze
Ms. SUN Wei
Mr. SHA Hongqiu
Mr. XU Yang
Mr. LIU Fei

Company Secretary

Mr. CHENG Man Wah

Authorised Representatives

Mr. TONG Wan Sze
Mr. CHENG Man Wah

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

Corporate Information

Principal Place of Business in Hong Kong

Unit 1701A-1702A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway, 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

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Two Exchange Square
Hong Kong

As to PRC law
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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:	19,073,715,441 Shares

Website

www.gclnewenergy.com