



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)

Bringing

GREEN POWER

to Life





About GCL New Energy

- Renowned solar power private enterprise in the PRC, one of its substantial shareholders, GCL Tech (3800.HK), is a world leading polysilicon producer and wafer supplier
- Successful realization of asset-light transformation, enables it to proactively develop other clean energy businesses by leveraging on existing solar power generation platform
- Leading the development of intelligent solar power plant operation, was first in the country to be accredited the honorary title of “5A Solar Power Plants Operation and Maintenance Service Provider”

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

Contents

1. Overview & Our Strategy

2024 Interim Performance Summary	2
Business Review	3
Management Discussion and Analysis	6

2. Corporate Governance

Our Directors	16
Interests in Company's Securities and Share Option Scheme	17
Corporate Governance and Other Information	23
Communication with Shareholders	27

3. Financial Statements and Analysis

Report on Review of Unaudited Condensed Interim Consolidated Financial Statements	28
Unaudited Condensed Interim Consolidated Financial Information	29

Corporate Information	73
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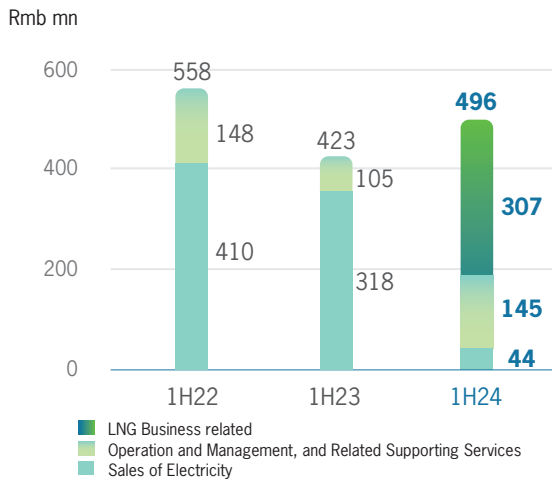
Glossary	75
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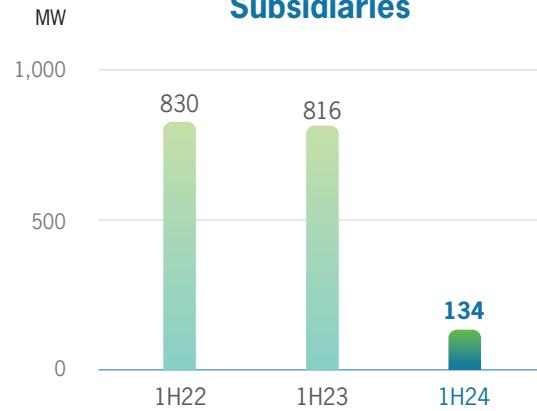
Overview & Our Strategy

2024 Interim Performance Summary

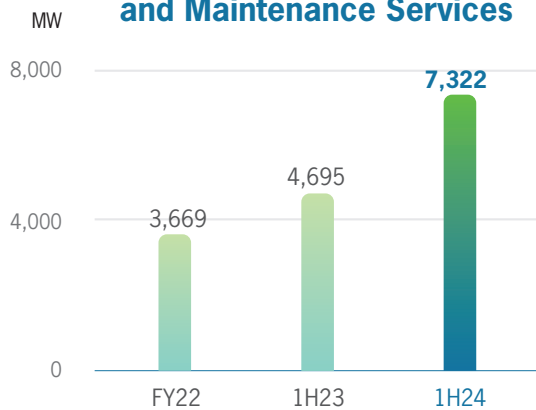
Revenue



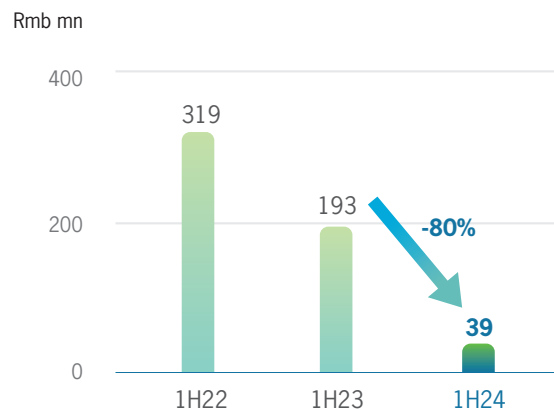
Grid-Connected Capacity of Subsidiaries



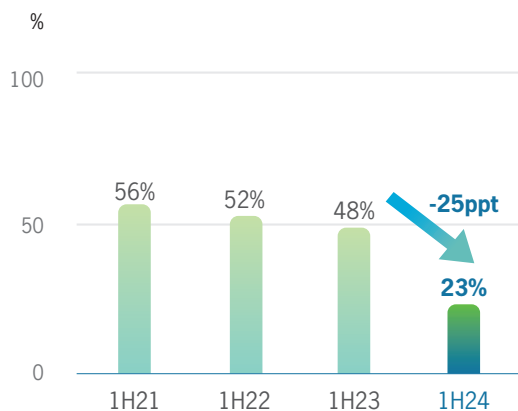
Installed Capacity of Operation and Maintenance Services



Finance Costs



Gearing Ratio



STRENGTHEN AND CONSOLIDATE THE FOUNDATION SEEK CHANGE AND INNOVATION

The path to transformation is arduous and long, but the metamorphosis and breakthrough have emerged as the times require

In the journey of energy transition, we have heavy responsibilities as we break the cocoon and turn into a butterfly, and embrace a new beginning.

Currently, the global energy landscape is undergoing profound adjustments, and a new round of energy revolution is rolling out rapidly. Electricity, especially renewable energy such as solar and wind power, have seen an increase in the market share in the global energy consumption. Over the past ten years, GCL New Energy has been stand fast in transitioning to green and low carbon by continuously innovating business models, improving the quality of industrial chain, fostering new quality productive forces, proactively taking on corporate responsibilities to contribute to GCL New Energy's practical wisdom to respond to global climate changes and a community of shared future for mankind.

This year marks the tenth year of GCL New Energy's energy transition to develop solar power electricity generation. Looking back, GCL New Energy's installed scale of solar power electricity generation has led the world for several consecutive years. As of the end of 2019, the Company's installed capacity of solar power plants amounted up to 7.14 GW, drawing a complete and intense picture of the global photovoltaic industry.

Facing the cyclical downturn of industry, GCL New Energy fully promoted the strategic light asset transformation. In October 2023, GCL New Energy sold its last batch of a total of 36 solar power plants in PRC, with a total capacity of approximately 584 MW. At the same time, GCL New Energy proactively and prudently handled debt clause requirements concerning the Senior Notes, and completed the redemption and repurchases of Senior Notes in US dollars of nearly US\$240 million during 2023. As of 30 June 2024, the Company's gearing ratio declined to a healthy level of approximately 22.8%, and the liquidity significantly improved, providing more cash flow to the development of "natural gas" track.

Strengthen and consolidate the foundation, continuously deepen digitalization and intelligence operation and maintenance, and create a one-stop full-scenario integrated energy carbon asset service

In the first half of this year, the newly installed capacity for domestic solar power was 102.48 MW, with a year-on-year growth of 30.68%, indicating that the general upward trend of photovoltaic industry remained certain in the long run. With the steady and rapid increase in both existing and new solar power installation, the photovoltaic aftermarket was also seeing strong growth momentum. In particular, during the crucial period of new electricity system construction, the efficient operation and maintenance, as well as value preservation and appreciation of solar power plants also had rigid demand.

In the digital era, digitalization and intelligence operation and maintenance became an important engine for new quality productive forces of photovoltaic aftermarket. The "Xinyilian (鑫翼连)" comprehensive energy management platform V3.0 independently developed and launched by an operation technology company of GCL New Energy was officially launched at the International Photovoltaic Power Generation and Smart Energy Conference ("SNEC 2024"), marking the completion in function design and successful launch to the market of the "Integrated Energy Digitalization and Intelligence Overall Solution". The platform integrates the latest energy management technology and intelligent operation and maintenance strategy, forming four unites of data system, management system, knowledge base, and AI center. It covers eight functional modules of real-time monitoring, production management, operation management, market management, supply chain management, multi-end integration, knowledge base, AI center and 178 models. It encompasses multiple business models such as wind, solar, storage, charging and virtual power plants, constructing a mature and stable green operation new ecology of full life circle, providing more precise and high-efficient services to property owners, realizing maximum value.

Overview & Our Strategy

Business Review

On 11 May 2024, an operation technology company of GCL New Energy and Guoshun Technology Group Co. Ltd. (國順科技集團有限公司) (“Guoshun Technology”) entered into a strategic cooperation agreement at Suzhou GCL New Energy Center. Pursuant to the agreement, the parties will carry out cooperation in multiple business areas such as comprehensive energy management, data service platform, AI electricity transaction, overseas market expansion, jointly open up new energy operation and maintenance market, explore new models, expand new areas, and reach new milestones. As a company integrating comprehensive smart energy supply (solar, wind and electricity, energy storage, natural gas, hydrogen energy etc.) and smart agriculture, Guoshun Technology has extensive project construction experience and performance in Northern China and other regions, and a wide range of project cooperation resources with large state-owned enterprises and Chinese central state-owned enterprises.

As at 30 June 2024, the Group has in aggregate entered into various operation and maintenance service contracts with nearly 300 solar power plants across the country, with a total installed capacity of approximately 7.3 GW and a leading market share. At the same time, on 2 July 2024, GCL New Energy published an announcement to provide a three-year operation and maintenance services to Nanjing Xinneng Intelligent Storage Technology Co., Ltd. and Zhongwei Xinhua Technology Co., Ltd., showcasing the rapid development of our solar operation and maintenance business.

Energy storage is “the cornerstone” of the new electricity system, and grid-scale energy storage is about to start a new growth drive. In the future, the new energy storage industry will form a multi-energy complementary landscape and introduce market competition mechanism to strengthen the vitality and efficiency of electricity market. On this basis, GCL New Energy also responded to market changes in a flexible way, continuously innovated, provided various supply-demand matching services resources and actively promoted integrated wind-solar storage, bolstering the green and low carbon development of energy.

Leveraging on its continuous output in the field of technological innovation, the operation technology company has successively been awarded titles such as the “Second Innovation Prize in Electricity Technology of China Electricity Council (中電聯電力科技創新獎二等獎)”, “Member of Standing Committee of Energy Storage Industry of Jiangsu Province (江蘇省儲能行業常務理事單位)”, “The Seventh Batch of Headquarters Enterprises of Suzhou Industrial Park (蘇州工業園區第七批總部企業)” and “Leading Enterprise in New Service Industry of Suzhou City (蘇州市新興服務業領軍企業)”.

Seeking transformation and innovation, seizing opportunities in the LNG market, and forging clean energy for developing new driving force

According to the Natural Gas Development Report of the PRC (2024) (《中國天然氣發展報告(2024)》), in 2023, the domestic natural gas consumption regained quick growth, while positive growth resumed in global natural gas consumption, with performances in North America and Asia-Pacific region particularly standing out. It is expected that natural gas consumption will reach 420 billion to 425 billion cubic meters in 2024, representing a year-on-year increase of 6.5% to 7.7%. The liquefied natural gas (“LNG”) import will continue to grow.

Leveraging the upstream oil and gas resources in Ethiopia of the Golden Concord Group and resources platform of domestic LNG receiving station, GCL New Energy positions well in terms of natural gas in the process of constructing economic dual circulation pattern by means of natural gas trade. Through the integration of international long-term LNG contracts with domestic natural gas resources to build a competitive international and domestic natural gas resource pool, with a view to actively explore the domestic and international LNG markets. Meanwhile, we are going to promote the continuous expansion of international trade volume via trading companies in Singapore and are planning to manage market risks through hedging when there are any market opportunities.

As at 3 July 2024, GCL New Energy entered into a strategic cooperation agreement with Shanghai Petroleum and Natural Gas Exchange Co., Ltd. (SHPGX). Both parties shall share resources and advantages in terms of information sharing, energy and infrastructure transactions, product innovation, market research, and resource services. Under joint efforts, the parties will explore and upgrade the cooperation mode of fair service for receiving stations, ensure security of regional energy supply, facilitate the national “X+1+X” natural gas market reform, and boost positive effects from construction of the natural gas production, supply, storage and sales system.

Furthermore, to strike a balance and develop diversified investment for potential capital appreciation, on 25 June 2024, the Group announced that it would identify independent investment portfolios that maximized absolute returns in the long run through purchasing key invested energy and listed and unlisted assets in other related advanced manufacturing industries. For the purpose of such investment objectives, the Group would utilize the fund management’s expertise, extensive experience in investment and strategies while mitigating direct investment risks.

Adhering to long-term development, intensifying in-depth practice of ESG philosophy, and leading the sustainable development

Environmental, social, and governance (“ESG”) is a crucial task to be accomplished. It is not only a benchmark for measuring corporate value and responsibility risk in the global capital market, but also a major task for unleashing differentiated competitive advantages and developing new quality productive forces. As stated by Chinese President Xi Jinping, “green development is the foundation of high-quality development, while new quality productive forces equal to green productivity”.

Putting ESG philosophy into practice is a long-term and complex systematic project that requires long-term commitment and implementation by enterprises. GCL New Energy has been consistently integrating ESG philosophy into its operation and management and continues to apply ESG philosophy throughout the entire lifecycle of its industrial chain services. The Company has formulated definite action plans regarding significant ESG issues such as green low-carbon and intelligent photovoltaic power plant operation. In order to constantly reduce the impact on environment arising from its operation, it has taken appropriate measures in daily operation, with a focus on core essence of ESG. The Company will commit to innovation and sustainable development, as well as maximize the comprehensive values of economy, society and environment, thus bringing greater returns to the society and the Company’s shareholders.

In spite of emerging challenges such as the slowdown in global economy, the increase in international trade disputes and geopolitical conflicts, GCL New Energy will continue to strengthen its foundation and better its internal capabilities, and enhance the digital and intelligent operation and maintenance of the photovoltaic aftermarket to preserve and increase the values of customers’ carbon assets on a larger scale; we will also actively seek transformation and innovation, grasp new opportunities in LNG trade, and contribute to the green, safe, and stable transition of the world energy with GCL New Energy’s efforts. In the future, GCL New Energy will practice ESG philosophy, promote comprehensive ESG governance and green, low-carbon, and sustainable development of the industrial chain through internal governance improvement and external cooperation, and create returns and values for the society, customers and shareholders by virtue of long-term development.

Overview & Our Strategy

Management Discussion and Analysis

Overview

For the six months ended 30 June 2024, loss for the period attributable to owners of the Company was RMB174 million, as compared to loss for the period attributable to owners of the Company of RMB216 million for the six months ended 30 June 2023. The loss for the reporting period was mainly attributable to the combined effect of the following:

1. the grid-connected capacity of subsidiaries decreased from 816MW as at 30 June 2023 to 134MW as at 30 June 2024, representing a decrease of 83.6% in business scale. The drop in grid-connected capacity of the Group's subsidiary power plant is caused mainly by the disposal of solar power plants in 2023. The drop in business scale led to a decrease in gross profit by RMB125 million, from RMB195 million to RMB70 million in the current reporting period;

On 12 October 2023, the Group entered into eleven equity transfer agreements with 蘇州工業園區鑫坤能清潔能源有限公司 Suzhou Industrial Zone Xinkunneng Clean Energy Co., Ltd* to dispose of its 88.58% to 100% equity interests in 36 subsidiaries at an aggregate consideration of RMB1,004 million. The subsidiaries operated solar power plant projects with an aggregate capacity of 584MW in the PRC. The disposals of all above companies were completed in 2023, which caused the significant drop in business scale as aforementioned.

2. the Group newly provided trading of LNG and related products since 2023, which generated sales income of RMB307 million for the six months ended 30 June 2024, as compared to RMBNil in the last reporting period;
3. the increase in administrative expenses by 14.7%, from RMB107 million to RMB122 million, mainly due to increase in general administrative expenses such as rental, legal and professional fees associated with the Group's entrance into LNG trading business during the period ended 30 June 2024.
4. the decrease of finance costs from RMB193 million to RMB39 million as compared with the last reporting period, mainly due to the decrease in business scale of solar power plant electricity generation business and repayment of debts.

Business Review

1. Electricity Generation and Capacity

As at 30 June 2024, the grid-connected capacity of the Group's subsidiary power plants was approximately 134MW (31 December 2023: 134MW). Details of capacity, electricity sales volume and revenue for the six months ended 30 June 2024 are set out below.

Subsidiaries by location	Electricity Sales Volume (thousand kWh)	Average Tariff (Net of Tax) (RMB/kWh)	Revenue (RMB thousand)
China	7,344	0.49	3,618
US	87,281	0.47	40,622
Total of Subsidiaries	94,625	0.47	44,240

Note: As at 30 June 2024, the assets and liabilities attributable to the solar power plant project of Dengkou GCL located at Inner Mongolia, China have been classified as a disposal group held for sale.

The revenue of solar power plants located in China is mainly contributed by the subsidiaries of State Grid Corporation of China ("**State Grid**"). The State Grid is a State-owned enterprise in China, which possesses low default risk. Therefore, the Directors considered that the credit risk of trade receivables was minimal.

2. Solar Power Plants Operation and Related Supporting Service Income

During the six months ended 30 June 2024, the Group provided operation and maintenance services for certain disposed solar power plant projects and generated management service income. Also, the Group provided other supporting services such as procurement service to widen the business coverage in order to generate additional income stream. As at 30 June 2024, the Group had entered into contracts to provide operation and maintenance services for solar power plants with total installed capacity of approximately 7.3GW.

	Revenue (RMB thousand)
Solar power plants operation and management services income	137,404
Solar related supporting services income	8,285
Total	145,689

3. LNG and Related Business

During the six months ended 30 June 2024, the Group entered into LNG market by expanding its role in LNG and related products trading. The Group generated sales income by trading of LNG and related products of RMB307 million (2023: RMBNil).

Overview & Our Strategy

Management

Discussion and Analysis

Financial Review

Revenue and Gross Profit

For the six months ended 30 June 2024, the Group's revenue was mainly derived from (i) solar power electricity generation; (ii) service income from the provision of the solar power plants operation and management services; (iii) income from solar related supporting services; and (iv) income from LNG and related business. The table below sets forth an analysis of the Group's revenue:

	Six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Revenue		
– Sales of electricity and tariff adjustments	44,240	317,793
– Solar power plants operation and management service	137,404	65,503
– Solar related supporting service income	8,285	39,468
– LNG business related income	306,544	–
	496,473	422,764

The increase in revenue was mainly attributable to the combined effect of the disposal of solar power plants during 2023 and newly generated LNG business related income. The grid-connected capacity decreased from 816MW as at 30 June 2023 to 134MW as at 30 June 2024. The average tariff (net of tax) for the PRC was approximately RMB0.49/kWh (2023: RMB0.68/kWh).

The Group's gross margin for the six months ended 30 June 2024 was 14.1%, as compared to 46.2% for the six months ended 30 June 2023. The drop in gross margin is due to relatively lower gross profit margin for LNG and related products trading business in the current reporting period which the Group newly entered into the market. The cost of sales mainly consisted of purchase cost of LNG and related products which accounted for 71% of the cost of sales, with the remaining costs being depreciation, operation and maintenance costs of solar power plants, etc.

Other Income

During the six months ended 30 June 2024, other income mainly included imputed interest arising from receivables containing significant financing component of RMB20 million (2023: RMBNil) and bank interest income of RMB3 million (2023: RMB6 million).

Administrative Expenses

The administrative expenses mainly included staff costs, rental expenses and legal and professional fees. Administrative expenses increased by 14.7% to RMB122 million (2023: RMB107 million) for the six months ended 30 June 2024. The increase in administrative expenses was mainly due to an increase in general administrative expenses such as rental, legal and professional fees associated with the Group's entrance into LNG market during the period ended 30 June 2024.

Other gains and losses, net

During the six months ended 30 June 2024, the net loss decreased from RMB118 million in the last reporting period to approximately RMB96,000. The net loss for 2024 was mainly due to loss on fair value change of financial assets at fair value through profit or loss of RMB10 million (2023: RMBNil) and gain on deregistration of a subsidiary of RMB4 million (2023: RMB2 million).

Impairment loss under expected credit loss model, net

During the six months ended 30 June 2024, the impairment loss on expected credit loss model, net amounted to RMB71 million (2023: RMBNil), consists of (i) RMB21 million (2023: RMBNil) for on-grid electricity guarantee, (ii) RMB23 million (2023: RMBNil) for consideration receivable of disposal of solar power plant projects, and (iii) RMB27 million (2023: RMBNil) for provision of loss allowance of other debtors, details of which are set out as follows:–

(i) On-grid electricity guarantees of approximately RMB21 million (2023: RMBNil)

As part of the terms of the deal to attract the purchasers to acquire the Group's power plants and continue to appoint the Group as an operation and management services provider, if the relevant electricity sale volumes and revenues for the subject solar power plants for each agreed period (ranging from two to five years depending on the agreed terms) are less than the agreed minimum sale volumes and revenues, the purchaser will be entitled to the on-grid electricity guarantee compensation and the balance to be paid to the Group would be adjusted against the balances of the amounts due to the Group accordingly. The drop in balance is due to adjustment of balance in relation to disposed solar power plant projects in prior year.

(ii) Consideration receivable of disposal of solar power plant projects of approximately RMB23 million (2023: RMBNil)

Amount represent consideration receivable from disposal of solar power plant projects since 2018 which are exceedingly long outstanding for over at least three to four years. The management of the Company made periodical individual assessment on the recoverability of the receivables by taking into account their past repayment history, financial position and overdue status. The management of the Company conducted actions to recover such receivables but unsuccessful and then considered to provide the expected credit loss on such amount.

(iii) Provision of loss allowance of other debtors of approximately RMB27 million (2023: RMBNil)

Amount represent provision of loss allowance of other debtors with which contact is lost, plus these other receivables were exceedingly long outstanding for over at least three to four years. The management of the Company had carried out actions to recover but unsuccessful, as a result the management of the Company made the provision of loss allowance after individual assessment on the recoverability of such receivables.

Overview & Our Strategy

Management Discussion and Analysis

Finance Costs

Total borrowing costs decreased by 79.6% from RMB193 million to RMB39 million as compared with the last reporting period. The decrease was mainly due to the decrease in average borrowing balance as a result of the disposal of solar power plants in 2023. The interest-bearing debts decreased from RMB3,803 million as at 30 June 2023 to RMB557 million as at 30 June 2024.

Income Tax Expense

Income tax expense for the six months ended 30 June 2024 was RMB1 million (2023: RMB9 million). The decrease in income tax expense is due to the disposal of solar power plants during 2023, leading to decrease in taxable income.

Profit attributable to other non-controlling interests

There was no profit attributable to other non-controlling interests for the six months ended 30 June 2024 (2023: RMB1 million).

Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2024 (2023: RMBNil).

Property, Plant and Equipment

Property, plant and equipment was RMB888 million and RMB904 million as at 30 June 2024 and 31 December 2023, respectively. The decrease was mainly due to combined effect of general addition and depreciation occurred during the six months ended 30 June 2024.

Amounts Due from Related Companies

As at 30 June 2024, amounts due from related companies of RMB1,243 million (31 December 2023: RMB1,453 million), mainly arose from the disposals of 36 subsidiaries ("**2023 Disposal**") that are principally engaged in the operation of solar power plants in the PRC. The amount were mainly consideration receivables arose from 2023 Disposal and liabilities owed by the former subsidiaries to the Group prior the disposal. The management of the Company have considered and factored in these outstanding liabilities when determining the consideration for the 2023 Disposal, and have agreed that the outstanding receivables will be paid by the counterparties based on the agreed payment arrangements as set out in the relevant share purchase agreements. The disposal constituted notifiable and connected transactions of the Company. Please refer to circular of the Company on 15 November 2023.

Trade and Other Receivables

As at 30 June 2024, trade and other receivables of RMB1,901 million (31 December 2023: RMB1,709 million) mainly included trade and bills receivables of RMB133 million (31 December 2023: RMB84 million), and consideration receivables from disposal of subsidiaries of RMB202 million (31 December 2023: RMB206 million) in which a deferred receivables of RMB712 million (2023: RMB701 million) were reclassified to non-current nature, as they are expected to be received within two years since 31 December 2023.

The amounts due from former subsidiaries of RMB1,961 million (31 December 2023: RMB1,949 million) ("**Outstanding Receivables**") relates to the current accounts that have been incurred between the former subsidiaries and the Group prior to their disposals to independent third parties ("**2018-2023 Disposal**") between 2018 and 2023. The Outstanding Receivables were liabilities owed by the former subsidiaries to the Company prior to the disposal. The Group have considered and factored in these outstanding liabilities when determining the consideration of the 2018-2023 Disposal, and have agreed that the outstanding receivables will be paid by the counterparties based on the agreed payment arrangements as set out in the relevant share purchase agreements. The disposal of the other former subsidiaries did not trigger notifiable transactions and/or connected transactions disclosure requirements under Chapter 14 and 14A of the Listing Rules.

As at 30 June 2024, tariff adjustments receivables of RMB35 million including tariff adjustment of RMB35 million for projects classified as held for sale (31 December 2023: RMB32 million including tariff adjustment of RMB32 million for projects classified as held for sale), represents subsidy receivable from the government authorities in respect of the Group's solar power generation business.

Other Payables and Deferred Income

Other payables and deferred income decreased from RMB780 million as at 31 December 2023 to RMB735 million as at 30 June 2024. Other payables and deferred income mainly consisted of payables for purchase of plant and machinery and construction cost of RMB33 million (31 December 2023: RMB36 million).

Liquidity and Financial Resources

The Group adopts a prudent treasury management policy to maintain sufficient working capital to cope with daily operations. 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 and lease liabilities.

As at 30 June 2024, bank balances and cash of the Group were approximately RMB400 million (31 December 2023: RMB555 million), including bank balances and cash of RMB1 million, for projects classified as held for sale (31 December 2023: RMB1 million). For the six months ended 30 June 2024, the Group's primary source of funding included cash generated from its operating activities and proceeds from disposal of solar power plant projects.

Overview & Our Strategy

Management Discussion and Analysis

Indebtedness and gearing ratio

Starting from 2019 onwards, the Group had adopted assets-light business strategy. The average gearing ratio of the Group become more stable and in an acceptable level.

The Group was in net current assets position of approximately RMB1,710 million as at 30 June 2024 (31 December 2023: RMB1,760 million).

The Group monitors capital based on dividing the gearing ratio of total liabilities by total assets. The gearing ratio as at 30 June 2024 and 31 December 2023 were calculated as follows:

	30 June 2024 <i>RMB million</i>	31 December 2023 <i>RMB million</i>
Total liabilities	1,468	1,512
Total assets	6,443	6,506
Total liabilities to total assets	22.8%	23.2%

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

	30 June 2024 <i>RMB million</i>	31 December 2023 <i>RMB million</i>
Renminbi ("RMB")	123	142
United States dollars ("US\$")	434	410
	557	552

Pledge of Assets

As at 30 June 2024, the following assets were pledged for bank and other facilities granted to the Group:

- property, plant and equipment of RMB857 million (31 December 2023: RMB872 million);
- bank and other deposits of RMB71 million (31 December 2023: RMB102 million); and

Besides, lease liabilities of RMB123 million (31 December 2023: RMB137 million) were recognised in respect of right-of-use assets amounting to RMB62 million (31 December 2023: RMB77 million) as at 30 June 2024.

Guarantees provided to Third Parties

As at 30 June 2024, the Group provided back-to-back guarantees to third parties for certain bank and other borrowings taken out by certain third parties for associates for project companies whereby the third parties held a substantial interest and the Group held a minority interest. The back-to-back guarantees held a maximum amount of RMB1,603 million (31 December 2023: RMB1,715 million). Besides, the Group also provided financial guarantees to financial institutions related to the existing financing of certain disposed subsidiaries during the transitional period. In accordance with the SPA, such financial guarantee will be released when these guarantees are replaced by the new buyers or the loan is repaid within the specific time as set out in the SPA. The financial guarantee in respect of the bank and other borrowings amounting to RMB477 million (31 December 2023: RMB1,259 million), out of which approximately RMBNil (31 December 2023; RMB367 million) is associated of connected persons which details has been disclosed in the announcement on 12 October 2023.

Capital Commitments

As at 30 June 2024 and 31 December 2023, the Group's capital commitments in respect of construction commitments relating to natural gas liquefaction plant contracted but not provided amounted to RMB107 million (31 December 2023: RMB107 million), commitment of share capital of joint venture of RMB25 million (31 December 2023: RMB25 million), and commitment of unlisted investments of RMB61 million (31 December 2023: RMBNil).

Significant Investment Held, Material Acquisition or Disposal of Subsidiaries and Affiliated Companies and Plans for Material Investment or Capital Assets

During the six months ended 30 June 2024, there were no material acquisition or disposal of subsidiaries and affiliated companies by the Group.

Breach of loan agreement

As at 30 June 2024, the Company had not breached any terms of its loan agreements for loans that are significant to its operations.

Financial Assistance and guarantees to affiliated companies by the Company

As at 30 June 2024, the Company had not provided any financial assistance and guarantees to affiliated companies which is subject to disclosure requirement under Rule 13.22 of the Listing Rules.

Advance to an entity provided by the Company

As at 30 June 2024, the Company had not provided any advance to an entity which is subject to disclosure requirement under Rule 13.20 of the Listing Rules.

Risk Factors and Risk Management

The Group's business and financial results of operations are subject to various business risks and uncertainties. The factors set out below are those that the management believes could affect the Group's financial results of operations differing materially from expected or historical results. However, there can be other risks which are immaterial now but could turn out to be material in the future.

1. Policy risk

Policies made by the government have a pivotal role in the solar power industry. Any alternation in the preferential tax policies, on-grid tariff subsidies, generation dispatch priority, incentives, issuance of green electricity certificates, laws and regulations would cause substantial impact on the solar power industry. Although the PRC government has been supportive in aiding the growth of the renewable industry by carrying out a series of favorable measures, it is possible that these measures will be modified abruptly. In order to minimize risks, the Company will follow rules set out by the government strictly, and will pay close attention to policy makers in order to foresee any disadvantageous movements.

2. Risk associated with tariff

Power tariff is one of the key earning drivers for the Company. Any adjustment in tariff might have an impact on the profitability of new solar power projects. Given the NDRC targets to accelerate the technology development for solar energy industry in order to bring down development costs, therefore solar power tariff has been lowered to the level of coal-fired power and government subsidy for solar energy industry will finally be faded out. To minimize this risk, the Company will continue to increase the pace of technology development and implement cost control measures in order to lower development cost for new projects.

3. Risk related to interest rate

Interest risk may result from fluctuations in bank loan rates. Given our Company highly relies on external financing in order to obtain capital for new solar power project development, any interest rate changes will have an impact on the Company's capital expenditure and finance expenses, which in turn affect our operating results. Transformation into asset-light model is an effective way to reduce debts and interest rate exposure.

4. Foreign currency risk

As most of our business are located in the PRC, substantial amount of our revenues, capital expenditures, assets and liabilities are denominated in RMB. The Company uses US dollars to inject into US projects in the form of equity. As the Company has not purchased any foreign currency derivatives or related hedging instruments for hedging purpose, any changes in the exchange rate of foreign currency to RMB will have an impact on the Company's operating results.

5. Risk related to disputes with joint venture partners

Our joint ventures may involve us into risks associated with the possibility that our joint venture partners having financial difficulties or having disputes with us as to the scope of their responsibilities and obligations. We may encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

EMPLOYEE AND REMUNERATION POLICIES

We consider our employees to be our most important resource. As at 30 June 2024, the Group had approximately 963 employees (31 December 2023: 949 employees) in 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. Total staff costs (including Directors' emoluments, retirement benefits schemes contributions and share option expenses) for the six months ended 30 June 2024 was approximately RMB117 million (30 June 2023: RMB103 million).

Corporate Governance

Our Directors

The Board consists of eleven members of which four are independent non-executive Directors, bringing in a sufficient independent voice and enhancing independent judgment. At least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise throughout the Reporting Period. The other members of the Board include four executive Directors and three non-executive Directors. In addition, two of the Board members are female Directors, improving the gender diversity in the boardroom.

As at 30 June 2024 and up to the date of publication of this report, the composition of the Board is set out below:

Executive Directors	Non-executive Directors	Independent Non-executive Directors
Mr. ZHU Gongshan (<i>Chairman</i>)	Ms. SUN Wei	Mr. LEE Conway Kong Wai
Mr. ZHU Yufeng (<i>Vice Chairman</i>)	Mr. YEUNG Man Chung, Charles	Mr. WANG Yanguo
Mr. WANG Dong (<i>President</i>)	Mr. FANG Jiancai	Dr. CHEN Ying
Mr. GU Zengcai		Mr. CAI Xianhe

Changes in Directors' Information

The Company is not aware of any other change in Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company's 2023 Annual Report.

Audit Committee

The audit committee of the Company has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including a review of the Company's interim report and interim results for the six months ended 30 June 2024.

AUDITOR

The Company's external auditor, Crowe (HK) CPA Limited, has conducted a review of the Interim Financial Information of the Group for the six months ended 30 June 2024 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

There is no disagreement raised by the Company's external auditors or the audit committee of the Company with the accounting treatment adopted by the Company.

Corporate Governance

Interests in Company's Securities and Share Option Scheme

Interests of Directors and Chief Executive

As at 30 June 2024, 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 its 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 were as follows:

Long Position in the ordinary shares of the Company

Name of Director	Number of Shares			Total	Approximate percentage of issued Shares (Note 2)
	Beneficiary of a Trust	Personal Interests	Number of underlying Shares (Note 1)		
Mr. ZHU Gongshan	197,143,695 (Note 3)	–	–	197,143,695	14.07%
Mr. ZHU Yufeng	197,143,695 (Note 3)	–	875,000	198,018,695	14.13%
Mr. WANG Dong	–	11,496	–	11,496	0.001%
Ms. SUN Wei	–	90,995	500,000	590,995	0.04%
Mr. YEUNG Man Chung, Charles	–	–	250,000	250,000	0.02%
Mr. FANG Jiancai	–	–	250,000	250,000	0.02%
Mr. LEE Conway Kong Wai	–	–	100,000	100,000	0.01%
Mr. WANG Yanguo	–	–	100,000	100,000	0.01%
Dr. CHEN Ying	–	–	100,000	100,000	0.01%

Notes:

- These are share options granted by the Company to the Directors pursuant to the 2014 Share Option Scheme on 3 November 2021. For further details, please refer to the subsection headed "Share Option Scheme" in this "Corporate Governance" section.
- The percentage was calculated based on 1,400,922,926 Shares in issue as at 30 June 2024.
- Those Shares were beneficially owned by Dongsheng Photovoltaic Technology (Hong Kong) Limited ("Dongsheng Photovoltaic") and Golden Concord Group Limited (HK). For further information of the shareholding structure of Dongsheng Photovoltaic and Golden Concord Group Limited (HK), please refer to note 2 under the subsection headed "Interests of Substantial Shareholders" in this "Corporate Governance" section.

Save as disclosed above, as at 30 June 2024, the Company is not aware of any of the Directors or chief executive of the Company had an interest or short position in any Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the Company's share option scheme as mentioned under the subsection headed "Share Option Scheme" in this "Corporate Governance" section, at no time during the Reporting Period was the Company, its subsidiaries, its fellow subsidiaries or its holding company 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.

Corporate Governance

Interests in Company's Securities and Share Option Scheme

Interests of Substantial Shareholders

As at 30 June 2024, so far as is known to the Directors, the following persons (other than the Directors and chief executive of the Company as disclosed above) had interests in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the Part XV of the SFO:

Long Position in the ordinary shares of the Company

Name	Nature of interest	Number of Shares	Approximate percentage in issued Shares (Note 1)
Zhu Gongshan (Note 2)	Founder of trust	197,143,695	14.07%
Zhu Yufeng (Note 2)	Beneficiary of a trust	197,143,695	14.07%
Credit Suisse Trust Limited (Note 2)	Trustee	197,143,695	14.07%
Asia Pacific Energy Fund Limited (Note 2)	Interest in controlled corporation	197,143,695	14.07%
Asia Pacific Energy Holdings Limited (Note 2)	Interest in controlled corporation	197,143,695	14.07%
Golden Concord Group Limited (HK) (Note 2)	Interest in controlled corporation	197,143,695	14.07%
Elite Time Global Limited (Note 3)	Beneficial owner	86,878,864	6.20%
GCL Technology (Note 3)	Interest in controlled corporation	86,878,864	6.20%
GCL System Integration (Note 2)	Interest in controlled corporation	95,298,915	6.80%
GCL System Integration Technology (Su Zhou) Co., Ltd. (Note 2)	Interest in controlled corporation	95,298,915	6.80%
Dongsheng Photovoltaic Technology (Hong Kong) Limited (Note 2)	Beneficial owner	95,298,915	6.80%
Invesco Exchange-Traded Fund Trust II – Invesco Solar ETF	Person having a security interest in shares	61,811,027	4.41%

Notes:

(1) The percentage was calculated based on 1,400,922,926 Shares in issue as at 30 June 2024.

(2) (i) Dongsheng Photovoltaic is wholly-owned by GCL System Integration Technology (Su Zhou) Co., Ltd.* (協鑫集成科技(蘇州)有限公司), which is in turn wholly-owned by GCL System Integration. Jiangsu GCL Construction Management Co., Ltd.* (江蘇協鑫建設管理有限公司) ("Jiangsu GCL Construction"), Golden Concord Group Limited (PRC) and Yingkou Qiyin Investment Management Co., Ltd.* (營口其印投資管理有限公司) ("Yingkou Qiyin") owns approximately 24.2% of GCL System Integration in aggregate. Yingkou Qiyin and Jiangsu GCL Construction are parties acting in concert with Golden Concord Group Limited (PRC). Golden Concord Group Limited (PRC) is 44.61% owned by Shanghai Qixun Investment Management Co., Ltd.* (上海其旬投資管理有限公司) ("Shanghai Qixun") and 46.68% owned by Jiangsu GCL Construction and 8.71% owned by GCL-Poly (Taicang Harbour) Limited. Shanghai Qixun is directly wholly owned by Mr. Zhu Yufeng while Jiangsu GCL Construction and GCL-Poly (Taicang Harbour) Limited are indirectly wholly-owned by Golden Concord Group Limited (HK). Golden Concord Group Limited (HK) is in turn wholly-owned by Asia Pacific Energy Holdings Limited which 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 Yufeng and his family, including Mr. Zhu Gongshan as beneficiaries.

(ii) An aggregate of 101,844,780 shares in the Company, being approximately 7.27% equity interest of the Company, are collectively held by Highexcel Investments Limited, Happy Genius Holdings Limited and Get Famous Investments Limited, which are wholly-owned by Golden Concord Group Limited (HK).

(3) Elite Time Global Limited is wholly-owned by GCL Technology.

Corporate Governance Interests in Company's Securities and Share Option Scheme

Save as disclosed above, as at 30 June 2024, no other person (other than the Directors and chief executive of the Company) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

Share Option Scheme

Termination of the 2014 Share Option Scheme

The Company adopted the 2014 Share Option Scheme on 15 October 2014. The termination of the 2014 Share Option Scheme and the adoption of a new share option scheme ("2024 Share Option Scheme") to replace the 2014 Share Option Scheme were passed by the shareholders at the annual general meeting held on 23 May 2024 ("Effective Date") of the Company. Following the termination of 2014 Share Option Scheme from the Effective Date, no further share options shall be granted under the 2014 Share Option Scheme, but the outstanding share options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the 2014 Share Option Scheme. Further details regarding the termination of 2014 Share Option Scheme and adoption of 2024 Share Option Scheme are set out in circular dated 23 April 2024 of the Company.

Under the 2014 Share Option Scheme, share options were granted on 23 October 2014, 24 July 2015, 26 February 2021 and 3 November 2021 to subscribe for 26,842,000 Shares, 23,673,000 Shares, 19,065,937 Shares (of which 18,525,812 share options have been accepted by the grantees) and 3,025,000 Shares respectively. As at 30 June 2024, a total of 21,090,968 shares options granted (of which 18,745,593 options have not been vested) under the 2014 Share Option Scheme remained outstanding and will continue to be valid and exercisable during their prescribed exercise periods in accordance with the 2014 Share Option Scheme.

No share options were granted under the 2014 Share Option Scheme during the six months ended 30 June 2024. As at the date of this interim report, 23 August 2024, the total number of shares issuable for the share options granted under the 2014 Share Option Scheme is 2,264,847 shares (representing approximately 0.16% of total issued Shares). Particulars of the 2014 Share Option Scheme are set out in note 27 to the Unaudited Condensed Interim Consolidated Financial Statements and in the Company's 2023 Annual Report.

Adoption of the 2024 Share Option Scheme

The purpose of the 2024 Share Option Scheme is to recognise and acknowledge the contributions that eligible participants ("Eligible Participants" as defined in the 2024 Share Option Scheme) have made or may make to the Group, and to provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the principal objectives of (a) motivating the Eligible Participants to optimize their performance and efficiency for the benefit of the Group; and (b) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group. The 2024 Share Option Scheme shall be valid and effective for a period of 10 years from 23 May 2024, after which no further share options will be granted or offered but the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting share options granted prior thereto or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme. There is no general requirement on the minimum period for which a share option must be held or the performance targets which must be achieved before a share option can be exercised under the terms of the 2024 Share Option Scheme, however the Board may in its absolute discretion determine. The remaining life of the 2024 Share Option Scheme is approximately 9 years and 9 months. Any offer of grant of share options shall be deemed to have been granted and accepted and to have taken effect when the Company received an acceptance letter and non-refundable payment of HK\$1.00 within 21 days from the date of offer.

Corporate Governance

Interests in Company's Securities and Share Option Scheme

The number of shares available for grant under the 2024 Share Option Scheme as at the Effective Date and 30 June 2024 were both 140,092,292 shares (representing 10% of the Company's issued shares as at the Effective Date and 30 June 2024). The Service Provider Sub-limit (as defined in the 2024 Share Option Scheme) as at the Effective Date and 30 June 2024 were both 14,009,229 shares (representing 1% of the Company's issued shares as at the Effective Date and 30 June 2024). Further details of the 2024 Share Option Scheme are set out in the Company's circular dated 23 April 2024.

No share options had been granted under the 2024 Share Option Scheme during the six months ended 30 June 2024.

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

Name or category of participants	Date of grant	Exercise period <i>(Notes 1 to 4)</i>	Exercise price HK\$ <i>(Note 5)</i>	Number of share options				As at 30.06.2024
				As at 1.1.2024	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	
Directors:								
Mr. ZHU Yufeng	03.11.2021	03.11.2021 to 02.11.2031	7.14	875,000	-	-	-	875,000
Ms. SUN Wei	03.11.2021	03.11.2021 to 02.11.2031	7.14	500,000	-	-	-	500,000
Mr. YEUNG Man Chung, Charles	03.11.2021	03.11.2021 to 02.11.2031	7.14	250,000	-	-	-	250,000
Mr. FANG Jiancai	03.11.2021	03.11.2021 to 02.11.2031	7.14	250,000	-	-	-	250,000
Mr. LEE Conway Kong Wai	03.11.2021	03.11.2021 to 02.11.2031	7.14	100,000	-	-	-	100,000
Mr. WANG Yanguo	03.11.2021	03.11.2021 to 02.11.2031	7.14	100,000	-	-	-	100,000
Dr. CHEN Ying	03.11.2021	03.11.2021 to 02.11.2031	7.14	100,000	-	-	-	100,000
Sub-total				2,175,000	-	-	-	2,175,000
Mr. SHA Hongqiu <i>(Note 6)</i>	24.07.2015	24.07.2015 to 23.07.2025	12.12	402,640	-	-	-	402,640
Employees of the Group (in aggregate)	23.10.2014	24.11.2014 to 22.10.2024	23.596	1,056,927	-	-	-	1,056,927
	24.07.2015	24.07.2015 to 23.07.2025	12.12	1,791,745	-	-	-	(37,747)
	26.02.2021	26.02.2021 to 25.02.2031	7.68	12,924,187	-	-	-	12,924,187
Employees of the Affiliate Companies (in aggregate) <i>(Note 7)</i>	23.10.2014	24.11.2014 to 22.10.2024	23.596	1,288,448	-	-	-	1,288,448
	24.07.2015	24.07.2015 to 23.07.2025	12.12	1,489,768	-	-	-	1,489,768
Total				21,128,715	-	-	-	(37,747)
								21,090,968

Corporate Governance Interests in Company's Securities and Share Option Scheme

Notes:

- The exercise period of the share options granted on 23 October 2014 under the 2014 Share Option Scheme is ten years from the grant date to 22 October 2024. The vesting schedule of such share options is as follow:

Vesting period	Accumulative Share Options Vested
24 November 2014 to 22 October 2015	20%
23 October 2015 to 22 October 2016	40%
23 October 2016 to 22 October 2017	60%
23 October 2017 to 22 October 2018	80%
On 23 October 2018	100%

All of the share options granted on 23 October 2014 have vested and none of the share options have been exercised as at 30 June 2024.

- The exercise period of share options granted on 24 July 2015 under the 2014 Share Option Scheme is ten years from the grant date to 23 July 2025. The share options are exercisable during the period indicated upon fulfillment of the conditions indicated as follows:

Condition	Exercise period
Fulfillment of the performance targets from 24 July 2015 to 23 July 2016	24 July 2015 to 23 July 2025
Fulfillment of the performance targets from 24 July 2016 to 23 July 2017	24 July 2016 to 23 July 2025
Fulfillment of the performance targets from 24 July 2017 to 23 July 2018	24 July 2017 to 23 July 2025
Fulfillment of the performance targets from 24 July 2018 to 23 July 2019	24 July 2018 to 23 July 2025
Performance targets from 24 July 2019 onwards are achieved	24 July 2019 to 23 July 2025

If the performance targets from 24 July 2015 to 23 July 2025 are not achieved, all of the share options shall not become exercisable as scheduled. None of the share options have vested as at 30 June 2024 since all of the performance target conditions mentioned hereinabove were not achieved.

- Subject to vesting and other conditions, the exercise period of the share options granted on 26 February 2021 under the 2014 Share Option Scheme is ten years from the grant date to 25 February 2031. The vesting schedule of such share options is as follow:

Vesting Date	Accumulative Share Options Vested
26 February 2022	25%
26 February 2023	50%
26 February 2024	75%
26 February 2025	100%

None of the share options granted on 26 February 2021 has vested as at 30 June 2024.

Corporate Governance

Interests in Company's Securities and Share Option Scheme

4. Subject to vesting and other conditions, the exercise period of the share options granted on 3 November 2021 under the 2014 Share Option Scheme is ten years from the grant date to 2 November 2031. The vesting schedule of such share options is as follow:

Vesting Date	Accumulative Share Options Vested
3 November 2022	25%
3 November 2023	50%
3 November 2024	75%
3 November 2025	100%

None of the share options granted on 3 November 2021 has vested as at 30 June 2024.

5. (a) The exercise price of share options pursuant to the 2014 Share Option Scheme shall not be less than whichever is the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value per share of the Company. The closing prices of the Shares immediately before the date on which the share options were granted on 23 October 2014, 24 July 2015, 26 February 2021 and 3 November 2021 were HK\$4.75, HK\$0.580, HK\$0.375 and HK\$0.330 respectively.
- (b) 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:
- (i) the rights issue of the Company with effect from 2 February 2016. The exercise prices per Share were adjusted to HK\$1.1798 and HK\$0.606 for the grant of share options on 23 October 2014 and 24 July 2015 respectively. For further details, please refer to the Company's announcement dated 2 February 2016.
- (ii) the completion of Share Consolidation of the Company that every twenty issued and unissued shares capital of the Company be consolidated into one consolidated share with effect from 31 October 2022. The exercise prices per Share were adjusted to HK\$23.596, HK\$12.12, HK\$7.68 and HK\$7.14 for the grant of share options on 23 October 2014, 24 July 2015, 26 February 2021 and 3 November 2021 respectively. For further details, please refer to the Company's announcement dated 31 October 2022.
6. While Mr. Sha Hongqiu retired from office as a non-executive Director with effect from 17 June 2020, his share options remain exercisable under the 2014 Share Option Scheme.
7. These are ex-employees of the Group who were subsequently transferred to the Affiliate Companies and their share options remain exercisable under the 2014 Share Option Scheme.

Corporate Governance Practices

The Company is committed to promoting high standards of corporate governance through its continuous effort in enhancing 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 six months ended 30 June 2024, the Company complied with the code provisions set out in the CG Code.

Compliance with Model Code

The Board adopted the Model Code with terms no less exacting than the required standard set out in Appendix C3 to the Listing Rules as its own model code of conduct regarding Directors' securities transactions. 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.

Directors' Interests in Competing Business

Each of the companies in the Golden Concord Group (a general reference to the companies in which Mr. Zhu Gongshan and his family have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at 30 June 2024, the Golden 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. Therefore, the Directors believe that the Company is capable of carrying out its business independently of, and at arm's length from the Golden Concord Group.

Risk Management and Internal Control

The Company has in practice complied with the requirements under the CG Code relating to risk management and internal control during the Reporting Period. Details of the Group's risk management and internal control systems (the "Systems"), as well as risk management procedures were set out in the Corporate Governance Report of the Company's 2023 Annual Report.

During the Reporting Period, the Group has conducted ongoing reviews to identify deficiencies in operations and opportunities. All major findings were communicated to senior management of the respective business units to enforce the remediation.

During the Reporting Period, the Internal Control Function of the Group reviewed the effectiveness of the Systems. Based on the ongoing efforts devoted by the Group, there is neither material irregularities nor areas of material concerns that would have significant adverse impact on the Company's financial positions or results of operations. Management should pay attention to and monitor the important risk indicators, including the gearing ratio and the repayment ability of the Group.

USE OF NET PROCEEDS FROM PLACING AND SUBSCRIPTION

On 4 August 2022, the Group completed a top-up placing and subscription of 2,275,000,000 Shares at HK\$0.138 per Share to not less than six independent placees, raising net proceeds of approximately HK\$310 million after deducting placing commission and related expenses (the "**2022 Placing**"). As at 30 June 2024, all net proceeds from the 2022 Placing has been fully utilised as intended. For further details of the 2022 Placing, please refer to the announcements of the Company dated 28 July 2022 and 4 August 2022. Details of the use of proceeds from the 2022 Placing are as follows:

Use of net proceeds from the 2022 Placing	Initial intended allocation (HK\$ million)	Utilised amount as at 30 June 2024 (HK\$ million)
To support the cost relating to the investment, research and development of natural gas, LNG and integrated energy project management business and to develop the operation and maintenance services for other energy sectors	279	279
General working capital purposes	31	31
	310	310

During the Reporting Period, the Company completed a placing of an aggregate of 233,487,154 Shares (representing approximately 16.67% of the Company's issued share capital as enlarged by the transaction upon completion) at HK\$0.26 per Share to not less than six independent places, raising net proceeds of approximately HK\$59.7 million after deducting placing commission and related expenses (the "2024 Placing"). There were no changes to the intended use of net proceeds from the 2024 Placing. As at 30 June 2024, approximately HK\$59.7 million was deposited at the bank accounts of the Company which were pending to be used. For further details of 2024 Placing, please refer to the announcements of the Company dated 22 April 2024 and 10 May 2024. The net proceeds from 2024 Placing are expected to be utilised by 2024. Details of the use of proceeds from the 2024 Placing are as follows:

Use of net proceeds from the 2024 Placing	Initial intended allocation (HK\$ million)	Unutilised amount as at 30 June 2024 (HK\$ million)
To support the cost relating to the investment, research and development of natural gas, LNG and integrated energy project management business and to develop the operation and maintenance services for other energy sectors	53.7	53.7
General working capital purposes	6.0	6.0
	59.7	59.7

Corporate Governance
Corporate Governance and
Other Information

Purchase, Sale Or Redemption Of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares listed on the Stock Exchange (including treasury shares) during the six months ended 30 June 2024.

Environmental, Social and Governance Reporting

GCL New Energy has issued annual Environmental, Social and Governance Report since 2015, to report on the performance of the Group in environmental, social and governance issues annually. The Company's Environmental, Social and Governance Report 2023 is available on the websites of the Stock Exchange and the Company.

Corporate Governance Communication with Shareholders

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

To ensure all the Shareholders have equal and timely access to important information of the Company, we make extensive use of several communication channels, including publication of annual and interim financial reports, announcements, circulars, listing documents, 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. Corporate Communications will be provided to Shareholders in either or both English and Chinese version(s) to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either or both English and/or Chinese) and means of receipt of the Corporate Communications in hard copy or through electronic means.

In addition to accessing information on the corporate website, enquiries or requests 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:

Board Secretarial and Investor Relations Department

Telephone: +852 2606 9200

Facsimile: +852 2462 7713

Email: gneir@gclnewenergy.com

Address: Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

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

Tricor Abacus Limited

Address: 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

Telephone: (852) 2980-1333

Facsimile: (852) 2810-8185

Report on Review of Unaudited Condensed Interim Consolidated Financial Statements



國富浩華（香港）會計師事務所有限公司
Crowe (HK) CPA Limited
香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

TO THE BOARD OF DIRECTORS OF GCL NEW ENERGY HOLDINGS LIMITED

協鑫新能源控股有限公司

(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the unaudited condensed interim consolidated financial statements of GCL New Energy Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 29 to 72, which comprise the unaudited condensed consolidated statement of financial position at 30 June 2024 and the related unaudited condensed consolidated statement of profit or loss and other comprehensive income, the unaudited condensed consolidated statement of changes in equity and the unaudited condensed consolidated statement of cash flows for the six-month period then ended, and notes to the unaudited condensed interim consolidated financial statements, including material accounting policy information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these unaudited condensed interim consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on the unaudited condensed interim consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the unaudited condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Crowe (HK) CPA Limited

Certified Public Accountants

Hong Kong, 23 August 2024

Chan Wai Dune, Charles

Practising Certificate Number P00712

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

Six months ended 30 June			
	Notes	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue	3	496,473	422,764
Cost of sales and services rendered		(426,243)	(227,288)
Gross profit		70,230	195,476
Other income	4	45,615	58,595
Other gains and losses, net	5	(96)	(118,042)
Impairment loss under expected credit loss model, net	5	(70,849)	–
Selling and distribution expenses		(2,095)	–
Research and development expenses		(10,802)	–
Administrative expenses			
– share-based payment expenses	27	(2,135)	(4,587)
– other administrative expenses		(120,289)	(102,165)
Share of profits of associates		56,897	57,423
Share of (loss)/profits of joint ventures		(92)	26
Finance costs	6	(39,426)	(193,073)
Loss before tax		(73,042)	(106,347)
Income tax expense	7	(1,310)	(9,333)
Loss for the period	8	(74,352)	(115,680)
Other comprehensive (expense)/income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(1,515)	14,346
Total comprehensive expense for the period		(75,867)	(101,334)
Loss for the period attributable to:			
Owners of the Company		(174,452)	(216,111)
Non-controlling interests			
– Owners of perpetual notes		100,100	99,550
– Other non-controlling interests		–	881
		(74,352)	(115,680)
Total comprehensive expense for the period attributable to:			
Owners of the Company		(175,967)	(201,765)
Non-controlling interests			
– Owners of perpetual notes		100,100	99,550
– Other non-controlling interests		–	881
		(75,867)	(101,334)
		RMB cents (Unaudited)	RMB cents (Unaudited)
Loss per share			
– Basic and diluted	11	(14.14)	(18.51)

Unaudited Condensed Consolidated Statement of Financial Position

At 30 June 2024

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	12	887,723	903,877
Right-of-use assets	12	62,199	76,786
Interests in associates	13	1,585,995	1,543,513
Interests in joint ventures	14	3,374	3,466
Amounts due from related companies	15	657,929	648,085
Financial assets at fair value through profit or loss	16	96,388	45,643
Other non-current assets	17	9,485	14,738
Other receivables	18	712,057	700,945
Pledged bank and other deposits		6,000	42,047
Deferred tax assets		804	821
		4,021,954	3,979,921
CURRENT ASSETS			
Inventories	20	84,801	–
Trade and other receivables	18	1,188,486	1,007,992
Amounts due from related companies	15	584,695	805,190
Tax recoverable		13	–
Pledged bank and other deposits		64,709	59,882
Bank balances and cash		399,949	555,395
		2,322,653	2,428,459
Assets classified as held for sale	10	98,218	97,884
		2,420,871	2,526,343
CURRENT LIABILITIES			
Other payables and deferred income	21	405,084	445,120
Contract liabilities	22	30,351	2,082
Amounts due to related companies	15	142,127	175,748
Tax payable		1,077	53
Loan from a related company	23	–	4,811
Bank and other borrowings	24	116,302	120,330
Lease liabilities		14,725	16,194
		709,666	764,338
Liabilities directly associated with assets classified as held for sale	10	1,543	1,537
		711,209	765,875
NET CURRENT ASSETS		1,709,662	1,760,468
TOTAL ASSETS LESS CURRENT LIABILITIES		5,731,616	5,740,389

Unaudited Condensed Consolidated Statement of Financial Position

At 30 June 2024

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Bank and other borrowings	24	318,091	289,463
Lease liabilities		108,369	121,006
Deferred income	21	330,036	335,266
		756,496	745,735
NET ASSETS			
		4,975,120	4,994,654
CAPITAL AND RESERVES			
Share capital	25	99,371	81,773
Reserves		1,836,427	1,973,659
Equity attributable to owners of the Company		1,935,798	2,055,432
Equity attributable to non-controlling interests – owners of perpetual notes	26	3,039,322	2,939,222
TOTAL EQUITY			
		4,975,120	4,994,654

The unaudited condensed interim consolidated financial statements on pages 29 to 72 were approved and authorised for issue by the Board of Directors on 23 August 2024 and are signed on its behalf by:

Zhu Yufeng
DIRECTOR

Wang Dong
DIRECTOR

Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to owners of the Company								Non-controlling interests		Total equity RMB'000	
	Share capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Legal reserves RMB'000 (Note)	Translation reserve RMB'000	Special reserve RMB'000	Share options reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Perpetual notes RMB'000		Other non-controlling interests RMB'000
At 1 January 2023	81,773	5,263,813	15,918	1,350,589	(11,154)	(182,517)	83,801	(3,397,547)	3,204,676	2,738,472	34,884	5,978,032
Loss for the period	-	-	-	-	-	-	-	(216,111)	(216,111)	99,550	881	(115,680)
Other comprehensive income for the period	-	-	-	-	14,346	-	-	-	14,346	-	-	14,346
Total comprehensive expense for the period	-	-	-	-	14,346	-	-	(216,111)	(201,765)	99,550	881	(101,334)
Transfer to legal reserves	-	-	-	39,839	-	-	-	(39,839)	-	-	-	-
Recognition of equity settled share-based payments (Note 27)	-	-	-	-	-	-	4,587	-	4,587	-	-	4,587
Forfeiture of share options (Note 27)	-	-	-	-	-	-	(3,287)	3,287	-	-	-	-
Disposal of subsidiaries	-	-	-	(7,711)	-	-	-	7,711	-	-	(35,765)	(35,765)
At 30 June 2023	81,773	5,263,813	15,918	1,382,717	3,192	(182,517)	85,101	(3,642,499)	3,007,498	2,838,022	-	5,845,520
At 1 January 2024	81,773	5,263,813	15,918	537,931	(3,931)	(182,517)	84,919	(3,742,474)	2,055,432	2,939,222	-	4,994,654
Loss for the period	-	-	-	-	-	-	-	(174,452)	(174,452)	100,100	-	(74,352)
Other comprehensive income for the period	-	-	-	-	(1,515)	-	-	-	(1,515)	-	-	(1,515)
Total comprehensive expense for the period	-	-	-	-	(1,515)	-	-	(174,452)	(175,967)	100,100	-	(75,867)
Issue of new shares (Note 25(a))	17,598	37,529	-	-	-	-	-	-	55,127	-	-	55,127
Transaction costs attributable to the issue of new shares (Note 25(a))	-	(929)	-	-	-	-	-	-	(929)	-	-	(929)
Recognition of equity settled share-based payments (Note 27)	-	-	-	-	-	-	2,135	-	2,135	-	-	2,135
Forfeiture of share options (Note 27)	-	-	-	-	-	-	(218)	218	-	-	-	-
At 30 June 2024	99,371	5,300,413	15,918	537,931	(5,446)	(182,517)	86,836	(3,916,708)	1,935,798	3,039,322	-	4,975,120

Note: Legal reserves represent the amounts set aside from the retained earnings by certain subsidiaries established in the People's Republic of China (the "PRC"). In accordance with the relevant regulations and their articles of association, the Company's subsidiaries established 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, cash dividends.

Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

Six months ended 30 June

NOTES	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(388,239)	272,052
INVESTING ACTIVITIES		
Interest received	5,383	34,087
Payments for construction and purchase of property, plant and equipment	(20,019)	(69,012)
Payments for acquisition of financial assets at fair value through profit or loss	(60,773)	–
Proceeds from disposal of property, plant and equipment	350	33,986
Receipts of consideration receivables from disposal of subsidiaries with solar power plant projects	484	219,710
Withdrawal of pledged bank and other deposits	36,047	91,533
Placement of pledged bank and other deposits	(4,827)	(83,445)
Advance to related companies	(33)	–
Repayment from related companies	782	7,035
Settlement of consideration and other receivables in relation to former subsidiaries	283,999	452,581
Dividend received from associates	14,415	50,404
NET CASH FROM INVESTING ACTIVITIES	255,808	736,879
FINANCING ACTIVITIES		
Interest paid	(33,699)	(205,224)
Proceeds from bank and other borrowings	–	409,261
Repayment of bank and other borrowings	–	(453,394)
Payments of lease liabilities	(5,265)	(18,484)
Repayment of loans from related parties	(4,811)	–
Proceeds from issue of shares through placement	55,127	–
Transaction costs paid for the issue of shares through placement	(929)	–
Repayment to related parties	(38,602)	–
Advance from related parties	4,981	26,927
Redemption of senior notes	–	(714,484)
Dividend paid to non-controlling interests	–	(17,877)
NET CASH USED IN FINANCING ACTIVITIES	(23,198)	(973,275)

Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(155,629)	35,656
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
– bank balances and cash	555,395	797,125
– bank balances and cash classified as held for sale	558	53,208
	555,953	850,333
Effect of exchange rate changes on the balance of cash held in foreign currencies	175	8,720
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Represented by		
– bank balances and cash	399,949	853,463
– bank balances and cash classified as held for sale	550	41,246
	400,499	894,709

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The unaudited condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

The functional currency of the Company and the presentation currency of the Group’s unaudited condensed interim consolidated financial statements is Renminbi (“RMB”).

2. MATERIAL ACCOUNTING POLICY INFORMATION

The unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”) issued by the IASB effective for the accounting periods beginning on or after 1 January 2024, the accounting policies and methods of computation used in the unaudited condensed interim consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2023.

Application of amendments to IFRSs

During the six months ended 30 June 2024, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2024 for the preparation of the Group’s unaudited condensed interim consolidated financial statements:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback

The application of the amendments to IFRSs during the six months ended 30 June 2024 has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed interim consolidated financial statements.

New and amendments to IFRS in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that are not yet effective for the current accounting period.

Amendments to IAS 21	Lack of Exchangeability ¹
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Annual Improvements to IFRS Accounting Standards 2024	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³
IFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

1 Effective for annual periods beginning on or after 1 January 2025

2 Effective for annual periods beginning on or after 1 January 2026

3 Effective for annual periods beginning on or after 1 January 2027

4 Effective for annual periods beginning on or after a date to be determined

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

New and amendments to IFRS in issue but not yet effective *(Continued)*

The Group is in the process of evaluating the impact of IFRS 18 on the consolidated financial statements for the forthcoming years.

Except for the aforesaid, the directors of the Group anticipate that the application of all the other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising from sales of electricity and tariff adjustments, provision of operation and management services, solar related supporting services, and sales of liquefied natural gas and related products ("LNG business"). Revenue arising from sales of electricity is derived from sales of electricity to local grid companies in the People's Republic of China (the "PRC") and overseas grid companies in the United States of America (the "US") for the six months ended 30 June 2024 and 2023.

Revenue recognised during the periods are as follows:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue		
Recognised at a point in time:		
– Sales of electricity	41,854	151,293
– Tariff adjustments	2,386	166,500
– Solar related supporting services income	8,285	39,468
– LNG business related income	306,544	–
Subtotal	359,069	357,261
Recognised over time:		
– Operation and management services income	137,404	65,503
Subtotal	137,404	65,503
	496,473	422,764

For sales of electricity and tariff adjustments, the Group generally entered into power purchase agreements with local grid companies with a term of one to five years and overseas grid companies with a term of ten to twenty years which stipulate the price of electricity per watt hour. Revenue is recognised when control of the electricity has been transferred, being at the point when electricity has generated and transmitted to the customers and the amount included tariff adjustments of approximately RMB2,386,000 (six months ended 30 June 2023: RMB166,500,000) recognised during the period. Except for trade receivables relating to tariff adjustments, the Group generally grants credit period of approximately one month to customers from the date of invoice in accordance with the relevant power purchase agreements between the Group and the respective local grid companies or overseas grid companies. The Group will complete the remaining performance obligations in accordance with the relevant terms as stipulated in the power purchase agreements and the remaining aggregated transaction price will be equal to the quantity of electricity that can be generated and transmitted to the customers times the stipulated price per watt hour.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

The financial resource for the tariff adjustment is the national renewable energy fund that accumulated through a special levy on the consumption of electricity of end users. The PRC government is responsible to collect and allocate the fund to the respective state-owned grid companies for the settlement to the solar power companies. Effective from March 2012, the application and settlement of the tariff adjustment are subject to certain procedures as promulgated by Caijian [2012] No. 102 *Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy* (可再生能源電價附加補助資金管理暫行辦法). Caijian [2013] No. 390 Notice issued in July 2013 further simplified the procedures of settlement of the tariff adjustment.

In January 2020, the Several Opinions on Promoting the Healthy Development of Non-Hydro Renewable Energy Power Generation (Caijian [2020]No. 4)* (《關於促進非水可再生能源發電健康發展的若干意見》)(財建[2020]4號) and the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (Caijian [2020]No. 5)* (《財政部國家發展改革委國家能源局關於印發〈可再生能源電價附加資金管理辦法〉的通知》)(財建[2020]5號)(the “2020 Measures”) were jointly announced by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration. In accordance with the new government policy as stipulated in the 2020 Measures, the PRC government has simplified the application and approval process regarding the registration of tariff adjustments for non-hydro renewable energy power plant projects into the Renewable Energy Tariff Subsidy List (可再生能源發電補助項目清單) (the “List”). The state-owned grid companies will regularly announce the List based on the project type, time of grid connection and technical level of the solar power projects. For those on-grid solar power projects which have already started operation but yet to register into the List, these on-grid solar power projects are entitled to enlist into the List once they have met the conditions as stipulated on the Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加資金管理辦法) and completed the submission and application in the National Renewable Energy Information Management Platform (the “Platform”).

Tariff adjustments are recognised as revenue and due from grid companies in the PRC in accordance with the relevant power purchase agreements.

The management considers that it contained a significant financing component over the relevant portion of the tariff adjustments until settlement of the trade receivables. For the six months ended 30 June 2024, the respective tariff adjustments were adjusted for this financing component based on an effective interest rate ranging from 1.85% to 2.15% per annum (six months ended 30 June 2023: 2.18% to 2.57% per annum) and adjustments were made in relation to the revision of expected timing of tariff collection. As such, the Group’s revenue was adjusted by approximately RMB3 million (six months ended 30 June 2023: RMB33 million) and interest income amounting to approximately RMB556,000 (six months ended 30 June 2023: RMB11 million) (note 4) was recognised.

Operation and management service income represents the service income from the provision of the solar power plants operation and management services. The Group generally grants credit period of approximately one month to customers from the date of invoice.

* *English name for identification only*

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

3. REVENUE AND SEGMENT INFORMATION (Continued)

Solar related supporting services income represents the income from sales of solar modules with related supporting services. The Group generally requires customers to provide 10% to 20% of the agreed consideration of specified goods or services as upfront deposits and the remainder of the consideration is payable before seven to ten days the solar modules are delivered. The Group acts as an agent for its solar related supporting services and will complete the performance obligations in accordance with the relevant terms as stipulated in the contracts.

LNG business related income represents the income from (i) sales of LNG and related products; and (ii) trading agency. The Group generally requires customers to provide 100% of the agreed consideration of specified goods or services or grants credit period of approximately one month to customers from date of invoice when the LNG and related products are delivered. The Group acts as both principal and agent for its LNG related business and will complete the performance obligations in accordance with the relevant terms as stipulated in the contracts.

Included in LNG Business related income, the Group recognised revenue from contracts with external customers, acting as a principal, amounting to approximately RMB306 million (six months ended 30 June 2023: RMBnil), relating to trading of LNG and related products. The Group recognised revenue from contracts with external customers, acting as an agent, amounting to approximately RMB475,000 (six months ended 30 June 2023: RMBnil), relating to trading of LNG and related products.

The Group's chief operating decision maker ("CODM"), being the executive directors of the Company, regularly reviews revenue by countries, except for the operations in the PRC which are by provinces; however, no other discrete information was provided. In addition, the CODM reviews the consolidated results when making decisions about allocating resources and assessing performance. Hence, no further segment information other than entity wide information is presented.

Geographical information

The Group's operations are located in the PRC and the US.

Information about the Group's revenue from external customers is presented based on the location of the operations and 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	
	Six months ended 30 June		30 June 2024	31 December 2023
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Audited)
PRC	454,074	386,538	1,692,118	1,629,437
US	42,399	36,226	856,658	912,943
	496,473	422,764	2,548,776	2,542,380

Note: Non-current assets exclude those relating to financial instruments (including pledged bank and other deposits, financial assets at fair value through profit or loss, other receivables and amounts due from related companies) and deferred tax assets.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

4. OTHER INCOME

Six months ended 30 June		
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Government grants:		
– Incentive subsidies (note)	289	729
– Investment Tax Credit	7,296	7,115
Interest arising from contracts containing significant financing component	556	11,043
Interest income of financial assets at amortised cost:		
– Bank interest income	2,708	6,381
– Interest income from former subsidiaries	2,675	27,706
– Interest income from related companies	7,719	–
– Imputed interest arising from receivables containing significant financing component	20,387	–
Others	3,985	5,621
	45,615	58,595

Note:

Incentive subsidies were received from the relevant PRC government for improvement of working capital and financial assistance to the operating activities. The subsidies were granted on a discretionary basis during the periods and the conditions attached thereto were fully complied with.

5. OTHER GAINS AND LOSSES, NET

Six months ended 30 June		
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Exchange gain/(loss), net (note a)	2,807	(32,827)
Loss on measurement of assets classified as held for sale to fair value less cost to sell (note b)	–	(105,188)
Gain on disposal of solar power plant projects	3,452	3,624
Gain on redemption of senior notes	–	14,620
(Loss)/gain on disposal of property, plant and equipment	(6)	34
Gain on deregistration of a subsidiary	3,679	1,695
Loss on fair value change of financial assets at fair value through profit or loss	(10,028)	–
	(96)	(118,042)
Impairment loss under expected credit loss model:		
– Other receivables (note c)	(70,849)	–
	(70,849)	–

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

5. OTHER GAINS AND LOSSES, NET (Continued)

Notes:

- (a) Exchange gain/(loss) mainly arose from the bank and other borrowings and the senior notes, all are denominated in United States dollars ("US\$") which depreciated (six months ended 30 June 2023: appreciated) against RMB during the current and prior interim period.
- (b) The Group entered into two equity transfer agreements with 湖南新華水利電力有限公司 Hunan Xinhua Water Conservancy and Electric Power Co., Ltd.* ("Hunan Xinhua Water"), an independent third party to dispose of its 100% equity interest in a wholly-owned subsidiary, namely 高唐縣協鑫晶輝光伏有限公司 Gaotang GCL Jinghui Photovoltaic Power Co., Ltd.*, and 90.1% equity interest in 內蒙古香島新能源發展有限公司 Inner Mongolia Xiangdao New Energy Development Co., Ltd.*, the disposals have not been completed and the relevant assets and liabilities were classified as assets held for sale as at 30 June 2023.

Loss on measurement of assets classified as held for sale to fair value less cost to sell amounting to approximately RMB105,188,000 was recognised in profit or loss during the six months ended 30 June 2023 as it was measured at the lower of its carrying amount of net assets value of each subsidiary and fair value less cost to sell.

- (c) The expected credit loss on other receivables of approximately RMB71 million (six months ended 30 June 2023: RMBnil) comprises RMB21 million (six months ended 30 June 2023: RMBnil) for on-grid electricity guarantee, RMB23 million (six months ended 30 June 2023: RMBnil) for consideration receivable of disposal of solar power plant projects, and RMB27 million (six months ended 30 June 2023: RMBnil) for provision of loss allowance of other debtors with which contact is lost.

* English name for identification only

6. FINANCE COSTS

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Interest on financial liabilities at amortised cost:		
Bank and other borrowings	35,888	118,711
Senior notes	–	67,062
Lease liabilities	3,538	7,300
	39,426	193,073

There was no borrowing costs capitalised for both reporting periods.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
PRC Enterprise Income Tax ("EIT"):		
Current tax	1,293	6,036
Deferred tax	17	3,297
Total	1,310	9,333

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, engaged in solar photovoltaic projects, under the EIT Law and its relevant regulations, were 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 was derived. For the six months ended 30 June 2023, certain subsidiaries of the Company engaged in the solar photovoltaic projects were in the 3-year 50% exemption period. Certain subsidiaries of the Group completed the 3-year full exemption period or 3-year 50% exemption period during the six months ended 30 June 2023.

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated or operated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the PRC and Hong Kong.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No.7) Bill 2017 (the "Bill") which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporations is taxed at 8.25%, and profits above HK\$2 million is taxed at 16.5%. The two-tiered profits tax rates regime is applicable to the Group for both periods. No provision for taxation in Hong Kong Profits Tax was made as there is no assessable profits for both reporting periods.

The Federal and State income tax rate in the US are calculated at 21% and 8.84% respectively for both periods. No provision for taxation in US Federal and State income tax were made as there is no assessable profits for both reporting periods.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

8. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Loss for the period has been arrived at after charging:		
Depreciation of:		
– Property, plant and equipment	29,819	130,860
– Right-of-use assets	5,442	10,567
Cost of inventories recognised as expenses	303,634	–
Staff costs (including directors' remuneration but excluding share-based payments)		
– Salaries, wages and other benefits	98,271	84,074
– Retirement benefit scheme contributions	16,823	13,863
	115,094	97,937
Share-based payment expenses (administrative expenses in nature)	2,135	4,587

9. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the six months ended 30 June 2024, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2023: RMBnil).

10. ASSETS CLASSIFIED AS HELD FOR SALE

Disposal of solar power plants

On 31 December 2022, the Group entered into two equity transfer agreements with Hunan Xinhua Water, an independent third party to dispose of its 100% equity interest in a wholly-owned subsidiary, namely 磴口協鑫光伏電力有限公司 Dengkou GCL Photovoltaic Power Co., Ltd* (“Dengkou GCL”), and 51% equity interest in 鄆城鑫華能源開發有限公司 Yuncheng Xinhua Energy Development Co., Ltd* (“Yuncheng Xinhua”) at an aggregate consideration of approximately RMB26,370,000 as at the date of disposals. The subsidiaries operate solar power plant projects with in aggregate of 50MW in Shandong and Inner Mongolia, the PRC.

During the six months ended 30 June 2023, the disposal of Yuncheng Xinhua with an aggregate consideration of approximately RMB23,560,000 was completed. The disposal of Dengkou GCL has not been completed and the relevant assets and liabilities were classified as disposal groups held for sale.

* English name for identification only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

10. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

Disposal of solar power plants (Continued)

As at 30 June 2024, the assets and liabilities attributable to the solar power plant project of Dengkou GCL have been classified as a disposal group held for sale and are presented separately in the unaudited condensed interim consolidated statement of financial position.

As at 30 June 2024, the major classes of assets and liabilities of the disposal group are as follows:

	RMB'000
Property, plant and equipment	56,003
Right-of-use assets	6,854
Trade and other receivables (a)	34,811
Bank balances and cash	550
Total assets classified as held for sale	98,218
Other payables	(699)
Lease liabilities (b)	(844)
Total liabilities directly associated with assets classified as held for sale	(1,543)
Net assets of solar power plant projects classified as held for sale	96,675
Intragroup balances	(96,458)
Net assets of solar power plant projects	217

- (a) The following is an aged analysis of trade receivables presented based on the invoice date at 30 June 2024, which approximated the respective revenue recognition date:

	RMB'000
Unbilled (Note)	34,541
0–90 days	215
	34,756

Note: The aged analysis of the unbilled trade receivables, which is based on revenue recognition date, are as follows:

	RMB'000
0–90 days	1,349
91–180 days	1,347
181–365 days	3,028
Over 365 days	28,817
	34,541

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

10. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

Disposal of solar power plants (Continued)

(a) (Continued)

For the electricity sale business, the disposal group generally granted 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 contract between the disposal group and the respective local grid companies.

As at 30 June 2024, none of these trade receivables are past due as at the end of the reporting date.

(b) Lease liabilities of approximately RMB844,000 are recognised with related right-of-use assets of approximately RMB6,854,000 as at 30 June 2024. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by lessor and the relevant lease assets may not used as security for borrowing purposes.

The weighted average incremental borrowing rate applied to lease liabilities is 4.9%.

The lease obligations are denominated in the functional currency of the subsidiary.

11. 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:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Loss		
Loss for the purpose of basic and diluted loss per share (Loss for the period attributable to owners of the Company)	(174,452)	(216,111)

	Six months ended 30 June	
	2024 '000 (Unaudited)	2023 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	1,234,146	1,167,436

Diluted loss per share for the six months ended 30 June 2024 and 2023 does not assume the exercise of the share options granted by the Company, since the exercise would result in decrease in loss per share of the respective period.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Six months ended 30 June 2024	Property, plant and equipment RMB'000	Right-of-use assets RMB'000
Carrying amount at 1 January 2024:	903,877	76,786
Additions	16,193	–
Exchange differences	(2,172)	(445)
Disposals	(356)	–
Depreciation	(29,819)	(5,442)
Written off on deregistration	–	(8,700)
Carrying amount at 30 June 2024	887,723	62,199
Six months ended 30 June 2023	Property, plant and equipment RMB'000	Right-of-use assets RMB'000
Carrying amount at 1 January 2023:	4,468,062	219,290
Additions	5,199	–
Exchange differences	52,625	370
Disposals	(33,952)	–
Depreciation	(130,860)	(10,567)
Transfer to assets classified as held for sale	(1,240,497)	(14,306)
Carrying amount at 30 June 2023	3,120,577	194,787

Lease contracts are entered into for fixed terms of 2 to 50 years. The lease agreements entered into between the landlords and the Group include extension options at the discretion of the respective group entities but not by the respective lessors for further 5 to 25 years (31 December 2023: 5 to 25 years) from the end of the leases with fixed rental.

13. INTERESTS IN ASSOCIATES

Same as disclosed in the Group's 2023 annual report, there is no material change for the six months ended 30 June 2024.

14. INTERESTS IN JOINT VENTURES

Same as disclosed in the Group's 2023 annual report, there is no material change for the six months ended 30 June 2024.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

15. AMOUNTS WITH RELATED COMPANIES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Amounts due from associates		
– Non-trade related (note a)	214,804	215,586
Amounts due from fellow subsidiaries		
– Trade related (note b)	3,853	5,199
– Non-trade related (note b)	11,254	11,221
	15,107	16,420
Amounts due from the companies of which Mr. Zhu Gongshan and his family members have significant influence		
– Trade related (note c)	15,872	5,258
– Non-trade related (note c)	1,083,806	1,302,976
	1,099,678	1,308,234
	1,329,589	1,540,240
Loss: Allowance for credit loss		
– Trade	(763)	(763)
– Non-trade related	(86,202)	(86,202)
	(86,965)	(86,965)
	1,242,624	1,453,275
Analysed as:		
– Current assets	584,695	805,190
– Non-current assets	657,929	648,085
	1,242,624	1,453,275
– Trade related	18,962	9,694
– Non-trade related	1,223,662	1,443,581
	1,242,624	1,453,275
Amounts due to associates		
– Non-trade related (note a)	7,166	3,438
Amounts due to fellow subsidiaries		
– Non-trade related (note b)	131,150	129,897
Amounts due to the companies of which Mr. Zhu Gongshan and his family members have significant influence		
– Non-trade related (note c)	3,811	42,413
Analysed as:		
– Current liabilities	142,127	175,748

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

15. AMOUNTS WITH RELATED COMPANIES (Continued)

Notes:

- (a) The amounts due from/to associates are non-trade in nature, unsecured, non-interest bearing and repayable on demand except for the carrying amount of amount due from associates of approximately RMB17,336,000 (31 December 2023: RMB17,336,000) which, in the opinion of the Directors, is expected to be received after twelve months from the end of the reporting period and is classified as non-current.
- (b) The amounts due from/to fellow subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand except for the carrying amount of trade amounts due from fellow subsidiaries of approximately RMB3,346,000 (31 December 2023: RMB4,692,000) which is arising from operation and management services rendered to fellow subsidiaries with a credit term of 30 days.

As at 1 January 2023, amounts due from fellow subsidiaries in trade nature amounted to approximately RMB4,448,000.

The following is an aged analysis of the amounts due from fellow subsidiaries, net of loss allowance, arising from operation and management services presented based on the invoice date which approximated the respective revenue recognition date:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
0-90 days	3,236	2,419
91-180 days	110	-
More than 365 days	-	2,273
	3,346	4,692

As at 30 June 2024, included in these trade receivables with aggregate carrying amount of approximately RMB2,527,000 (31 December 2023: RMB3,073,000) which are past due as at the end of the reporting date. These trade receivables relate to several fellow subsidiaries in the PRC. The Group does not hold any collaterals over these balances.

- (c) Mr. Zhu Gongshan and his family members hold in aggregate more than 20% equity interest in related companies as at 30 June 2024 and 31 December 2023 and exercise significant influence over the related companies. As at 30 June 2024, (i) the carrying amount of approximately RMB101,763,000 (31 December 2023: RMB360,235,000), in relation to consideration receivable from disposal of subsidiaries, due from the companies, in which Mr. Zhu Gongshan and his family members exercise significant influence, are non-trade in nature, unsecured, non-interest bearing and repayable on demand; (ii) carrying amount of approximately RMB15,616,000 (31 December 2023: RMB5,002,000) due from companies which are arising from operation and management services rendered to related companies with credit term of 90 days; (iii) carrying amount of approximately RMB640,593,000 (31 December 2023: RMB630,749,000) due from companies which are unsecured, interest-bearing at 4.3% and in the opinion of Directors, they are expected to be received within two years; and (iv) carrying amount of approximately RMB257,868,000 (31 December 2023: RMB228,409,000) due from companies (also former subsidiaries) for outstanding payments arising from its disposal of subsidiaries to an associate of connected persons, in which Mr. Zhu Gongshan and his family members have significant influence, during the six months 30 June 2024 as part of the Group's transition to become an asset-light enterprise, which are unsecured, interest-bearing ranging from 4.45% to 9.52% per annum and repayable on demand. Details of the aforesaid (ii) are set out in note 36(a)(v) in the Group's 2023 annual report and are classified as non-current.

As at 1 January 2023, amounts due from related companies, in which Mr. Zhu Gongshan and his family members have significant influence, in trade nature amounted to approximately RMB3,860,000.

The following is an aged analysis of the amounts due from related companies, net of loss allowance, arising from operation and management services presented based on the invoice date which approximated the respective revenue recognition date:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
0-90 days	15,579	4,396
91-180 days	37	234
More than 365 days	-	372
	15,616	5,002

As at June 2024, included in these trade receivables are balances with aggregate carrying amount of approximately RMB5,102,000 (31 December 2023: RMB2,354,000) which are past due as at the end of the reporting date. These trade receivables relate to several related companies in the PRC. The Group does not hold any collaterals over these balances.

The maximum amount outstanding during the six months ended 30 June 2024 is approximately RMB1,302,976,000 (31 December 2023: RMB1,302,976,000) in relation to the non-trade balances for the amounts due from the companies of which Mr. Zhu Gongshan and his family members exercise significant influence.

Amounts due to companies, in which Mr. Zhu Gongshan and his family members exercise significant influence, are non-trade nature, unsecured and non-interest bearing.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FINANCIAL ASSETS AT FVTPL”)

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Unlisted investments	94,459	43,714
Club membership	1,929	1,929
	96,388	45,643

The Group invested in Asia-IO Clean Energy Partners SP (the “Segregated Portfolio”), a segregated portfolio of Asia-IO Partners Master SPC (the “Fund”), amounted to US\$8,000,000 (equivalent to approximately RMB60,773,000) during the six months ended 30 June 2024. The Fund is an exempted limited liability company registered as a segregated portfolio company with the Cayman Islands Monetary Authority. The Segregated Portfolio may hold various portfolio of listed and/or unlisted investments focusing on the energy and other related advanced manufacturing industries. The primary objective of the investments is to maximise long-term absolute returns primarily through the aforesaid investments. Pursuant to the subscription agreement and the private placement memorandum in relation to the Segregated Portfolio, the beneficial interests held by the Group in the Segregate Portfolio of the Fund are in the form of Class A participating shares which primarily provide the Group with the share of returns from the unlisted investments but not any decision making power nor any voting right to involve in and control the daily operation. The Fund is newly established and has not commenced any business.

The shareholders of Class A participating shares have no right to request redemption of Class A participating shares. Unless otherwise determined by the directors of the Fund, and subject to applicable law, redemptions of shares will be effected only by way of compulsory redemption by the Fund and will take place on such day or days as the directors of the Fund may from time to time determine. In addition, except as otherwise determined by the directors of the Fund, and subject to the articles of the Fund, no holder of Class A participating shares shall have the right to receive any distribution or return, whether in respect of its subscription monies or otherwise. Subject to applicable law, the directors of the Fund may in their absolute discretion, and from time to time, determine to make distributions to holders of Class A participating shares. The Class A participating shares carry an equal right to such dividends and other distributions as the directors of the Fund may declare.

17. OTHER NON-CURRENT ASSETS

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Refundable value-added tax	9,485	14,736
Others	–	2
	9,485	14,738

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

18. TRADE AND OTHER RECEIVABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade receivables (note a)	133,269	83,857
Prepayments to LNG business suppliers	202,968	8,665
Other prepayments and deposits	34,018	29,478
Other receivables (note b)		
– Amounts due from former subsidiaries	1,960,652	1,949,439
– Consideration receivable from disposal of subsidiaries	202,046	206,090
– Dividend receivables from former subsidiaries	41,452	57,675
– Others	123,013	99,759
	2,697,418	2,434,963
Less: Allowance for credit loss		
– Non-trade	(796,875)	(726,026)
	(796,875)	(726,026)
	1,900,543	1,708,937
Analysed as:		
– Current assets	1,188,486	1,007,992
– Non-current assets	712,057	700,945
	1,900,543	1,708,937

Notes:

- (a) As at 1 January 2023, trade receivables from contract with customers amounted to approximately RMB1,589,395,000 (net of loss allowance of approximately RMB3,555,000).

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

For operation and management services, the Group generally grants credit period of one month to customers in the PRC from the date of invoice in accordance with the relevant contracts between the Group and the respective customers.

Trade receivables include bills received amounting to approximately RMB585,000 (31 December 2023: RMB210,000) held by the Group for future settlement of trade receivables, of which certain bills issued by third parties are further endorsed by the Group with recourse for settlement of payables for purchase of plant and machinery and payment for construction costs, or discounted to banks for cash. The Group continues to recognise their full carrying amount at the end of both reporting periods. All bills received by the Group are with a maturity period of less than one year.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

18. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(a) (Continued)

The following is an aged analysis of trade receivables (excluding bills held by the Group for future settlement), which is presented based on the invoice date and net of loss allowance at the end of the reporting period:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
0-90 days	89,624	52,605
91-180 days	20,038	16,600
Over 180 days	23,022	14,442
	132,684	83,647

As at 30 June 2024, included in these trade receivables are debtors with aggregate carrying amount of approximately RMB70,185,000 (31 December 2023: RMB39,798,000) which are past due as at the end of the reporting period. These trade receivables relate to a number of customers represented the local grid companies in the PRC, for whom there is no recent history of default. The Group does not hold any collaterals over these balances.

Trade receivables of approximately RMB34,756,000 (31 December 2023: RMB31,259,000) as at 30 June 2024 have been classified as part of a disposal group held for sale (note 10).

- (b) The amounts due from former subsidiaries include (i) carrying amount of approximately RMB712,057,000 (31 December 2023: RMB700,945,000) in relation to deferred receivables (details are set out in notes 36(a)(i) and (ii) of the Group's 2023 annual report), which are non-trade in nature, unsecured, interest-bearing ranging from 4.3% to 9.52% (31 December 2023: ranging from 4.3% to 9.52%) per annum and in the opinion of Directors, they are expected to be received within two years; and (ii) outstanding payments arising from its disposals of subsidiaries to independent third parties during the financial years ended 31 December 2018 to 31 December 2023 as part of the Group's transition to become an asset-light enterprise. When the Group and the purchasers discussed the terms of the sale and purchase agreements in respect of the disposal of the Group's subsidiaries, the considerations were determined by taking into, among other things, receivables (i.e. the "Outstanding Payments") that were due from the former subsidiaries to the Group. The purchasers are obligated to procure the former subsidiaries to settle the Outstanding Payments in stages pursuant to the terms and conditions set out in the sale and purchase agreements. The amounts are non-trade in nature, unsecured and interest-bearing ranging from 4.45% to 9.52% (31 December 2023: ranging from 4.45% to 9.52%) per annum and repayable on demand.

The Group performs impairment assessment under expected credit loss on other receivables, which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. The ECL are assessed individually for debtors by reference to past repayment history, credit rating or financial position of the debtors, forward-looking information that is available without undue cost or effort, and also taking into account of the prevailing government policies that support the solar power industry which the Group's debtors operate. As at 30 June 2024, except for the accumulated impairment loss of approximately RMB796,875,000 (31 December 2023: RMB726,026,000) recognised on other receivables, for the remaining balances, the management considers credit risk has not increased significantly since the date of initial recognition. Accordingly, no loss allowance for expected credit loss is further provided.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

19. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO EXPECTED CREDIT LOSS (“ECL”) MODEL

The basis of determining the inputs and assumptions and the estimation techniques used in the unaudited condensed interim consolidated financial statements for the six months ended 30 June 2024 are the same as those followed in the preparation of the Group’s 2023 annual report.

20. INVENTORIES

	30 June 2024 RMB’000 (Unaudited)	31 December 2023 RMB’000 (Audited)
LNG Business related products	84,801	–
	84,801	–

The increase in inventories in the current period was mainly because the Group is newly exploring and expanding its LNG business.

21. OTHER PAYABLES AND DEFERRED INCOME

	30 June 2024 RMB’000 (Unaudited)	31 December 2023 RMB’000 (Audited)
Payables for purchase of plant and machinery and construction costs	32,545	36,371
Other tax payables	8,342	15,332
Other payables	134,145	130,836
Deferred income (note a)	344,671	349,811
Amounts due to former subsidiaries	152,043	153,919
Accruals		
– Staff costs	34,326	73,549
– Legal and professional fees	11,138	9,952
– Interest payables	10,086	7,860
– Others	7,824	2,756
	735,120	780,386
Analysed as:		
Current	405,084	445,120
Non-current deferred income	330,036	335,266
	735,120	780,386

The Group has financial risk management policies in place to ensure settlement of payables within the credit time frame.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

21. OTHER PAYABLES AND DEFERRED INCOME (Continued)

Notes:

- (a) Pursuant to the relevant prevailing federal policies in the US, taxpayers that construct or acquire on or before 31 December 2019 qualified energy property are allowed to claim an energy investment tax credit (“ITC”) at 30% for the taxable year in which such property is placed into service by the taxpayer. The Directors analysed the facts and circumstances of the ITC and determined that it is of the nature of a government grant that is provided to the Group in the form of tax benefits relating to construction or acquisition of qualified energy property.

Against this, the Group entered into inverted lease arrangements or other finance arrangements for its qualified solar power plant projects in the US with third party financial institutions to effectively utilise its ITC over these financings by passing on the benefit to financial institutions as part of the repayments. The details of the arrangements are disclosed in note 27 to the consolidated financial statements in the Group’s 2023 annual report. Approximately US\$1,027,000 (equivalent to approximately RMB7,296,000) (six months ended 30 June 2023: US\$1,027,000 (equivalent to approximately RMB7,115,000)) of the ITC benefit was recognised as a government grant income in profit or loss for the six months ended 30 June 2024 and included in other income.

22. CONTRACT LIABILITIES

	30 June 2024 RMB’000 (Unaudited)	31 December 2023 RMB’000 (Audited)
Contract liabilities arising from billings in advance of LNG business	30,351	2,082
	30,351	2,082

According to the payment terms relating to LNG business, the Group typically receives full payment before delivery of goods. This will give rise to contract liabilities at the start of a contract, until the revenue is recognised upon the order is fulfilled.

The increase in contract liabilities in the current period was mainly because the Group is newly exploring and expanding its LNG business.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

23. LOAN FROM A RELATED COMPANY

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Loan from:		
– company controlled by Mr. Zhu Gongshan and his family, repayable within 1 year (note)	–	4,811
	–	4,811

Note:

As at 31 December 2023, loan from 協鑫光伏系統有限公司 GCL Solar System Limited* (“GCL Solar System”) was unsecured, interest-free and repayable within one year.

* English name for identification only

24. BANK AND OTHER BORROWINGS

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Bank loans	88,470	87,923
Other loans	345,923	321,870
	434,393	409,793
Secured	88,470	87,923
Unsecured	345,923	321,870
	434,393	409,793
Less: Amounts due within one year shown under current liabilities	(116,302)	(120,330)
Amounts due after one year	318,091	289,463

There were no financial covenants in relation to the Group’s facilities from banks and other financial institutions at 30 June 2024 and 31 December 2023.

The bank and other borrowings carry effective interest rates ranging from 5% to 7.4% (31 December 2023: 5.0% to 7.4%) per annum.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

25. SHARE CAPITAL

	Number of shares	Amount HK\$'000	
Authorised:			
At 1 January 2023, 30 June 2023, 31 December 2023 and 30 June 2024 – Ordinary shares of HK\$0.083 each	1,800,000,000	150,000	
	Number of shares	Amount HK\$'000	Shown in unaudited condensed consolidated financial statements as RMB'000
Issued and fully paid:			
At 1 January 2023, 30 June 2023 and 31 December 2023 – Ordinary shares of HK\$0.083 each	1,167,435,772	97,235	81,773
Issue of shares on placement (note)	233,487,154	19,380	17,598
At 30 June 2024 – Ordinary shares of HK\$0.083 each	1,400,922,926	116,615	99,371

Note:

- (a) On 22 April 2024, the Group announced that a placing agreement has been entered into between the Company and the sole placing agent under which up to a total of 233,487,154 new shares of the Company would be issued (the "2024 Transaction"). The 2024 Transaction has been completed on 10 May 2024 and net proceeds of the 2024 Transaction, after taking into account all related costs, fees, expenses and commission, were approximately HK\$59,684,000 (equivalent to approximately RMB54,198,000).

26. PERPETUAL NOTES

Same as disclosed in the Group's 2023 annual report, there is no material change for the six months ended 30 June 2024.

The perpetual notes are classified as equity instruments in the Group's unaudited condensed interim consolidated financial statements as the Group does not have a contractual obligation to deliver cash or other financial assets arising from the issue of the perpetual notes. Any distributions made by南京協鑫新能源發展有限公司 Nanjing GCL New Energy Development Co., Ltd* to the holders are recognised in equity in the unaudited condensed interim consolidated financial statements of the Group. During the six months ended 30 June 2024, profit and total comprehensive income of approximately RMB100,100,000 (six months ended 30 June 2023: RMB99,550,000) was attributable to perpetual notes holders in accordance with the terms of the agreements. The entire distribution payment of approximately RMB100,100,000 (six months ended 30 June 2023: RMB99,550,000) for the six months ended 30 June 2024 was deferred by the Group.

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

27. SHARE-BASED PAYMENT TRANSACTIONS

Equity settled share option scheme

The Company adopted a share option scheme on 15 October 2014 (the “2014 Share Option Scheme”). The termination of the 2014 Share Option Scheme and the adoption of a new share option scheme (the “2024 Share Option Scheme”) to replace the 2014 Share Option Scheme were passed by the shareholders at the annual general meeting of the Company held on 23 May 2024 (“Effective Date”). Following the termination of 2014 Share Option Scheme from the Effective Date, no further share options shall be granted under the 2014 Share Option Scheme but the outstanding share options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the 2014 Share Option Scheme. Further details regarding the termination of 2014 Share Option Scheme and adoption of 2024 Share Option Scheme are set out in circular dated 23 April 2024 of the Company.

Under the 2014 Share Option Scheme, share options were granted on 23 October 2014, 24 July 2015, 26 February 2021 and 3 November 2021 to subscribe for 26,842,000 Shares, 23,673,000 Shares, 19,065,937 Shares (of which 18,525,812 share options have been accepted by the grantees) and 3,025,000 Shares respectively. As at 30 June 2024, a total of 21,090,968 shares options granted under the 2014 Share Option Scheme remained outstanding and will continue to be valid and exercisable during their prescribed exercise periods in accordance with the 2014 Share Option Scheme.

No share options had been granted under the 2014 Share Option Scheme and the 2024 Share Option Scheme during the six months ended 30 June 2024.

Same as disclosure in the Group’s 2023 annual report, there is no material change relating to the share-based payment transactions for the six months ended 30 June 2024, except for the following movements of share options during the current interim period as follows:

For the six months ended 30 June 2024

	Exercise price	Date of grant	Vesting period	Exercise period	Number of share options			
					Outstanding at 1 January 2024	Granted during the period	Forfeited during the period	Outstanding at 30 June 2024
Directors	HK\$7.14	3.11.2021	Note (b)(i)	3.11.2022 – 2.11.2031	543,750	-	-	543,750
				3.11.2023 – 2.11.2031	543,750	-	-	543,750
				3.11.2024 – 2.11.2031	543,750	-	-	543,750
				3.11.2025 – 2.11.2031	543,750	-	-	543,750
Former director (Note a)	HK\$12.12	24.7.2015	Note (b)(ii)	24.7.2015 – 23.7.2025	80,528	-	-	80,528
				24.7.2016 – 23.7.2025	80,528	-	-	80,528
				24.7.2017 – 23.7.2025	80,528	-	-	80,528
				24.7.2018 – 23.7.2025	80,528	-	-	80,528
				24.7.2019 – 23.7.2025	80,528	-	-	80,528
				24.7.2019 – 23.7.2025	80,528	-	-	80,528

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Equity settled share option scheme (Continued)

For the six months ended 30 June 2024 (Continued)

	Exercise price	Date of grant	Vesting period	Exercise period	Number of share options				
					Outstanding at 1 January 2024	Granted during the period	Forfeited during the period	Outstanding at 30 June 2024	
Employees and others providing similar services	HK\$23.596	23.10.2014	24.11.2014 – 22.10.2015	23.10.2015 – 22.10.2024	469,075	-	-	469,075	
			23.10.2015 – 22.10.2016	23.10.2016 – 22.10.2024	469,075	-	-	469,075	
			23.10.2016 – 22.10.2017	23.10.2017 – 22.10.2024	469,075	-	-	469,075	
			23.10.2017 – 22.10.2018	23.10.2018 – 22.10.2024	469,075	-	-	469,075	
			23.10.2018 – 24.10.2018 – 22.10.2024	23.10.2018 – 22.10.2024	469,075	-	-	469,075	
	HK\$12.12	24.7.2015	Note (b)(ii)	24.7.2015 – 23.7.2025	24.7.2015 – 23.7.2025	656,302	-	(7,549)	648,753
				24.7.2016 – 23.7.2025	24.7.2016 – 23.7.2025	656,302	-	(7,549)	648,753
				24.7.2017 – 23.7.2025	24.7.2017 – 23.7.2025	656,303	-	(7,550)	648,753
				24.7.2018 – 23.7.2025	24.7.2018 – 23.7.2025	656,303	-	(7,550)	648,753
				24.7.2019 – 23.7.2025	24.7.2019 – 23.7.2025	656,303	-	(7,549)	648,754
	HK\$7.68	26.2.2021	Note (b)(iii)	26.2.2022 – 25.2.2031	26.2.2022 – 25.2.2031	3,231,047	-	-	3,231,047
				26.2.2023 – 25.2.2031	26.2.2023 – 25.2.2031	3,231,047	-	-	3,231,047
				26.2.2024 – 25.2.2031	26.2.2024 – 25.2.2031	3,231,047	-	-	3,231,047
26.2.2025 – 25.2.2031				26.2.2025 – 25.2.2031	3,231,046	-	-	3,231,046	
					21,128,715	-	(37,747)	21,090,968	
Exercisable at the end of the period (Note b)					2,345,375			2,345,375	
Weighted average exercise price (HK\$)					10.1653	-	12.12	10.1618	

Notes:

- (a) While Mr. Sha Hongqiu retired from office as a non-executive director with effect from the conclusion of the annual general meeting of the Company held on 17 June 2020, his share options remain exercisable under the 2014 Share Option Scheme.
- (b) (i) The share options granted on 3 November 2021 are vesting in four tranches starting from 3 November 2022 until achieving of certain performance criteria and services condition.
- (ii) The share options granted on 24 July 2015 are vesting in five even tranches starting from 24 July 2015 until achieving of certain market condition and services condition.
- (iii) The share options granted on 26 February 2021 are vesting in four tranches starting from 26 February 2022 until achieving of certain performance criteria and services condition.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

27. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity settled share option scheme *(Continued)*

For the six months ended 30 June 2023

	Exercise price	Date of grant	Vesting period	Exercise period	Number of share options			
					Outstanding at 1 January 2023	Granted during the period	Forfeited during the period	Outstanding at 30 June 2023
Directors	HK\$7.14	3.11.2021	Note (b)(i)	3.11.2022 – 2.11.2031	731,250	–	–	731,250
				3.11.2023 – 2.11.2031	731,250	–	–	731,250
				3.11.2024 – 2.11.2031	731,250	–	–	731,250
				3.11.2025 – 2.11.2031	731,250	–	–	731,250
Former director (Note a)	HK\$12.12	24.7.2015	Note (b)(ii)	24.7.2015 – 23.7.2025	80,528	–	–	80,528
				24.7.2016 – 23.7.2025	80,528	–	–	80,528
				24.7.2017 – 23.7.2025	80,528	–	–	80,528
				24.7.2018 – 23.7.2025	80,528	–	–	80,528
				24.7.2019 – 23.7.2025	80,528	–	–	80,528

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Equity settled share option scheme (Continued)

For the six months ended 30 June 2023 (Continued)

	Exercise price	Date of grant	Vesting period	Exercise period	Number of share options				
					Outstanding at 1 January 2023	Granted during the period	Forfeited during the period	Outstanding at 30 June 2023	
Employees and others providing similar services	HK\$23.596	23.10.2014	24.11.2014 – 22.10.2015	23.10.2015 – 22.10.2024	473,102	–	–	473,102	
			23.10.2015 – 22.10.2016	23.10.2016 – 22.10.2024	473,102	–	–	473,102	
			23.10.2016 – 22.10.2017	23.10.2017 – 22.10.2024	473,101	–	–	473,101	
			23.10.2017 – 22.10.2018	23.10.2018 – 22.10.2024	473,101	–	–	473,101	
			23.10.2018 – 22.10.2024	23.10.2018 – 22.10.2024	473,101	–	–	473,101	
	HK\$12.12	24.7.2015	Note (b)(ii)	24.7.2015 – 23.7.2025	24.7.2015 – 23.7.2025	687,508	–	–	687,508
				24.7.2016 – 23.7.2025	24.7.2016 – 23.7.2025	687,507	–	–	687,507
				24.7.2017 – 23.7.2025	24.7.2017 – 23.7.2025	687,507	–	–	687,507
				24.7.2018 – 23.7.2025	24.7.2018 – 23.7.2025	687,507	–	–	687,507
				24.7.2019 – 23.7.2025	24.7.2019 – 23.7.2025	687,507	–	–	687,507
HK\$7.68	26.2.2021	Note (b)(iii)	26.2.2022 – 25.2.2031	26.2.2022 – 25.2.2031	3,995,672	–	(415,250)	3,580,422	
			26.2.2023 – 25.2.2031	26.2.2023 – 25.2.2031	3,995,672	–	(415,250)	3,580,422	
			26.2.2024 – 25.2.2031	26.2.2024 – 25.2.2031	3,995,672	–	(415,250)	3,580,422	
			26.2.2025 – 25.2.2031	26.2.2025 – 25.2.2031	3,995,670	–	(415,249)	3,580,421	
							25,113,369	–	(1,660,999)
Exercisable at the end of the period (Note b)				2,365,507			2,365,507		
Weighted average exercise price (HK\$)				9.7952	–	7.6800	9.9450		

During the six months ended 30 June 2024, share-based payment expense of approximately RMB2,135,000 (six months ended 30 June 2023: RMB4,587,000) was recognised in profit or loss. In addition, during the six months ended 30 June 2024, share options granted to certain Directors and employees have been forfeited after the vesting period due to the resignation, and the respective share options reserve of approximately RMB218,000 (six months ended 30 June 2023: RMB3,287,000) was transferred to the Group's accumulated losses.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

28. DISPOSAL OF SUBSIDIARY

On 18 June 2024, the Group entered into an equity transfer agreement and supplementary agreement with 中鐵一局集團電務工程有限公司 China Railway First Bureau Group Electric Engineering Co., Ltd* and 四川領鑫建築工程有限公司 Sichuan Ningxin Construction Engineering Co., Ltd.*, independent third parties to dispose of its 100% equity interest in a wholly-owned subsidiary, 西安協能鑫新再生能源有限公司 Xi'an Xinengxin New Renewable Energy Co., Ltd.* in Xi'an, at a consideration of approximately RMB1,000,000 as at the date of completion of disposal. The subsidiaries are in the process of constructing solar power plant projects in Gansu, the PRC. The disposal was completed during the current interim period.

The net assets of the solar plant projects at the date of disposal were as follows:

	RMB'000
Consideration:	
Consideration received	500
Consideration receivable	500
	1,000
Analysis of assets and liabilities over which control was lost:	
Other non-current assets	371
Bank balances and cash	16
Other payables	(2,839)
Net liabilities disposed of	(2,452)
Gain on disposal of subsidiaries:	
Total consideration, net of transaction cost	1,000
Net liabilities disposed of	(2,452)
Gain on disposal	3,452
Net cash inflow arising from disposal:	
Cash consideration received	500
Less: bank balances and cash disposed of	(16)
	484

* English name for identification only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

In estimating the fair value of an asset or 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 when necessary. The Directors work closely with the corporate finance team and/or qualified valuers to establish the appropriate valuation techniques and inputs to the model. The management of the Group reports the findings to the Directors every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value measurements and valuation processes (Continued)

(i) *Fair value of the Group's financial assets that are measured at fair value on a recurring basis*

Some of the Group's financial assets (classified as financial assets at FVTPL) 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 assets are determined (in particular, the valuation techniques and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)				
Unlisted investments measured at financial assets at FVTPL (note)	33,686	43,714	Level 3	Adjusted price to book ("PB") value, the key inputs are PB ratio in the relevant industry and discount for lack of marketability	PB ratio of 0.85 (2023: 1.08) Discount for lack of marketability of 60% (2023: 60%)	An increase in the PB ratio or discount for lack of marketability would result in increase or decrease in fair value respectively and vice versa
	60,773	–	Level 3	Net assets value	Net assets value	An increase in the net assets value would result in increase in fair value and vice versa
	1,929	1,929	Level 2	Quoted prices from recent transaction price	N/A	N/A

Notes:

(a) If the PB ratio was 5% higher or lower while all the other variables were held constant, the change in fair value of the unlisted investments would increase or decrease by approximately RMB784,000 (six months ended 30 June 2023: RMB768,000) for the six months ended 30 June 2024.

If the discount for lack of marketability was 5% higher or lower while all the other variables were held constant, the change in fair value of the unlisted investments would decrease or increase by approximately RMB784,000 (six months ended 30 June 2023: RMB768,000) for the six months ended 30 June 2024.

(b) If the net assets value was 5% higher or lower while all other variables were held constant, the change in fair value of the unlisted investments would increase or decrease by approximately RMB3,039,000 for the six months ended 30 June 2024.

There is no transfer between the different levels of the fair value hierarchy for the current period.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value measurements and valuation processes *(Continued)*

(ii) Reconciliation of Level 3 fair value measurements

	Unlisted investments measured at financial assets at FVTPL	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Audited)
At 1 January	43,714	43,714
Initial recognition	60,773	–
Unrealised loss on fair value change in profit or loss	(10,028)	–
At 30 June	94,459	43,714

The carrying amounts and fair values of the Group's financial instruments reasonably approximate to fair values.

Management has assessed that the carrying amounts of pledged bank and other deposits, trade receivables, financial assets included in other receivables and deposits, balances with related parties, financial liabilities included in other payables and accruals, and fixed-rate borrowings, recorded at amortised cost in the unaudited condensed interim consolidated financial statements approximate their fair values. The fair values of the variable interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for these variable interest-bearing bank and other borrowings as at 30 June 2024 were assessed to be insignificant.

The Group's corporate finance team headed by the group finance controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the Directors and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

30. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Capital contribution contracted but not provided for:		
Share capital of joint venture	24,500	24,500
Contracted but not provided for:		
Construction of the Natural Gas Liquefaction Plant	106,713	106,713
Unlisted investments	60,773	–

(b) Contingent liabilities

Except for the financial guarantees provided by the Group to third parties and related companies as below, the Group had no any other material contingent liability as at 30 June 2024 and 31 December 2023.

As at 30 June 2024, the Group provided back-to-back guarantees to third parties (i.e. the guarantors) for certain bank and other borrowings taken out by certain associates for project companies whereby the third parties held a substantial interest and the Group held a minority interest. The back-to-back guarantees held a maximum amount of approximately RMB1,603 million (31 December 2023: RMB1,715 million). Besides, the Group also provided financial guarantees to certain disposed subsidiaries during the period until these guarantees are replaced or the loan is repaid for their bank and other borrowings amounting to approximately RMB477 million (31 December 2023: RMB1,259 million), out of which approximately RMBnil (31 December 2023: RMB367 million) is associates of connected persons, in which Mr. Zhu Gongshan and his family members have significant influence. Since these bank and other borrowings are secured by the borrowers' (i) property, plant and equipment; (ii) trade receivables, contract assets and fee collection right in relation to sales of electricity, in the opinion of the Directors, the fair value of the guarantee is considered insignificant at initial recognition and the ECL as at 30 June 2024 and 31 December 2023 is considered insignificant.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

31. PLEDGE OF ASSETS/RESTRICTIONS ON 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:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Property, plant and equipment	856,658	872,261
Pledged bank and other deposits	70,709	101,929
	927,367	974,190

The Group's secured bank and other borrowings were secured, individually or in combination, by (i) certain property, plant and equipment of the Group; (ii) pledged bank and other deposits of the Group; and (iii) equity interests in certain subsidiaries of the Group.

Restrictions on assets

In addition, lease liabilities (other than those in note 10) of approximately RMB123,094,000 (31 December 2023: RMB137,200,000) are recognised and their related right-of-use assets are approximately RMB58,065,000 (31 December 2023: RMB76,786,000) as at 30 June 2024. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by lessor and the relevant leased assets may not be used as security for borrowing purposes.

Details of bills issued by third parties endorsed with recourse for settlement of payables for purchase of plant and machinery and construction costs is disclosed in note 18.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES

Except as disclosed elsewhere in the unaudited condensed interim consolidated financial statements, the Group also entered into the following material transactions or arrangements with related parties:

(a) Operation and management services income from related companies

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Fellow subsidiaries		
蘇州協鑫光伏電力科技有限公司 Suzhou GCL Photovoltaic Power Technology Co., Ltd.* ("Suzhou GCL Technology") (note i)	4,633	4,633
GCL Solar Energy Limited (note ii)	1,776	1,732
Associates (note iii)		
江陵縣協鑫光伏電力有限公司 Jiangling GCL Solar Power Co., Ltd.* ("Jiangling")	1,113	1,548
新安縣協鑫光伏電力有限公司 Xinan GCL Solar Power Co., Ltd.* ("Xinan")	1,368	1,405
汝州協鑫光伏電力有限公司 Ruzhou GCL Photovoltaic Power Co. Ltd.* ("Ruzhou")	–	1,179
Related companies (note iv)		
協鑫綠能系統科技有限公司 GCL Green Energy System Technology Co., Ltd.* ("GCL Green Energy")	1,009	2,081
南京協鑫異能能源科技有限公司 Nanjing GCL Sunneng Energy Technology Co., Ltd. ("Nanjing GCL Sunneng")	896	2,304
句容協鑫集成科技有限公司 Jurong GCL Integration Technology Co., Ltd.*	203	–
易縣國鑫新能源有限公司 Yixian Guoxin Energy Co., Ltd.*	813	–
葫蘆島市連山區協鑫光伏電力有限公司 Huludao Lianshan District GCL Photovoltaic Power Co., Ltd.*	849	–
互助吳陽光伏發電有限公司 Huzhu Haoyang Photovoltaic Electric Power Co., Ltd.* ("Huzhu Haoyang")	860	–
海東市源通光伏發電有限公司 Haidong Yuantong Photovoltaic Power Generation Co., Ltd.* ("Haidong Yuantong")	673	–
瀋陽市于洪區協鑫光伏電力有限公司 Shenyang Yuhong District GCL Photovoltaic Power Co., Ltd.*	816	–

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(a) Operation and management services income from related companies (Continued)

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
莊浪光源光伏發電有限公司 Zhuanglang Guangyuan Photovoltaic Power Co., Ltd.* ("Zhuanglang Guangyuan")	650	–
內蒙古金曦能源有限公司 Inner Mongolia Jinxi Energy Co., Ltd.* ("Inner Mongolia Jinxi")	516	–
山東萬海電力有限公司 Shandong Wanhai Solor Power Co., Ltd.* ("Shandong Wanhai")	647	–
通榆協鑫光伏電力有限公司 Tonggyu GCL Photovoltaic Power Co., Ltd.*	314	–
長沙鑫佳光伏電力有限公司 Changsha Xinjia Photovoltaic Power Co., Ltd.*	761	–
微山鑫能光伏電力有限公司 Weishan Xinneng Solar Power Co., Ltd.*	583	–
龍口協鑫光伏電力有限公司 Longkou GCL Photovoltaic Power Co., Ltd.* ("Longkou GCL")	293	–
莆田涵江鑫能光伏電力有限公司 Putian Hanjiang Xinneng Photovoltaic Power Co., Ltd.* ("Putian Hanjiang Xinneng")	436	–
商丘協能光伏電力有限公司 Shangqiu Xieneng Photovoltaic Power Co., Ltd.*	188	–
蘭考協鑫光伏電力有限公司 Lankao GCL Photovoltaic Power Co., Ltd.*	135	–
漯河鑫力光伏電力有限公司 Luohe Xinli Photovoltaic Power Co., Ltd.*	87	–
上海協鑫新能源投資有限公司 Shanghai GCL New Energy Investment Co., Ltd.* ("Shanghai GCL New Energy")	203	–
汕尾市協鑫光伏電力有限公司 Shanwei GCL Photovoltaic Power Co., Ltd.* ("Shanwei GCL")	135	–
廣州協鑫光伏電力有限公司 Guangzhou GCL Photovoltaic Power Co., Ltd.* ("Guangzhou GCL")	150	–

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(a) Operation and management services income from related companies (Continued)

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
青海百能光伏投資管理有限公司 Qinghai Baineng Photovoltaic Investment Management Co., Ltd.* (“Qinghai Baineng”)	357	–
化隆協合太陽能發電有限公司 Hualong Xiehe Solar Power Generation Co., Ltd.* (“Hualong Xiehe”)	714	–
通榆鑫源光伏電力有限公司 Tongyu Xinyuan Photovoltaic Power Co., Ltd.* (“Tongyu Xinyuan”)	441	–
通榆縣咱家禽業科技有限公司 Tongyu County Zanjia Poultry Industry Technology Co., Ltd.* (“Tongyu County Zanjia Poultry”)	452	–
吉林億聯新能源科技有限公司 Jilin Yilian New Energy Technology Co., Ltd.*	1,154	–
徐州鑫日光伏電力有限公司 Xuzhou Xinri Photovoltaic Power Co., Ltd.* (“Xuzhou Xinri”)	1,231	–
雷州協鑫光伏電力有限公司 Leizhou GCL Photovoltaic Power Co., Ltd.* (“Leizhou GCL”)	371	–
永州協鑫光伏電力有限公司 Yongzhou GCL Photovoltaic Power Co., Ltd.* (“Yongzhou GCL”)	645	–
桃源縣鑫源光伏電力有限公司 Taoyuan Xinyuan Photovoltaic Power Co., Ltd.* (“Taoyuan Xinyuan”)	617	–
桃源縣鑫輝光伏電力有限公司 Taoyuan Xinhui Photovoltaic Power Co., Ltd.* (“Taoyuan Xinhui”)	739	–
桃源縣鑫能光伏電力有限公司 Taoyuan Xinneng Photovoltaic Power Co., Ltd.* (“Taoyuan Xinneng”)	577	–
福建省浦城縣鑫浦光伏電力有限公司 Fujian Pucheng Xinpu Photovoltaic Power Co., Ltd.* (“Fujian Pucheng Xinpu”)	620	–
浦城縣協鑫合創光伏電力有限公司 Pucheng GCL Hechuang Photovoltaic Power Co., Ltd.* (“Pucheng GCL Hechuang”)	593	–

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(a) Operation and management services income from related companies (Continued)

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
漯河協潤新能源有限公司 Luohe Xierun New Energy Co., Ltd.* ("Luohe Xierun New Energy")	160	–
高唐協辰光伏發電有限公司 Gaotang Xiechen Photovoltaic Power Generation Co., Ltd.* ("Gaotang Xiechen")	14	–
北票協鑫光伏電力有限公司 Beipiao GCL Photovoltaic Power Co., Ltd.*	598	–
	29,390	14,882

Notes:

- (i) 蘇州協鑫新能源運營科技有限公司 Suzhou GCL New Energy Operation and Technology Co., Ltd.* ("Suzhou GCL Operation"), an indirect wholly-owned subsidiary of the Company, provides operation and management services to the solar power plants of Suzhou GCL Technology and its subsidiaries.
- (ii) GCL New Energy International Limited and GCL New Energy, Inc., indirect wholly-owned subsidiaries of the Company, provided asset management and administrative services to GCL Solar Energy Limited for its overseas operations in the US and South Africa. GCL Solar Energy Limited is a subsidiary of GCL Technology.
- (iii) During the six months ended 30 June 2024, Suzhou GCL Operation provided operation and management services to the solar power plants of Jiangling, Xinan and Ruzhou.
- (iv) During the six months ended 30 June 2024, Suzhou GCL Operation provided operation and management services to the solar power plants of all the above related companies, in which Mr. Zhu Gongshan and his family members have significant influence.

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES *(Continued)*

(b) Interest income from related companies

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Huzhu Haoyang	183	–
Haidong Yuantong	3	–
Zhuanglang Guangyuan	330	–
Inner Mongolia Jinxi	1,047	–
Shandong Wanhai	434	–
Longkou GCL	123	–
Putian Hanjiang Xinneng	26	–
Shanghai GCL New Energy	16	–
Shanwei GCL	30	–
Guangzhou GCL	3	–
Qinghai Baineng	14	–
Hualong Xiehe	46	–
Tongyu Xinyuan	1,184	–
Tongyu County Zanjia Poultry	99	–
Xuzhou Xinri	112	–
Leizhou GCL	6	–
Yongzhou GCL	116	–
Taoyuan Xinyuan	326	–
Taoyuan Xinhui	2,200	–
Taoyuan Xinneng	664	–
Fujian Pucheng Xinpu	16	–
Pucheng GCL Hechuang	20	–
Luohe Xierun New Energy	590	–
Gaotang Xiechen	131	–
	7,719	–

Note: Details of the amounts due from related companies are set out in note 15(c).

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(c) Lease contract with a connected person (note)

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Connected person		
蘇州協鑫工業應用研究院有限公司 Suzhou GCL Industrial Applications Research Co., Ltd* ("Suzhou GCL Industrial Applications Research")		
– payments for right-of-use assets	4,074	3,264
– Interest expense on lease liabilities	256	388
	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Suzhou GCL Industrial Applications Research – Lease liabilities	11,138	14,956

Note: The Group has entered into a lease agreement for the use of office premises from Suzhou GCL Industrial Applications Research for three years and recognised right-of-use assets and lease liabilities of approximately RMB45,570,000 during the year ended 31 December 2020. On 27 September 2023, the lease was renewed for two years to 30 September 2025. The Group made payments for the respective right-of-use assets of approximately RMB4,074,000 (six months ended 30 June 2023: RMB3,264,000) for the premises during the current interim period. Suzhou GCL Industrial Applications Research is a wholly-owned subsidiary of and the Company is an associate of GCL Technology.

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(d) Shandong EPC services provided by a connected person

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Connected person (Note)		
GCL Green Energy		
– Payment for technical transformation of solar power plant	–	6,868
	–	6,868

Note:

On 9 December 2022, the Group as principal and GCL Green Energy, in which Mr. Zhu Yufeng and his family have significant influence, as contractor entered into an EPC agreement for the technical transformation of planned construction capacity of approximately 8.58MW of part of the Yangkou Photovoltaic Power Station at a consideration of approximately RMB13,998,356. GCL Green Energy is an associate of Mr. Zhu Gongshan and his family and thus a connected person of the Company under the Listing Rules.

(e) Profit attributable on perpetual notes

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
保利協鑫(蘇州)新能源有限公司		
GCL-Poly (Suzhou) New Energy Co., Ltd*	38,928	38,714
Suzhou GCL Technology	27,806	27,653
太倉協鑫光伏科技有限公司		
Taicang GCL Photovoltaic Technology Co., Ltd*	11,122	11,061
江蘇協鑫硅材材料科技發展有限公司		
Jiangsu GCL Silicon Material Technology Development Co., Ltd*	22,244	22,122
	100,100	99,550

Perpetual notes are unsecured, have a variable distribution rate of 7.3% to 11% which could be deferred indefinitely at the option of the issuer and have no fixed repayment term. There is no distribution on perpetual notes for both periods. The notes are denominated in RMB.

* English name for identification purpose only

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY DISCLOSURES (Continued)

(f) Guarantees provided to related companies

As at 30 June 2024, the Group provided guarantee to associates of connected persons, in which Mr. Zhu Gongshan and his family members have significant influence, including Huzhou Haoyang and Haidong Yuantong for certain of their bank and other borrowings with maximum amount of RMBnil (31 December 2023: RMB367,000,000). Since these bank and other borrowings were secured by the borrowers' (i) property, plant and equipment; and (ii) trade receivables, contract assets and fee collection right in relation to sales of electricity, in the opinion of the Directors, the fair value of the guarantee was considered insignificant at initial recognition and the ECL as at 31 December 2023 were considered insignificant.

(g) Compensation of key management personnel

The remuneration of senior management personnel, comprising directors' (whether executive or otherwise) remuneration during the period was as follows:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Short-term benefits	8,675	9,661
Post-employment benefits	255	173
Share-based payments	465	759
	9,395	10,593

The remuneration of the Directors and other key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Board of Directors

Executive Directors

Mr. ZHU Gongshan (*Chairman*)
Mr. ZHU Yufeng (*Vice Chairman*)
Mr. WANG Dong (*President*)
Mr. GU Zengcai

Non-executive Directors

Ms. SUN Wei
Mr. YEUNG Man Chung, Charles
Mr. FANG Jiancai

Independent Non-executive Directors

Mr. LEE Conway Kong Wai
Mr. WANG Yanguo
Dr. CHEN Ying
Mr. CAI Xianhe

Board Committees

Audit Committee

Mr. LEE Conway Kong Wai (*Chairman*)
Dr. CHEN Ying
Mr. CAI Xianhe

Remuneration Committee

Mr. LEE Conway Kong Wai (*Chairman*)
Mr. ZHU Yufeng
Ms. SUN Wei
Mr. WANG Yanguo
Dr. CHEN Ying

Nomination Committee

Mr. ZHU Gongshan (*Chairman*)
Mr. WANG Yanguo
Dr. CHEN Ying

Corporate Governance Committee

Mr. ZHU Yufeng (*Chairman*)
Mr. WANG Dong
Mr. GU Zengcai
Mr. YEUNG Man Chung, Charles
Mr. LEE Conway Kong Wai
Mr. CAI Xianhe

Risk Assessment Committee

Mr. ZHU Yufeng (*Chairman*)
Mr. WANG Dong
Mr. GU Zengcai

Company Secretary

Mr. HO Yuk Hay

Authorised Representatives

Mr. YEUNG Man Chung, Charles
Mr. HO Yuk Hay

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

Corporate Information

Principal Place of Business In Hong Kong

Unit 1707A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Auditor

Crowe (HK) CPA Limited
Registered Public Interest Entity Auditors
9/F Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

Principal Bankers

Bank of China Limited
Industrial and Commercial Bank of China Limited

Share Registrars and Transfer Offices

Principal Share Registrar and Transfer Agent

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Legal Advisers to the Company

As to Hong Kong law

King & Wood Mallesons
13/F Gloucester Tower, The Landmark,
15 Queen's Road Central
Hong Kong

As to PRC law

Grandall Law Firm (Beijing)
9th Floor, Taikang Financial Tower
No. 38 North Road East Third Ring
Chaoyang District
Beijing, 100026
The PRC

Share Information

Stock Code:	451
Board Lot Size:	2,000
Issued Shares as at	
30 June 2024:	1,400,922,926 shares

Links to Official Website/ Wechat Platform of the Company

Website: www.gclnewenergy.com/
WeChat ID: gclnewenergy



“Affiliate Company(ies)”	a controlling shareholder of the Company or a subsidiary or an associate of a controlling shareholder, as defined in the 2014 Share Option Scheme
“associate(s)”, “connected person(s)”, “controlling shareholder(s)” and “substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“CG Code”	Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Company” or “GCL New Energy”	GCL New Energy Holdings Limited 協鑫新能源控股有限公司
“Company Secretary”	the company secretary of the Company
“Corporate Communications”	including but not limited to: (a) the directors’ reports, annual accounts together with a copy of the auditors’ report and, where applicable, summary financial reports; (b) interim reports and, where applicable, summary interim reports; (c) notices of meetings; (d) listing documents; (e) circulars; and (f) proxy forms
“Director(s)”	the director(s) of the Company from time to time
“Senior Notes”	the 10.00% senior notes due in 2024 issued by the Company on the Issuance Date and listed on the Singapore Exchange Securities Trading Limited
“GCL Technology”	GCL Technology Holdings Limited 協鑫科技控股有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3800)
“GCL System Integration”	GCL System Integration Technology Co., Ltd. 協鑫集成科技股份有限公司, a company incorporated in the PRC with its shares listed on the Shenzhen Stock Exchange (stock code: 002506)
“Golden Concord Group Limited (HK)”	Golden Concord Group Limited (協鑫集團有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Asia Pacific Energy Fund Limited.
“Golden Concord Group Limited (PRC)”	Golden Concord Group Limited* (協鑫集團有限公司), a company established in the PRC with limited liability, which is indirectly wholly-owned by Golden Concord Group Limited (HK).
“Group”	the Company and its subsidiaries
“GW”	gigawatts

Glossary

“HK\$” or “HKD”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Date”	16 June 2021
“kWh”	kilowatt hour
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LNG”	liquefied natural gas
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“MW”	megawatts
“PRC” or “China”	The People’s Republic of China
“Reporting Period”	the six months ended 30 June 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of one-twelfth (1/12) of a Hong Kong dollar each (equivalent to HK\$0.083) in the share capital of the Company
“Share Consolidation”	the consolidation of every twenty (20) issued and unissued ordinary share(s) of HK\$0.004166666667 (being 1/240) each in the share capital of the Company into one (1) ordinary share(s) of HK\$0.083 (being 1/12) each in the share capital of the Company, which was approved by the Shareholders at the special general meeting held on 27 October 2022 and became effective on 31 October 2022
“Shareholder(s)”	holder(s) of the Share(s)
“2014 Share Option Scheme”	the share option scheme adopted by the Company on 15 October 2014 and terminated on 23 May 2024
“2024 Share Option Scheme”	the share option scheme adopted by the Company on 23 May 2024 to replace the 2014 Share Option Scheme
“State Grid”	State Grid Corporation of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US”	United States of America
“US\$” or “USD”	US Dollars, the lawful currency of the United States



GCL New Energy

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