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GLG

LEADING LIFE TECHNOLOGIES.
BETTER STEVIA, MONK FRUIT AND MORE.

GLG LIFE TECH CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2015

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim consolidated financial statements of GLG Life Tech Corporation (the "Company") have been prepared by, and are the responsibility of, the Company's management. The condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment on information currently available.

Management has developed and maintains a system of internal controls to obtain reasonable assurance that the Company's assets are safeguarded, transactions are authorized, and financial information is reliable. The Board of Directors, through the Audit Committee, is responsible for ensuring management fulfills its responsibilities.

The condensed interim consolidated financial statements have been reviewed by Davidson & Company LLP and their report outlines the scope of their examination and gives their opinion on the condensed interim consolidated financial statements.

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statement of Financial Position
As at September 30, 2015 and December 31, 2014
(Unaudited – Expressed in Canadian Dollars)

	Note	September 30, 2015	Restated December 31, 2014 (Note 2)
ASSETS			
Current Assets			
Cash and cash equivalents		$ 461,968	$ 954,599
Short-term investments		73,745	186,898
Accounts receivable	5	6,354,412	2,083,483
Sales taxes recoverable		159,543	5,666
Inventory	6	11,110,169	16,654,136
Prepaid expenses and other advances		3,134,288	1,295,663
Total Current Assets		21,294,125	21,180,445
Property, Plant, and Equipment	7	58,524,627	50,480,025
Biological Assets	8	321,885	242,107
Total Assets		$ 80,140,637	$ 71,902,577
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current Liabilities			
Short term loans	9	$ 69,220,197	$ 61,494,436
Accounts payable and accruals		20,843,309	17,590,842
Interest payable		14,180,513	8,439,711
Due to related parties	10	806,534	1,006,575
Total Current Liabilities		105,050,553	88,531,564
Long term loans	9	2,357,831	2,010,965
Due to related parties	10	27,180,747	23,052,323
Liabilities on derivatives	9,10	118,400	81,165
Total Liabilities		134,707,531	113,676,017
EQUITY			
Shareholders' Deficiency			
Share capital	11	196,917,447	196,270,208
Contributed surplus		28,941,359	28,608,515
Accumulated other comprehensive income		11,892,267	11,536,910
Deficit		(292,317,967)	(278,189,073)
Total Shareholders' Deficiency		(54,566,894)	(41,773,440)
Total Liabilities and Shareholders' Deficiency		$ 80,140,637	$ 71,902,577

Going concern (Note 3)
Commitments (Note 16)
Contingencies (Note 17)
See Accompanying Notes to the Condensed Interim Consolidated Financial Statements

APPROVED ON BEHALF OF THE BOARD:

"Sophia Leung " Director
"Brian Palmieri " Director

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Operations and Comprehensive (Loss)
For the Period Ended September 30, 2015 and 2014
(Unaudited – Expressed in Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
REVENUE	$ 8,807,941	$ 3,775,352	$ 23,008,287	$ 12,446,662
COST OF SALES (note 13)	(8,699,091)	(5,853,544)	(21,685,602)	(14,704,524)
GROSS PROFIT (LOSS)	108,850	(2,078,192)	1,322,685	(2,257,862)
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES (note 13)	(2,603,473)	(2,267,587)	(7,769,713)	(6,553,494)
(LOSS) BEFORE THE UNDERNOTED	(2,494,623)	(4,345,779)	(6,447,028)	(8,811,356)
OTHER INCOME (EXPENSES)				
Bad debt recovery	50,514	297,046	354,606	297,046
Foreign exchange gain (loss)	(762,040)	(662,763)	(1,661,782)	(582,755)
Interest expense	(2,614,079)	(1,700,534)	(7,606,146)	(5,433,525)
Interest income	13,988	1,894	25,132	16,055
Inventory impairment - obsolescence	(3,007)	-	(198,636)	-
Other income (expenses)	(154,087)	(26,649)	(158,775)	329,382
Prepaid expenses recovery (impairment)	(59,116)	(353,896)	9,045	(353,896)
Sales taxes recovery	172,801	-	1,554,690	-
	(3,355,026)	(2,444,902)	(7,681,866)	(5,727,693)
LOSS BEFORE INCOME TAXES AND NON-CONTROLLING INTERESTS	(5,849,649)	(6,790,681)	(14,128,894)	(14,539,049)
INCOME TAX EXPENSE	-	(1,679)	-	(33,611)
NET LOSS	(5,849,649)	(6,792,360)	(14,128,894)	(14,572,660)
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS				
Foreign Currency Translation Adjustment	(289,242)	2,129,319	355,357	283,286
TOTAL COMPREHENSIVE LOSS	$ (6,138,891)	$ (4,663,041)	$ (13,773,537)	$ (14,289,374)
NET LOSS PER SHARE				
Basic & Diluted (Note 14)	$ (0.15)	$ (0.20)	$ (0.37)	$ (0.44)
Weighted Average Number of Shares Outstanding				
Basic and diluted	37,908,336	33,462,804	37,872,622	33,462,804

See Accompanying Notes to the Condensed Interim Consolidated Financial Statements

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

As at September 30, 2015 and 2014

(Unaudited – Expressed in Canadian Dollars)

	Number of common shares	Number of restricted shares	Restated Common Shares Amount (Note 2)	Contributed Surplus	Accumulated Other Comprehensive Income ("AOCI")	Restated Deficit (Note 2)	Total Equity Attributable to GLG Life Tech Corporation Shareholders	Non-controlling Interest	Restated Total Shareholders' Equity (Note 2)
Balance, December 31, 2013	32,121,592	1,241,212	$ 191,245,563	$ 28,171,678	$ 10,389,044	$ (243,178,461)	$ (13,372,176)	$ 4,690	$ (13,367,486)
Issuance of restricted shares	-	100,000	-	-	-	-	-	-	-
Share-based compensation	-	-	676,864	594,646	-	-	1,271,510	-	1,271,510
Change in foreign currency translation	-	-	-	-	283,286	-	283,286	-	283,286
Net loss	-	-	-	-	-	(14,572,660)	(14,572,660)	-	(14,572,660)
Balance as at September 30, 2014	32,121,592	1,341,212	$ 191,922,427	$ 28,766,324	$ 10,672,330	$ (257,751,121)	$ (26,390,040)	$ 4,690	$ (26,385,350)
Balance, December 31, 2014	36,417,124	1,341,212	$ 196,270,208	$ 28,608,515	$ 11,536,910	$ (278,189,073)	$ (41,773,440)	$ -	$ (41,773,440)
Issuance of restricted shares	-	150,000	-	-	-	-	-	-	-
Vested restricted shares	55,193	(55,193)	-	-	-	-	-	-	-
Share-based compensation	-	-	647,239	332,844	-	-	980,083	-	980,083
Change in foreign currency translation	-	-	-	-	355,357	-	355,357	-	355,357
Net loss	-	-	-	-	-	(14,128,894)	(14,128,894)	-	(14,128,894)
Balance as at September 30, 2015	36,472,317	1,436,019	$ 196,917,447	$ 28,941,359	$ 11,892,267	$ (292,317,967)	$ (54,566,894)	$ -	$ (54,566,894)

See Accompanying Notes to the Condensed Interim Consolidated Financial Statements

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Cash Flows
For the periods ended September 30, 2015 and 2014
(Unaudited – Expressed in Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
Cash Flows From Operating Activities				
Net (loss)	$ (5,849,649)	$ (6,792,360)	$ (14,128,894)	$ (14,572,660)
Adjustments to reconcile net income to net cash provided by operating activities:				
Stock-based compensation	292,003	374,307	980,083	1,271,510
Depreciation of property, plant and equipment and amortization of intangible assets	1,319,165	1,084,300	4,275,534	3,439,746
Loss on disposal of property, plant and equipment	122,268	-	122,268	-
Bad debt expenses (recovery)	(50,514)	(297,046)	(354,606)	(288,853)
Prepaid expenses (recovery)	59,116	353,896	(9,045)	353,896
Sales taxes recovery	(172,801)	-	(1,554,690)	-
Accretion expenses	-	77,427	-	232,282
Inventories impairment (recovery)	3,007	(42,636)	198,636	(1,059,707)
Unrealized foreign exchange gain (loss)	(4,855)	143,187	46,214	128,642
Change in biological assets	(10,173)	20,825	(170,108)	13,681
Deferred income tax expense	-	-	-	29,738
Changes in non-cash working capital items (Note 10)	3,104,439	7,347,454	12,293,558	10,902,772
Net cash from (used in) operating activities	(1,187,994)	2,269,354	1,698,950	451,047
Cash Flows From Investing activities				
Sale of short-term investments	345,513	-	131,043	-
Purchase of property, plant and equipment	(1,053,755)	(710,803)	(1,264,521)	(757,161)
Net cash used in investing activities	(708,242)	(710,803)	(1,133,478)	(757,161)
Cash Flow From Financing activities				
Issuance (repayment) of long-term loans	(802,632)	-	73,745	-
Repayment of short-term loans	-	(782,987)	(100,600)	(1,610,128)
Advance from (repayment to) related parties	(2,170,896)	1,000,000	(2,523,191)	1,000,000
Net cash from (used in) financing activities	(2,973,528)	217,013	(2,550,046)	(610,128)
Effect of exchange rate changes on cash and cash equivalents	490,663	(997,900)	1,491,943	(969,160)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,379,101)	777,664	(492,631)	(1,885,402)
CASH AND CASH EQUIVALENTS, beginning of period	4,841,069	2,469,843	954,599	5,132,909
CASH AND CASH EQUIVALENTS, end of period	$ 461,968	$ 3,247,507	$ 461,968	$ 3,247,507

See Accompanying Notes to the Condensed Interim Consolidated Financial Statements
Supplemental Cash Flow Information (Note 12)

1. NATURE OF OPERATIONS

GLG Life Tech Corporation (the "Company") was incorporated under the Companies Act (British Columbia), Canada. The registered office of the Company is located at Suite 2168, 1050 West Pender Street, Vancouver, British Columbia. The Company's shares trade on the Toronto Stock Exchange ("TSX") under the symbol "GLG".

The Company is a vertically integrated producer of high-grade stevia and monk fruit extracts. The Company's business operates primarily through the manufacturing and sales of a refined form of stevia and monk fruit, and has operations in China and North America.

2. BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2015, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 ("Interim Financial Reporting").

The notes presented in these unaudited condensed interim consolidated financial statements include only significant events and transactions occurring since the Company's last fiscal year end and they do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards ("IFRS"). As a result, these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2014 annual financial statements which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements have been prepared on a historical costs basis except for biological assets, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting. These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, except when otherwise indicated.

The condensed interim consolidated financial statements of the Company for the nine months ended September 30, 2015, were authorized for issue by the Audit Committee on behalf of the Board of Directors on November 16, 2015.

The Company has restated the comparative December 31, 2014 balances to correctly treat a settlement of convertible debentures that occurred in the fourth quarter of fiscal 2014. During fiscal 2014, The Company recorded a gain of $2,000,857 on the settlement of the debentures that should have been reflected in equity, not net loss. The Company has also now recorded $443,000 of a loss provision on the amendment of the notes. The effect on the ending balance sheet is a reclassification of $2,443,857 between deficit and share capital. For the year ended December 31, 2014, net loss increased by $2,443,857 from $32,566,755 to $35,010,612. Loss per share changed from $0.95 to $1.02 per share. There was no effect to cash flow from operations, investing or activities. There was also no impact on the current or comparative period for the three-month and nine-month period ended September 30, 2015 and 2014.

3. GOING CONCERN

These consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. For the nine months period ended September 30, 2015, the Company incurred a net loss of $14,128,894 (2014 - $14,572,660). As at September 30, 2015, the Company had an accumulated deficit of $292,317,967 (December 31, 2014 - $278,189,073), working capital deficit of $83,756,428 (December 31, 2014 - $67,351,119) and a net cash inflow from operating activities of $1,698,950 (2014 – $451,047).

These consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company's operating assets and primary sources of income and cash flows originate in China; the Company is therefore subject to the considerations and risks of operating in China. These include risks associated with the political and economic environment, foreign currency exchange and the legal system in China. Changes in the political and economic policies of the People's Republic of China ("PRC") government may materially and adversely affect the Company's business, financial condition and results of operations and may result in the Company's inability to sustain growth and expansion. There is also no assurance that the Company will not be adversely affected by changes in other governmental policies or any unfavorable change in the political, economic or social conditions, laws or regulations, or the rate or method of taxation in China.

The PRC economy differs from the economies of most developed countries in many respects, including the extent of government involvement, the level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth by allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, regulating financial services and institutions and providing preferential treatment to particular industries or companies.

While the PRC economy has experienced significant growth in the past three decades, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall PRC economy, but may also have a negative effect on the Company. The financial condition and results of operations could be materially and adversely affected by government control over capital investments or changes in tax regulations that are applicable to the Company. In addition, the PRC government has in the past implemented certain measures, including interest rates increases, to control the pace of economic growth. These measures may cause decreased economic activity, which in turn could lead to a reduction in demand for our services and consequently have a material adverse effect on our businesses, financial condition and results of operations.

3. GOING CONCERN, continued

There are also uncertainties regarding the interpretation and enforcement of PRC laws, rules and regulations. As noted above, most of the Company's operations are conducted in the PRC, and are governed by PRC laws, rules and regulations. The Company's PRC subsidiaries are subject to laws, rules and regulations applicable to foreign investment in China. The PRC legal system in a civil law system based on written statutes. Unlike the common law system, prior court decisions may be cited for reference but have limited precedential value. In 1979, the PRC government began to promulgate a comprehensive system of laws, rules and regulations governing economic matters in general. The overall effect of legislation over the past three decades has significantly enhanced the protections afforded to various forms of foreign investment in China. However, China has not developed a fully integrated legal system, and recently enacted laws, rules and regulations may not sufficiently cover all aspects of economic activities in China or may be subject to significant degrees of interpretation by PRC regulatory agencies. In particular, because these laws, rules and regulations are relatively new, and because of the limited number of published decisions and the nonbinding nature of such decisions, and because the laws, rules and regulations often give the relevant regulator significant discretion in how to enforce them, the interpretation and enforcement of these laws, rules and regulations involve uncertainties and can be inconsistent and unpredictable. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all, and which may be given retroactive effect. As a result, the Company may not be aware of a violation of these policies and rules until after the occurrence of the violation.

Furthermore, any administrative and court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since the PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. These uncertainties may impede the Company's ability to enforce the contracts we have entered into and could materially and adversely affect the Company's business, financial condition and results of operations.

Regarding risk associated with financial instruments generally, as of September 30, 2015 and December 31, 2014, 50% of the Company's cash and cash equivalents, and some bank loans were held by Chinese banks. The Company has provided its banks guarantees and collateral agreements which could enable the banks to exercise their rights against the Company's assets, because the Company has not made its principal or interest payments on time. Should the banks exercise their right, it could have a significant impact to the Company's ownership of its assets, and ultimately, its operations. The Company has provided collateral and guarantor agreements in multiple provinces in China, of which each is subject to local provincial rules. To the best of the Company's knowledge, the banks have not taken any action on their assets to date.

To manage these financial risks, during 2014, the Company worked with its Chinese banks on restructuring its debt. By the end of 2014, the Chinese debt with the Agricultural Bank of China had been transferred to China Huarong Asset Management Co., Ltd. ("Huarong"). By the end of September 30, 2015, the Chinese debt with the Construction Bank of China and Bank of China had been transferred to China Cinda Assets Management Co., Ltd. ("Cinda"). They are state-owned capital management companies ("SOCMC").

The Company also relies heavily on related parties for funding and continued operations of the Company.

(Unaudited – Expressed in Canadian Dollars)

3. GOING CONCERN, continued

Should the related parties not act in good faith, or decide to no longer fund the operations of the Company, there is a high risk that the operations of the Company could be significantly impacted adversely. Finally, in the ordinary course of business, the Company is from time to time involved in legal proceedings and litigation. Presently, there are no legal proceedings and litigations that recently have had, or to the Company's knowledge, are reasonably possible to have, a material impact on the Company's financial positions, results of operations or cash flows. The Company did not accrue any loss contingencies in this respect as of September 30, 2015 and December 31, 2014, as the Company did not consider an unfavourable outcome in any material respects in these legal proceedings and litigations to be probable.

The above matters raise substantial doubt about the Company's ability to continue as a going concern.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed interim financial statements have been prepared using accounting policies consistent with those used in the preparation of the audited consolidated financial statements as at December 31, 2014. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014.

The Company has adopted the following new standards and amendments to standards on January 1, 2015.

- Annual Improvements 2012
- Annual Improvements 2013

5. ACCOUNTS RECEIVABLE

The aging analysis of trade receivables is as follows:

			Past due but not impaired		
	Total	Neither past due nor impaired	< 90 days	91 - 180 days	>180 days
September 30, 2015	$ 6,354,412	$ 5,038,717	$ 876,507	$ 439,188	$ -
December 31, 2014	2,083,483	$ 1,132,968	$ 318,916	$ -	$ 631,599

As of November 13, 2015, we have collected $5,475,003 accounts receivable.

(Unaudited – Expressed in Canadian Dollars)

6. INVENTORY

		September 30, 2015		December 31, 2014
Stevia	$	10,412,850	$	8,869,644
Monk fruit		697,319		7,784,492
	$	11,110,169	$	16,654,136

The Company assessed the net realizable value of inventory based on the following: the cost of raw materials is comprised of the purchase price, applicable taxes and other costs incurred in bringing inventory to their present location and condition; the cost of finished goods includes cost of materials and cost of conversion; the cost of conversion includes costs directly related to the units of production, such as direct labour, and fixed and variable production overheads, based on normal operating capacity.

The carrying amounts of inventory have been pledged as general collateral for the line of credit facilities available to the Chinese subsidiaries.

(Unaudited – Expressed in Canadian Dollars)

7. PROPERTY, PLANT AND EQUIPMENT

	Ion exchange resin equipment	Manufacturing equipment	Buildings & construction in progress	Leasehold & land use rights	Computer equipment & software	Motor vehicles & furniture and fixture	Total
Costs							
As at December 31, 2013	$ 10,022,919	$ 31,700,717	$ 37,370,931	$ 5,151,588	$ 823,077	$ 1,158,785	$ 86,228,017
Additions	272,720	717,660	15,526	7,275	23,117	7,366	1,043,664
Disposals	-	(33,777)	-	-	(60,363)	(8,149)	(102,289)
Impairment	(6,364,545)	(3,066,448)	(1,257,355)	-	(44,006)	(133,516)	(10,865,870)
Foreign currency adjustments	899,786	3,279,560	3,895,297	307,209	48,947	69,521	8,500,320
As at December 31, 2014	$ 4,830,880	$ 32,597,712	$ 40,024,399	$ 5,466,072	$ 790,772	$ 1,094,007	$ 84,803,842
Additions	359,810	470,800	-	-	10,835	26,513	867,958
Disposals	-	-	(201,565)	-	-	-	(201,565)
Foreign currency adjustments	1,548,147	6,869,339	8,217,135	685,911	95,489	133,615	17,549,636
As at September 30, 2015	$ 6,738,837	$ 39,937,851	$ 48,039,969	$ 6,151,983	$ 897,096	$ 1,254,135	$ 103,019,871
Accumulated depreciation							
As at December 31, 2013	$ 4,435,933	$ 16,335,579	$ 9,137,508	$ 490,847	$ 502,902	$ 880,830	$ 31,783,599
Amortization	406,618	2,302,698	1,502,021	264,507	105,236	113,591	4,694,671
Disposals	-	(3,361)	-	-	(52,624)	(7,105)	(63,090)
Impairment	(2,729,187)	(1,654,737)	(355,234)	-	(37,744)	(120,164)	(4,897,066)
Foreign currency adjustments	332,100	1,643,001	826,036	(81,840)	31,380	55,026	2,805,703
As at December 31, 2014	$ 2,445,464	$ 18,623,180	$ 11,110,331	$ 673,514	$ 549,150	$ 922,178	$ 34,323,817
Amortization	88,658	1,841,337	1,384,175	92,106	58,551	34,403	3,499,230
Disposals	-	-	(12,135)	-	-	-	(12,135)
Foreign currency adjustments	628,786	3,651,765	2,092,158	126,438	69,696	115,489	6,684,332
As at September 30, 2015	$ 3,162,908	$ 24,116,282	$ 14,574,529	$ 892,058	$ 677,397	$ 1,072,070	$ 44,495,244
Net book value							
As at December 31, 2014	2,385,416	13,974,532	28,914,068	4,792,558	241,622	171,829	50,480,025
As at September 30, 2015	3,575,929	15,821,569	33,465,440	5,259,925	219,699	182,065	58,524,627

(Unaudited – Expressed in Canadian Dollars)

7. PROPERTY, PLANT AND EQUIPMENT, continued

Land use rights in China have remaining terms ranging from 43.42 to 43.75 years.

Amortization expenses is included in the consolidated statement of operations under the following categories:

		Three months ended September 30		Nine months ended September 30		
		2015	2014	2015		2014
Cost of sales	$	1,065,517	1,023,968	3,539,261	$	3,112,114
Selling, general and administrative expenses		253,648	60,332	736,273		327,632
	$	1,319,165	1,084,300	4,275,534	$	3,439,746

Amortization expenses for the nine months ended September 30, 2015 consist of $3,499,230 relating to current year amortization on property, plant and equipment and $776,304 relating to amortization capitalized to inventory during the year ended December 31, 2014 and amortized into income during the nine months ended September 30, 2015.

8. BIOLOGICAL ASSETS

		September 30, 2015		December 31, 2014
As at January 1, 2015	$	242,107	$	526,453
Sale of agricultural products		(217,315)		(551,702)
Gain/(loss) from changes in fair value		170,108		207,612
Foreign currency adjustments		126,984		59,744
As at September 30, 2015	$	321,885	$	242,107

The Company's biological assets include a gain of $170,108 (2014 – gain of $207,612) representing changes in the fair value of the nursery plants. As of September 30, 2015, approximately 6.9 million parent seedlings (December 31, 2014 – 6.9 million) are at the nursery plants.

Biological assets are the only recurring fair value measurements. There are no non-recurring fair value measurements. There was no transfer between different levels of the fair value hierarchy.

The fair value measurements for biological assets have been categorised as Level 3 fair value based on the inputs to the valuation techniques used. The fair value of biological assets is assessed by present value of net cash flow expected to be generated by the parent seedlings. The cash flow projections include specific estimates for five years. The expected net cash flows are discounted using the risk-adjusted discount rate.

(Unaudited – Expressed in Canadian Dollars)

8. BIOLOGICAL ASSETS, continued

The following significant unobservable inputs are used to estimate the net cash flow:

- Estimated amount of seedlings sold: 25.6 million
- Estimated revenue from seedlings sold: $168,000
- Estimated amount of seeds sold: 4,079 kg
- Estimated revenue from seeds: $383,000
- Estimated total expenses from seeds and seedlings: $431,600
- Weighted average cost of capital: 10%

9. SHORT-TERM AND LONG-TERM LOANS

The Company's short-term loans consisted of borrowings from various banks in China as follows:

Bank loans as of September 30, 2015:

Loan amount in CAD	Loan amount in RMB	Maturity Date	Interest rate per annum	Lender
$ 632,098	3,000,000	On Demand	7.71%	China Hua Rong Assets Management Shandong Branch
5,899,581	28,000,000	On Demand	7.71%	China Hua Rong Assets Management Shandong Branch
2,106,993	10,000,000	On Demand	7.13%	China Hua Rong Assets Management Shandong Branch
2,060,639	9,780,000	On Demand	7.13%	China Hua Rong Assets Management Shandong Branch
10,866,205	51,572,096	On Demand	6.48%	China Hua Rong Assets Management Shandong Branch
16,855,945	80,000,000	On Demand	6.48%	China Hua Rong Assets Management Shandong Branch
16,684,195	79,184,858	On Demand	11.97%	Bank of Communication
3,678,278	17,457,477	On Demand	9.24%	China Cinda Assets Management Jiangsu Branch
8,960	42,523	On Demand	8.83%	China Cinda Assets Management Jiangsu Branch
1,474,895	7,000,000	July 1, 2016	5.82%	Huishang Bank
6,320,979	30,000,000	On Demand	9.09%	China Cinda Assets Management Jiangsu Branch
2,631,429	12,489,025	On Demand	9.09%	China Cinda Assets Management Jiangsu Branch
$ 69,220,197	328,525,978			

Bank loans as of December 31, 2014:

Loan amount in CAD	Loan amount in RMB	Maturity Date	Interest rate per annum	Lender
$ 560,695	3,000,000	On Demand	7.71%	China Hua Rong Assets Management Shandong Branch
5,233,156	28,000,000	On Demand	7.71%	China Hua Rong Assets Management Shandong Branch
1,868,984	10,000,000	On Demand	7.13%	China Hua Rong Assets Management Shandong Branch
1,827,867	9,780,000	On Demand	7.13%	China Hua Rong Assets Management Shandong Branch
9,638,743	51,572,096	On Demand	6.48%	China Hua Rong Assets Management Shandong Branch
14,951,874	80,000,000	On Demand	6.48%	China Hua Rong Assets Management Shandong Branch
14,799,525	79,184,858	On Demand	11.97%	Bank of Communication
3,356,224	17,957,477	On Demand	9.24%	Bank of China
7,948	42,523	On Demand	9.24%	Bank of China
1,308,289	7,000,000	July 1, 2015	7.20%	Huishang Bank
5,606,953	30,000,000	On Demand	12.12%	Construction Bank of China
2,334,179	12,489,025	On Demand	9.09%	Construction Bank of China
$ 61,494,436	329,025,979			

(Unaudited – Expressed in Canadian Dollars)

9. SHORT-TERM AND LONG-TERM LOANS, continued

The Company has worked with its Chinese banks on restructuring its debt. As of September 30, 2015, the Chinese debt with the Agricultural Bank of China had been transferred to China Huarong Asset Management Co., Ltd. ("Huarong"). The Chinese debt with the Construction Bank of China had been transferred to China Cinda Assets Management Co., Ltd. ("Cinda"). They are state-owned capital management companies ("SOCMC").

The assets of the Company's subsidiaries including inventory and property, plant and equipment have been pledged as collateral for these bank loans.

Long- term borrowing from private lenders:

The company's long-term loans consisted of borrowings from two private lenders.

December 31, 2014	$	2,010,965
Additions		1,270,527
Payments		(1,196,782)
Foreign currency translation		273,121
September 30, 2015	$	2,357,831

This loan balance consists of two loans.

The first loan's principal amount as of September 30, 2015, is $1,030,414 (2014 - $892,467) and bears interest at 11.50% per annum. The loan will be payable in 36 months without any attached covenants.

The second loan's principal amount as of September 30, 2015, is $1,327,417 (2014 - $1,118,498) and bears interest at 20% per annum. The loan will be payable in 36 months without any attached covenants. This loan provides a repayment option to the lender in either RMB or USD using a fixed foreign exchange rate of 6.1234. This option results in a liability of $6,525, which is accounted as liabilities on derivatives and unrealized foreign exchange losses. The fair value of the liability on derivatives was calculated using the Black-Scholes model with the following assumptions:

Risk free interest	0.87%
Expected life of the loan	3 years
Expected foreign currency volalitity	2.95%

10. RELATED PARTIES TRANSACTIONS AND BALANCES

a) Transactions with key management personnel

Key management personnel are those persons who have the authority and responsibility for planning, directing, and controlling activities of the Company directly or indirectly, including any external director of the Company.

(Unaudited – Expressed in Canadian Dollars)

10. RELATED PARTIES TRANSACTIONS AND BALANCES, continued

a) Transactions with key management personnel, continued

Remuneration of key management of the Company as of September 30, 2015, is comprised of the following expenses:

	Three months ended September 30		Nine months ended September 30	
	2015	2014	2015	2014
Short-term employee benefits (including salaries, bonuses, fees and social security benefits)	$ 231,887	$ 190,839	$ 713,044	$ 574,872
Share-based benefits	$ 279,826	$ 335,053	$ 970,520	$ 1,125,729
Total remuneration	$ 511,713	$ 525,892	$ 1,683,563	$ 1,700,601

Certain executive officers are subject to termination benefits. Upon resignation at the Company's request or in the event of a change in control, they are entitled to termination benefits ranging from 24 to 36 months of gross salary, totaling approximately $1,700,000.

Key management did not exercise stock options granted under the Company's stock option plan in the three months ended September 30, 2015.

b) Amount due to related parties

As of September 30, 2015, the Company has accrued $1,795,037 (2014 - $1,429,074) in consulting fees to the Company's Chairman and Chief Executive Officer representing four years of services but remaining unpaid.

As of September 30, 2015, the Company has obtained loans under numerous credit facility agreements starting from April 2012 to November 2013 from the Company's Chairman and Chief Executive Officer (the "Lender") that, along with accrued interest, total $23,886,463 (2014 - $18,901,926). The loan proceeds were used for corporate working capital purposes. Amended agreements specify that the loans are repayable within 72 months of the date of borrowing.

As of September 30, 2015, the Company has obtained a loan from a direct family member of the Company's Chairman and Chief Executive Officer that, along with accrued interest, totals $3,081,478 (2014 - $4,150,397) in order to provide working capital required for monk fruit extracts. The loan is secured by expected proceeds from monk fruit sales, bearing interest at 20% per annum and repayable within 36 months of the loan Date.

The combined total of the above loans, including the accrued interest, is $26,967,941. These loans will be repaid by either GLG or its Chinese subsidiaries to the Lender in the currency the loans were originally borrowed (either USD or RMB), or, at the Lender's discretion, in the alternate currency.

These loans provide a repayment option to the lenders in either RMB or USD using a fixed foreign

(Unaudited – Expressed in Canadian Dollars)

10. RELATED PARTIES TRANSACTIONS AND BALANCES, continued

b) Amount due to related parties, continued

exchange rate of 6.1234. This option results in a liability of $111,875, which is accounted as liabilities on derivatives and unrealized foreign exchange losses. The assumptions for the fair value determination of the liability is the same as those outlined in Note 7.

Loan balance as of September 30, 2015

	Loan amount in CAD	Date of the Loan Agreement	Maturity Date	Security	Interest rate per annum	Related Parties
	$ 9,225,959	April 27, 2012	April 27, 2018	Unsecured	Category 1	Chairman and CEO
	2,091,180	October 11, 2012	October 11, 2018	Unsecured	Category 1	Chairman and CEO
	3,695,354	May 30, 2013	May 30, 2018	Unsecured	Category 2	Chairman and CEO
	334,852	November 15, 2013	November 15, 2018	Unsecured	Category 1	Chairman and CEO
	4,506,107	October 20, 2014	October 20, 2017	Unsecured	Category 3	Direct family member of CEO
	$ 19,853,451					
Payments	**(105,351)**	April 27, 2012	April 27, 2018	Unsecured	Category 1	Chairman and CEO
	(2,220,896)	October 20, 2014	October 20, 2017	Unsecured	Category 3	Direct family member of CEO
Principal amounts	**$ 17,527,205**					
Accrued interest	**9,440,736**					
	$ 26,967,941					

Loan balance as of December 31, 2014

	Loan amount in CAD	Date of the Loan Agreement	Maturity Date	Security	Interest rate per annum	Related Parties
	$ 8,076,235	April 27, 2012	April 27, 2018	Unsecured	Category 1	Chairman and CEO
	1,812,938	October 11, 2012	October 11, 2018	Unsecured	Category 1	Chairman and CEO
	3,324,117	May 30, 2013	May 30, 2018	Unsecured	Category 2	Chairman and CEO
	290,023	November 15, 2013	November 15, 2018	Unsecured	Category 1	Chairman and CEO
	4,024,942	October 20, 2014	October 20, 2017	Unsecured	Category 3	Direct family member of CEO
Principal amounts	**$ 17,528,255**					
Accrued interests	**5,524,068**					
	$ 23,052,323					

Category 1: China 10 year benchmark government bond rate plus 1100 basis points
Category 2: US 10 year benchmark government bond rate plus 1100 basis points for loans issued in USD or
China 10 year benchmark government bond rate plus 1100 basis points for loans issued in RMB
Category 3: 20%

As of September 30, 2015, the Company has renewed a loan of $800,000 from a Director of the Company to provide working capital required for Monk Fruit extracts. The loan is secured by expected proceeds from monk fruit sales, bearing interest at 15% per annum and repayable in full within twelve months of the Disbursement Date. As of September 30, 2015, the total amount due to this related party including interest was $806,534 (2014 -$1,006,575) and is classified under current liabilities.

(Unaudited – Expressed in Canadian Dollars)

10. RELATED PARTIES TRANSACTIONS AND BALANCES, continued

b) Amount due to related parties, continued

Loan balance as of September 30, 2015

	Loan amount in CAD		Date of the Loan Agreement	Maturity Date	Security	Interest rate per annum	Related Parties
Principal amounts	$	800,000	September 15, 2015	September 15, 2016	Unsecured	15.00%	Director
Accrued interests	$	6,534					
	$	**806,534**					

Loan balance as of December 31, 2014

	Loan amount in CAD		Date of the Loan Agreement	Maturity Date	Security	Interest rate per annum	Related Parties
Principal amounts	$	1,000,000	September 15, 2014	September 15, 2015	Unsecured	15.00%	Director
Accrued interests	$	6,575					
	$	**1,006,575**					

c) Warrants

In connection to the loans from the Company's Chairman and Chief Executive Officer (the "Lender"), 100 common share purchase warrants for every US$1,000 equivalent borrowed were granted to the lender at the exercise price of $1.00 per warrant for a period of 24 months following the offering closing date. As of September 30, 2015, the purchase warrants were expired and the lender did not exercise the purchase warrants.

d) Subsidiaries

The following are the subsidiaries of the Company:

	Jurisdiction of incorporation	Ownership Interest 2015	Ownership Interest 2014	Functional Currency
Subsidiaries				
Agricultural High Tech Developments Limited	Marshall Islands	100%	100%	HKD
Anhui Bengbu HN Stevia High Tech Development Company Limited	China	100%	100%	RMB
Chuzhou Runhai Stevia High Tech Company Limited	China	100%	100%	RMB
Dongtai Runyang Stevia High Tech Company Limited	China	100%	100%	RMB
Qingdao Runde Biotechnology Company Limited	China	100%	100%	RMB
Qingdao Runhao Stevia High Tech Company Limited	China	100%	100%	RMB
GLG Life Tech US, Inc.	USA	100%	100%	USD
0833416 BC Limited (formerly "GLG Weider Sweet Naturals Corporation")	Canada	55%	55%	USD

(Unaudited – Expressed in Canadian Dollars)

11. SHARE CAPITAL

a) Common shares

There are 37,908,336 common shares issued and outstanding with no par value. An unlimited number of common shares are authorized with no par value. The holders of common shares are entitled to one vote per share.

On March 6, 2015, the Company granted 150,000 restricted shares vesting in 3 years to the Company's Chairman and Chief Executive Officer in recognition of his service to the Company.

b) Warrants

On August 27, 2013, the Company issued 1,154,494 units consisting of common share purchase warrants according to loan agreements with a related party (see note 8). As of September 30, 2015, the purchase warrants were expired and the lender did not exercise the purchase warrants.

	Warrant		Weighted Average Exercise Price
Balance as at December 31, 2013	3,799,494		10.75
Granted	-		-
Exercised	-		-
Expired/cancelled/forfeited	(2,645,000)		15.00
Balance as at December 31, 2014	1,154,494	$	1.00
Expired	(1,154,494)		1.00
Balance as at September 30, 2015	-	$	-

c) Share-based payments

i) Share-based compensation

Share-based compensation to employees is measured at fair value. Fair value is determined using the Company's common share price, and the Black-Scholes option pricing model ("Black-Scholes model").

The Company is subject to the policies of the TSX, under which it is authorized to grant options and restricted shares to officers, directors, employees and consultants enabling them to purchase common stock of the Company. The Company has a stock option and restricted share plan (the "Plan") amended and effective from May 16, 2008. The Plan is administered by the Board of Directors, which determines individual eligibility under the plan.

The Company recorded share-based payments in the amount of $332,844 (2014 - $594,646), of which $75,494 related to stock options issued during the nine months ended September 30, 2015 (2014 - $31,252), and $257,350 (2014 - $563,394) related to stock options granted in previous years.

(Unaudited – Expressed in Canadian Dollars)

11. SHARE CAPITAL, continued

c) Share-based payments, continued

ii) Stock options

A continuity of stock options is as follows:

	Stock Options	Weighted Average Exercise Price
Balance as at December 31, 2013	2,542,504	1.74
Granted	374,400	0.55
Exercised	-	-
Expired/cancelled/forfeited	(193,205)	4.75
Balance as at December 31, 2014	2,723,699	$ 1.36
Granted	767,000	0.38
Exercised	-	-
Expired/cancelled/forfeited	(75,280)	7.79
Balance as at September 30, 2015	3,415,419	1.00

The following summarizes information about the stock options outstanding and exercisable as of September 30, 2015.

Exercise price	Number outstanding at September 30, 2015	Number exercisable at September 30, 2015	Remaining contractual life (years)	Expiry Date
$8.11	6,000	6,000	0.12	November 12, 2015 *
$8.90	138,527	114,832	0.66	May 27, 2016
$1.32	5,000	5,000	1.28	January 10, 2017
$0.53	1,278,492	955,074	2.76	July 4, 2018
$1.11	846,000	621,616	2.89	August 20, 2018
$0.56	12,500	7,523	3.19	December 9, 2018
$0.55	346,900	201,969	3.56	April 20, 2019
$0.56	15,000	7,219	3.62	May 14, 2019
$0.38	767,000	-	4.44	March 6, 2020
	3,415,419	1,919,233		

* Expired subsequent to September 30, 2015

iii) Restricted shares

The Company recorded share-based payments in the amount of $647,239 (2014 - $676,864), of which $10,827 related to restricted shares issued during the nine months ended September 30, 2015 (2014 - $12,758) and $636,412 (2014 - $664,106) related to restricted shares granted in previous

(Unaudited – Expressed in Canadian Dollars)

11. SHARE CAPITAL, continued

c) Share-based payments, continued

iii) Restricted shares, continued

years. Those were valued using the stock price at the date of issue, recognized over the vesting period of the restricted shares.

A continuity of Restricted Shares is as follows:

	Restricted Shares
Balance as at December 31, 2013	1,241,212
Granted	100,000
Exercised	-
Expired/cancelled/forfeited	-
Balance as at December 31, 2014	1,341,212
Granted	150,000
Exercised	-
Vested	(55,193)
Expired/cancelled/forfeited	-
Balance as at September 30, 2015	1,436,019

The vesting periods for restricted shares into unrestricted common shares as at September 30, 2015 are as follows:

Number of restricted share as at September 30, 2015	Vesting period (years)	Performance based
538,849	4.69	Yes
47,170	0.76	No
400,000	0.89	Yes
100,000	1.56	Yes
200,000	5.65	Yes
150,000	2.43	Yes
1,436,019	3.18	

(Unaudited – Expressed in Canadian Dollars)

12. SUPPLEMENTARY INFORMATION

Supplementary cash flow information is as follows:

	Three months ended September 30		Nine months ended September 30	
	2015	2014	2015	2014
Accounts receivable	$ (2,582,334)	$ 1,087,061	$ (3,785,020)	$ (648,403)
Taxes recoverable	365,763	179,405	1,407,497	945,052
Inventory	2,229,470	4,185,992	6,640,063	6,261,218
Prepaid expenses	(808,298)	(130,717)	(1,270,717)	195,232
Accounts payable and accruals	1,344,367	1,317,209	1,905,875	2,046,865
Interest payable	2,555,470	708,504	7,395,859	2,102,808
Changes in non-cash working capital items	$ 3,104,439	$ 7,347,454	$ 12,293,558	$ 10,902,772
Interest paid	$ 3,593	$ 690,652	$ 54,192	$ 1,993,180

13. COST OF SALES AND EXPENSES

	Three months ended September 30		Nine months ended September 30	
	2015	2014	2015	2014
Cost of sales				
Direct cost of sales	$ 7,436,337	$ 4,446,921	$ 17,711,147	$ 10,830,420
Depreciation and amortization	1,065,517	1,023,968	3,539,261	3,112,114
Freight & others	197,237	382,655	435,194	761,990
Total	$ 8,699,091	$ 5,853,544	$ 21,685,602	$ 14,704,524
Selling, general and administrative expenses				
Direct expenses	$ 2,349,825	$ 2,207,255	$ 7,033,440	$ 6,225,862
Depreciation and amortization	253,648	60,332	736,273	327,632
Total	$ 2,603,473	$ 2,267,587	$ 7,769,713	$ 6,553,494
Supplementary information:				
Employee benefits	$ 598,924	$ 677,939	$ 1,870,014	$ 1,820,016

(Unaudited – Expressed in Canadian Dollars)

14. LOSS PER SHARE

The following table sets forth the calculation of the basic and diluted loss per share for the three months ended September 30, 2015 and 2014.

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
Numerator:				
Net Loss after tax	$ (5,849,649)	$ (6,792,360)	$ (14,128,894)	$ (14,572,659)
Denominator:				
Weighted average number of shares outstanding - basic	37,908,336	33,462,804	37,872,622	33,462,804
Weighted average number of shares outstanding - diluted	37,908,336	33,462,804	37,872,622	33,462,804
Loss per share - basic	$ (0.15)	$ (0.20)	$ (0.37)	$ (0.44)
Loss per share - diluted	$ (0.15)	$ (0.20)	$ (0.37)	$ (0.44)

The total number of anti-dilutive options and warrants that were out of the money and therefore excluded from the calculation for the nine months ended September 30, 2015, was 4,344,671 (2014 – 456,841).

15. SEGMENTED INFORMATION

The Company's business operates primarily through the Natural Sweeteners Products segment.

The Natural Sweeteners Products segment is the manufacturing and sales of a refined form of stevia and Monk Fruit which have operations in China and North America.

The Company's chief operating decision makers are the CEO and CFO. They review the operations and performance of the Company.

Revenue to external customers by geographical locations is as follows:

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
China	$ 328,032	$ 1,746,733	$ 2,672,330	$ 6,039,291
North America	8,479,909	2,028,619	20,335,957	6,407,371
	$ 8,807,941	$ 3,775,352	$ 23,008,287	$ 12,446,662

During the nine months ended September 30, 2015, two customers (2014 – one customer) of the Natural Sweeteners CGU individually represented 15% or more of total consolidated revenue. The sales to these customers represented 61% (2013 – 22%) of total consolidated revenue.

(Unaudited – Expressed in Canadian Dollars)

16. COMMITMENTS

a) Operating leases

The Company renewed two five-year operating leases with respect to land and production equipment at the Qingdao factory in China. The leases expire in 2016 and 2018, and the annual minimum lease payments are approximately $211,000 (RMB 1,000,000).

The Company has previously entered into a thirty-year agreement with the Dongtai City Municipal Government, located in the Jiangsu Province of China, for approximately 50 acres of land for its seed base operation. Rent of approximately $166,000 (RMB 790,000) is paid every 10 years.

The Company entered into a five-year agreement for office premises located in Vancouver, Canada beginning June 1, 2011 and ending in 2016. The lease payments for the year ended December 31, 2015 total $147,000 (2014 – $161,811).

The minimum cash payments related to the above are summarized below:		Amount
2015	$	359,293
2016		272,789
2017		-
2018		166,000
Thereafter		166,000
Total	$	964,082

b) Investment in Juancheng

In April 2008, the Company signed a twenty-year agreement with the government of Juancheng County in the Shandong Province of China, which gave the Company exclusive rights to build and operate a stevia processing factory as well as the exclusive right to purchase high-quality stevia leaf grown in that region. The agreement requires the Company to make a total investment in the Juancheng County of $80,000,000 (US$60,000,000) over the course of the twenty-year agreement to retain its exclusive rights. As of September 30, 2015, the Company has not made any investment in the county and there is no liability if the Company eventually does not make any investment in the region. However, the Company may lose its exclusivity right if no investment is made by the end of the term of the agreement.

17. CONTINGENCIES

The Company has commenced an arbitration as Claimant against a US-based stevia extract provider with whom it entered a one-time supply agreement (the “Agreement”) in 2012 to provide a specific volume of product at set prices in 2012 and 2013. The purchaser refused to take delivery of the agreed-to amount of product. As a result, the Company was unable to realize the anticipated revenues or profits from the sale or the Agreement, which significantly affected revenues in 2013. The dispute was set for hearing in October 2014 in a confidential arbitration process provided for under the Agreement, and has since been adjourned, pending amendment of the parties’ pleadings. The hearing is expected to be rescheduled for a date in 2016. The Company expects to be successful and recover damages in respect of the lost revenue from the product not purchased in accordance with the Agreement.

18. SUBSEQUENT EVENTS

On October 15, 2015, the Company has obtained a loan of US$2,000,000 from a direct family member of the Company's Chairman and Chief Executive Officer in order to provide working capital required for purchasing stevia leaf and/or monk fruit, with a provision to borrow an additional US$1,000,000 under the same agreement. The loan is secured by the proceeds from the sale of finished goods produced from stevia leaf and/or monk fruit, bearing interest 20% per annum and repayable within 6 months of the loan date.