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

(formerly known as SAME TIME HOLDINGS LIMITED)

(incorporated in Bermuda with limited liability)

(Stock code: 451)

PRELIMINARY ANNOUNCEMENT OF FINAL RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2014

The Board of Directors of GCL New Energy Holdings Limited (the "Company" or "GCL New Energy") announces the consolidated results of the Company and its subsidiaries (together, the "Group") for the nine months ended 31 December 2014 (the "Reporting Period"), with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

	Note	**Period from 1 April 2014 to 31 December 2014** ***HK$'000***	Year ended 31 March 2014 *HK$'000* (restated)
Revenue	3	**1,172,864**	1,579,782
Cost of sales		**(1,078,255)**	(1,448,936)
Gross profit		**94,609**	130,846
Other income	4	**82,947**	81,442
Distribution and marketing costs		**(16,900)**	(25,855)
Administrative expenses		**(184,771)**	(127,344)
Share-based payment expenses		**(91,888)**	—
Other expenses, gains and losses, net		**(21,002)**	(9,141)
Operating (loss)/profit	5	**(137,005)**	49,948

	Note	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000 (restated)
Operating (loss)/profit	5	**(137,005)**	49,948
Share of losses of joint ventures	13	**(684)**	—
Convertible redeemable bond			
— Change in fair value of embedded derivative		**—**	(166,724)
— Realised gain on embedded derivative upon conversion of convertible redeemable bond		**57,324**	—
Finance income		**1,760**	301
Finance costs	6	**(18,648)**	(30,262)
Loss before income tax		**(97,253)**	(146,737)
Income tax expense	7	**(15,503)**	(26,572)
Loss for the period/year		**(112,756)**	(173,309)
Loss attributable to:			
Owners of the Company		**(112,691)**	(173,309)
Non-controlling interests		**(65)**	—
		(112,756)	(173,309)
		HK cents	*HK cents* (restated)
Basic and diluted loss per share attributable to owners of the Company	9	**(0.90)**	(2.11)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 April 2014 to 31 December 2014

	Period from 1 April 2014 to 31 December 2014	Year ended 31 March 2014
	HK$'000	*HK$'000*
		(restated)
Loss for the period/year	**(112,756)**	(173,309)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
— Currency translation differences	**7,269**	20,801
Total comprehensive expenses for the period/year	**(105,487)**	(152,508)
Attributable to:		
Owners of the Company	**(105,424)**	(152,508)
Non-controlling interests	**(63)**	—
Total comprehensive expenses for the period/year	**(105,487)**	(152,508)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Note	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)	At 1 April 2013 HK$'000 (restated)
ASSETS				
Non-current assets				
Property, plant and equipment		**6,679,552**	863,850	891,679
Land use rights		**8,618**	20,960	20,902
Interests in joint ventures		**53,313**	—	—
Amount due from a joint venture		**27,296**	—	—
Deferred income tax assets		**12,769**	—	—
Deposits, prepayments and other non-current assets	10	**1,079,591**	9,473	12,388
		7,861,139	894,283	924,969
Current assets				
Inventories		**174,747**	205,306	193,118
Trade and other receivables	10	**572,204**	367,733	346,004
Amounts due from fellow subsidiaries		**16,104**	—	—
Amount due from a joint venture		**29,060**	—	—
Pledged bank deposits		**556,344**	5,074	10,930
Cash and cash equivalents		**758,449**	46,250	47,115
		2,106,908	624,363	597,167
Total assets		**9,968,047**	1,518,646	1,522,136
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	14	**57,799**	8,595	8,595
Reserves		**2,842,915**	212,099	364,607
		2,900,714	220,694	373,202
Non-controlling interests		**441**	—	—
Total equity		**2,901,155**	220,694	373,202

	Note	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)	At 1 April 2013 HK$'000 (restated)
LIABILITIES				
Non-current liabilities				
Borrowings	12	**1,964,034**	70,473	101,787
Convertible redeemable bond	13	**—**	—	218,853
Deferred income tax liabilities		**14,336**	13,765	2,752
Deferred income		**8,590**	20,915	20,820
		1,986,960	105,153	344,212
Current liabilities				
Trade and other payables	11	**3,643,222**	479,040	459,657
Amounts due to fellow subsidiaries		**56,882**	—	—
Loan from a fellow subsidiary		**950,691**	—	—
Borrowings	12	**379,951**	284,705	300,876
Convertible redeemable bond	13	**—**	388,720	—
Current income tax liabilities		**49,186**	40,334	44,189
		5,079,932	1,192,799	804,722
Total liabilities		**7,066,892**	1,297,952	1,148,934
Total equity and liabilities		**9,968,047**	1,518,646	1,522,136
Net current liabilities		**(2,973,024)**	(568,436)	(207,555)
Total assets less current liabilities		**4,888,115**	325,847	717,414

1 GENERAL INFORMATION

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

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

These consolidated financial statements are presented in thousand units of Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors (the "Board") on 25 March 2015.

Key events:

On 23 April 2014, a Special General Meeting ("SGM") was held by the Company at which the name of the Company was approved to be changed to GCL New Energy Holdings Limited and "協鑫新能源控股有限公司" was approved to be adopted as the secondary name of the Company effective on 9 May 2014.

On 9 May 2014, GCL-Poly Energy Holdings Limited ("GCL-Poly") completed the subscription of 360,000,000 new shares issued by the Company as set out in note 14 below, and became the controlling shareholder of the Company. On the same date, the principal place of business of the Company was changed from 17th Floor, Phase I, Kingsford Industrial Building, 26–32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong to Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

On 18 July 2014, the Group made an announcement to change its financial year end date from 31 March to 31 December to align with the financial year end date of its subsidiaries incorporated in the PRC. Accordingly, the current financial period covers a nine-month period from 1 April 2014 to 31 December 2014 with the comparative financial period from 1 April 2013 to 31 March 2014.

During the current period, the Group prepared its first consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). Further details are given in note 2.1. In addition, the cost model is also adopted for buildings retrospectively. Further details are given in note 2.3(c).

During the current period ended 31 December 2014, the Company increased its issued share capital through several share subscriptions and placing of ordinary shares. Details are given in note 14.

2 BASIS OF PREPARATION

2.1 Adoption of IFRS

For the year ended 31 March 2014 and prior years/periods, the Group previously prepared its consolidated financial statements in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. On 9 May 2014, GCL-Poly became the controlling shareholder of the Company. GCL-Poly prepares its consolidated financial statements in accordance with IFRS issued by the International Accounting Standards Board. The Board considered the adoption of IFRS can align the accounting policies and the basis of preparation of the Company with those of GCL-Poly and can provide more relevant information to GCL-Poly without diminishing the values and benefits of the financial statements to other shareholders and readers of the financial statements. The Board decided to adopt IFRS for preparing the Company's financial statements commencing from the current financial reporting period onwards.

The Board reassessed the detailed accounting policies adopted by the Company in accordance with HKFRS and those adopted by GCL-Poly in accordance with IFRS, and considered that there are no material textual differences between those accounting policies except that the accounting policy for buildings had been reassessed by the Directors and changed to follow the cost model under International Accounting Standard 16 ("IAS 16") with effect from 1 April 2014 retrospectively (note 2.3(c)).

The financial statements set out herein represent the Company's first set of consolidated financial statements for the nine-month period ended 31 December 2014 prepared in accordance with IFRS. The detailed accounting policies used in preparing the consolidated financial statements are consistent with those used in preparing the consolidated financial statements for the year ended 31 March 2014, which were in accordance with HKFRS, except the one described above. The Company has consistently applied these accounting policies used in preparing the opening statement of financial position as at 1 April 2013 and throughout all periods presented in accordance with IFRS, as if these policies had always been in effect. The Company's IFRS adoption and transition date is 1 April 2013. The Company did not apply any exemption under the provisions of IFRS.

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, which had been measured at fair value.

2.2 Going concern

As at 31 December 2014, the Group's current liabilities exceeded its current assets by HK$2,973 million; and it had incurred a net loss of HK$113 million and had a net cash outflow from operating activities of HK$518 million for the nine-month period ended 31 December 2014. In addition, as at 31 December 2014, the Group had entered into agreements to acquire solar farm sites and construct the solar farms thereon which will involve capital expenditures totaling approximately HK$6,911 million (equivalent to RMB5,452 million). Subsequent to 31 December 2014 and up to the date of approval of the consolidated financial statements, the Group has entered into further agreements to acquire a few more solar farm sites and construct solar farms thereon which will involve capital expenditure totaling approximately HK$2,800 million (equivalent to RMB2,231 million). Pursuant to the terms of these agreements, such committed capital expenditure totaling approximately HK$9,711 million (equivalent to RMB7,683 million) has to be settled within the next twelve months from the date of the consolidated statement of financial position. In addition, the Group, subject to the availability of further financial resources, is currently looking for further opportunities to increase the scale of its solar farm operations through mergers and acquisitions. In the event that the Group is successful in securing more solar farm investments or expanding the investments in the existing solar farms in the coming twelve months from the date of the consolidated statement of financial position, additional cash outflows will be required to settle further committed capital expenditure.

As at 31 December 2014, the Group's total bank loans and the obligations under finance lease amounted to HK$2,324 million, out of which approximately HK$360 million will be due in the coming twelve months provided that covenants under the borrowing agreements are satisfied. The Group's pledged bank deposits and cash and cash equivalents amounted to approximately HK$556 million and HK$758 million as at 31 December 2014, respectively. The financial resources available to the Group as at 31 December 2014 and up to the date of approval of the consolidated financial statements are not sufficient to satisfy the above capital expenditure requirements. The Group is actively pursuing additional financing including, but not limited to, equity and debt financing and bank borrowings.

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

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

(i) Subsequent to 31 December 2014, the Group successfully obtained new borrowings with an aggregate amount of approximately HK$1,285 million (equivalent to RMB1,014 million) from banks in both Hong Kong and the PRC, of which approximately HK$905 million were with repayment terms of more than twelve months provided that the covenants under the borrowing agreements are satisfied. In addition, the Group also obtained a loan from a fellow subsidiary of approximately HK$309 million (equivalent to RMB244 million) with a repayment period of 3 months.

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

(iii) In March 2014, GCL-Poly together with three of its subsidiaries ("GCL-Poly Subsidiaries") jointly signed a framework borrowing agreement with a state-owned bank in the PRC for a total uncommitted banking facility of HK$6,338 million (equivalent to approximately RMB5,000 million) to finance the solar energy projects undertaken by GCL-Poly and its subsidiaries. Up to the date of approval of the consolidated financial statements, approximately HK$2,383 million (equivalent to RMB1,880 million) were drawn down by GCL-Poly and subsidiaries other than any members of the Group. The remaining undrawn facility of approximately HK$3,955 million (equivalent to RMB3,120 million) is available for the Group to draw down to finance its solar farm projects. Under this framework agreement, guarantees from GCL-Poly and GCL-Poly Subsidiaries are required for the drawdown of loans. In addition, the drawdown of the facilities and the terms of the borrowings, including the borrowing amounts, pledges or guarantees required and repayment terms, are subject to the approval of the bank upon application by the Group, and with the guarantees provided by GCL-Poly and GCL-Poly Subsidiaries. The Group is in the process of discussing with GCL-Poly to obtain GCL-Poly's written support of the provision of guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank requires when the applications for the loans drawndown are submitted.

(iv) The Group is currently actively negotiating with several banks in both Hong Kong and the PRC for additional financing. It has received detailed proposals from certain banks for total banking facilities of approximately HK$897 million (equivalent to RMB707 million) with repayment periods from one to five years. The Group also received letters of intent from certain other banks which indicated that these banks tentatively might offer banking facilities of approximately HK$7,606 million (equivalent to RMB6,000 million) to the Group.

(v) The Group is also actively negotiating with other private investors for additional financing in the form of equity or debt or a combination of both. The Group completed several subscriptions and placing of new shares of the Company and successfully raised approximately HK$2,362 million during the current period. Based on the past experience, the Directors believe that the Group will be able to raise equity financing as and when necessary.

(vi) The Group has completed construction of 10 solar farms with approval for on-grid connection up to the date of approval of the consolidated financial statements. The Group also has additional 17 solar farms under construction targeting to achieve on-grid connection in the near future. The abovementioned solar farms have an aggregate installed capacity of approximately 1,258MW and are expected to generate operating cash inflows to the Group.

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

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described in (ii) to (vi) above. Whether the Group will be able to continue as a going concern depends upon the Group's ability to generate adequate financing and operating cash flows through renewal of its bank borrowings upon expiry, satisfy the covenants under the borrowing agreements or obtain waiver from relevant banks if the Group is not able to satisfy the covenant requirements, successfully secure the financing from banks with repayment terms beyond twelve months from the date of the consolidated statement of financial position, obtain the necessary guarantees from GCL-Poly and GCL-Poly Subsidiaries that the aforementioned bank requires and other short-term or long-term financings from private investors, and to complete the construction of the solar farms as scheduled and generate adequate cash inflows. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2.3 Principal accounting policies

(a) New and amended standards adopted by the Group

The following amendments and interpretation to standards are mandatory for the Group's current accounting period. The adoption of these amendments and interpretation to standards does not have any significant impact to the results and financial position of the Group:

Amendments to IAS 32	Offsetting financial assets and financial liabilities
Amendments to IAS 36	Recoverable amount disclosures for non-financial assets
Amendments to IAS 39	Novation of derivatives and continuance of hedge accounting
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment entities
IFRIC 21	Levies

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

		Effective for annual periods beginning on or after
IAS 16 and IAS 38 (amendment)	Clarification of Acceptable methods of depreciation and amortisation	1 January 2016
IAS 16 and IAS 41 (amendment)	Agriculture: bearer plants	1 January 2016
IAS 19 (amendment)	Defined benefit plans: Employee contributions	1 January 2016
IAS 27 (amendment)	Equity method in separate financial statements	1 January 2016
IFRS 9 (2014)	Financial instruments	1 January 2018
IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associates or joint venture	1 January 2016
IFRS 11 (amendment)	Accounting for acquisitions of interests in joint operations	1 January 2016
IFRS 14	Regulatory deferral accounts	1 January 2016
IFRS 15	Revenue from contracts with customers	1 January 2017
IFRSs (amendment)	Annual improvements to IFRSs 2010–2012 cycle and 2011–2013 cycle	1 July 2014
IFRSs (amendment)	Annual improvement to IFRSs 2012–2014 cycle	1 January 2016

The Group is in the process of making an assessment of the impact of these new and revised IFRSs but have considered on a preliminary basis that these new and revised IFRSs will not have a significant impact on the Group's financial statements in the coming year.

(c) Adoption of cost model for buildings pursuant to the adoption of IFRS

In previous years, the Group's buildings were carried in the consolidated statement of financial position at their revalued amounts less subsequent accumulated depreciation. Following the change of controlling shareholder on 9 May 2014 and the adoption of IFRS as set out in note 2.1, the accounting policy for buildings has been changed to follow the cost model under IAS 16 which is consistent with GCL-Poly with effect from 1 April 2014. The cost model has been adopted retrospectively and the comparative figures for the corresponding prior periods have been reported under IFRS.

The effects of the adoption of cost model pursuant to the adoption of IFRS as described above are as follows:

i. Consolidated statement of financial position (extracts) as at 31 March 2014:

	As reported under HKFRS *HK$'000*	Effect of difference *HK$'000*	As reported under IFRS *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment	926,000	(62,150)	863,850
EQUITY			
Capital and reserves			
Accumulated losses	(211,074)	4,629	(206,445)
Revaluation reserve	52,113	(52,113)	—
Exchange reserve	125,686	(574)	125,112
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	27,857	(14,092)	13,765

ii. Consolidated income statement (extracts) and consolidated statement of comprehensive income (extracts) for the year ended 31 March 2014:

	As reported under HKFRS *HK$'000*	Effect of difference *HK$'000*	As reported under IFRS *HK$'000*
Depreciation	132,724	(2,286)	130,438
Gain on disposal	—	(5,940)	(5,940)
Loss before income tax	154,963	(8,226)	146,737
Income tax expense	26,572	—	26,572
Loss attributable to owners of the Company	181,535	(8,226)	173,309
Currency translation differences	(21,686)	885	(20,801)
Revaluation surplus on building, net of tax	(1,386)	1,386	—
Other comprehensive losses	(23,072)	2,271	(20,801)
Total comprehensive expenses	158,463	(5,955)	152,508

iii. Consolidated statement of financial position (extracts) as at 1 April 2013:

	As reported under HKFRS *HK$'000*	Effect of difference *HK$'000*	As reported under IFRS *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment	958,011	(66,332)	891,679
EQUITY			
Capital and reserves			
Accumulated losses	(29,044)	3,221	(25,823)
Revaluation reserve	57,544	(57,544)	—
Exchange reserve	103,999	312	104,311
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	15,073	(12,321)	2,752

iv. Consolidated statement of changes in equity (extracts) for the year ended 31 March 2014:

	As reported under HKFRS HK$'000	Effect of difference HK$'000	As reported under IFRS HK$'000
Accumulated losses	(211,074)	4,629	(206,445)
Revaluation reserve	52,113	(52,113)	—
Exchange reserve	125,686	(574)	125,112

3 REVENUE AND SEGMENT INFORMATION

(a) Application of IFRS 8 "Operating segments"

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

Period from 1 April 2014 to 31 December 2014

	Solar energy business *HK$'000*	Printed circuit board ("PCB") business *HK$'000*	Unallocated* *HK$'000*	Total *HK$'000*
Revenue from external customers	799	1,172,065	—	1,172,864
Segment results	(43,613)	56,327	(50,556)	(37,842)
Finance income	367	229	1,164	1,760
Finance costs	—	(18,328)	(320)	(18,648)
Share-based payment expenses for Directors, employees and consultancy services	—	—	(91,888)	(91,888)
Realised gain on embedded derivatives upon conversion of convertible redeemable bond	—	—	57,324	57,324
Impairment of goodwill	(7,959)	—	—	(7,959)
Segment (loss)/profit before tax	(51,205)	38,228	(84,276)	(97,253)
Income tax credit/(expense)	7,105	(22,608)	—	(15,503)
Segment (loss)/profit for the period	(44,100)	15,620	(84,276)	(112,756)
Bad debt written off	—	(2,728)	—	(2,728)
Depreciation and amortisation	167	101,663	—	101,830
Additions to property, plant and equipment	4,868,197	74,156	—	4,942,353

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

At 31 December 2014

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

* Unallocated amounts mainly represent head office income and expenses such as realised gain on embedded derivatives upon conversion of convertible redeemable bond, directors' emoluments, staff salaries, professional fees and rental expenses.

For the year ended 31 March 2014, the Group was principally engaged in manufacturing and selling of printed circuit boards and PCB business was the only reportable segment. The measures of segment assets and liabilities as at 31 March 2014 had not been disclosed as the chief operating decision-maker does not review the measures of segment assets or liabilities as at 31 March 2014 for the decision-making process.

(b) Geographical information

The Group's operations are principally located in Hong Kong and the PRC. Revenue from external customers in Hong Kong and the PRC for the current period was HK$477,635,000 (year ended 31 March 2014: HK$1,068,067,000), and revenue from external customers in other countries was HK$695,229,000 (year ended 31 March 2014: HK$511,715,000).

At 31 December 2014 and 31 March 2014, most of the non-current assets were located in Hong Kong and the PRC.

(c) Information about major customers

Revenue of HK$183,449,000 for the current period (year ended 31 March 2014: HK$215,236,000) was derived from a single external customer which contributed more than 10% of the total revenue of the Group. Such revenue was attributable to the sales of printed circuit board products.

4 OTHER INCOME

	Period from 1 April 2014 to 31 December 2014 *HK$'000*	Year ended 31 March 2014 *HK$'000*
Sale of manufacturing by-products	**35,610**	56,637
Management services income	**19,974**	—
Government grants previously recognised as deferred income *(note a)*	**11,893**	—
Amortisation of deferred income on government grants *(note a)*	**350**	466
Other government subsidies *(note b)*	**12,635**	11,915
Reversal of provision for clawing back of value added tax and customs duties on imported equipment and inventories relating to electronic products business upon deregistration of the relevant subsidiary	**—**	9,057
Write-off of other payables	**—**	211
Sundries	**2,485**	3,156
	82,947	81,442

Note:

a. In prior years, the Group received grants from the local municipal government in connection with its acquisition of land use rights and establishment of a manufacturing base in Jiangxi, the PRC. The government grants were initially recognised as deferred income and amortised on a straight-line basis as other income over the lease period of the land use rights. The conditions attached to such government grants were fully complied with. During the current period, the Group received a notice from the local municipal government which regarding the forfeiture of the Group's land use rights of certain parcels of land. The relevant land use rights were written-off and the corresponding unamortised portion of the government grants amounting to HK$11,893,000 was recognised as other income for the current period.

b. The amounts mainly represented cash received from the local municipal government in the PRC as incentives to encourage export sales in the PRC, the conditions attached thereto had been fully complied with.

5 OPERATING (LOSS)/PROFIT

	Period from 1 April 2014 to 31 December 2014 *HK$'000*	Year ended 31 March 2014 *HK$'000* (restated)
Operating (loss)/profit was stated after charging/(crediting) the following:		
Cost of inventories sold	**628,138**	842,446
Staff costs (including Directors' and chief executive's emoluments but excluding share-based payment expenses)	**274,484**	273,277
Share-based payment expenses for Directors and employees	**72,183**	—
Share-based payment expenses for consultancy services	**19,705**	—
Depreciation		
— Owned property, plant and equipment	**93,691**	115,481
— Leased property, plant and equipment	**7,773**	14,957
Amortisation of land use rights	**366**	488
Write-off of land use rights *(note)*	**11,893**	—
Impairment of goodwill *(note)*	**7,959**	—
Auditor's remuneration		
— audit services	**4,080**	1,830
— non-audit services	**4,056**	2,863
Bad debts written-off *(note)*	**2,728**	7,982
Deposits and other receivables written-off *(note)*	**—**	2,644
Reversal of other receivables previously written-off *(note)*	**(1,812)**	(3,158)
Gains on disposal of property, plant and equipment *(note)*	**—**	(5,668)
Net exchange (gains)/losses	**(3,401)**	24,814
Operating lease rental in respect of properties	**10,801**	6,325

Note: These expenses have been included in "other expenses, gains and losses, net" in the consolidated income statement.

6 FINANCE COSTS

	Period from 1 April 2014 to 31 December 2014 *HK$'000*	Year ended 31 March 2014 *HK$'000*
Interest on bank loans wholly repayable within five years	**18,286**	24,120
Interest element of finance leases	**2,723**	2,412
Interest on convertible redeemable bond	**320**	3,730
Interest on loan from a fellow subsidiary	**1,229**	—
	22,558	30,262
Less: interest capitalised	**(3,910)**	—
	18,648	30,262

7 INCOME TAX EXPENSE

PRC corporate income tax was provided for at the rate of 25% for the current period (year ended 31 March 2014: 25%) on profits of the Group's subsidiaries with operations in the PRC, adjusted by those items which were not assessable or deductible for the PRC corporate income tax purpose. A subsidiary of the Group was entitled to preferential tax treatments including corporate income tax exemption for three years followed by a 50% tax reduction for the next three years.

Hong Kong profits tax was calculated at the rate of 16.5% (year ended 31 March 2014: 16.5%) on the estimated assessable profits of companies comprising the Group with operations in Hong Kong. No provision for Hong Kong profits tax was made for the current period (year ended 31 March 2014: nil) as the assessable profits was off-set by the tax losses brought forward.

	Period from 1 April 2014 to 31 December 2014	Year ended 31 March 2014
	HK$'000	*HK$'000*
Current income tax — overseas taxation	**22,789**	16,442
Under/(over)-provision for prior years	**1,131**	(757)
Total current income tax	**23,920**	15,685
Deferred income tax	**(8,417)**	10,887
	15,503	26,572

8 DIVIDEND

The Board does not recommend the payment of a dividend in respect of the current period (year ended 31 March 2014: nil).

9 LOSS PER SHARE

Basic

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

The weighted average number of ordinary shares in issue during the period/year was adjusted for the issue of shares through share subscriptions on 9 May 2014 (see note 14(a)) and 16 October 2014 (see note 14(f)), the issue of shares through placements on 9 May 2014 (see note 14(b)) and 13 October 2014 (see note 14(f)), the issue of shares upon conversion of convertible redeemable bond on 9 May 2014 (see note 14(c)), and the shares subdivision on 30 June 2014 (see note 14(d)) and 19 November 2014 (see note 14(g)).

	Period from 1 April 2014 to 31 December 2014	Year ended 31 March 2014
	HK$'000	*HK$'000*
		(restated)
Loss attributable to owners of the Company	**(112,691)**	(173,309)
Weighted average number of ordinary shares in issue for the purpose of calculating basic loss per share *(thousands of shares)*	**12,559,619**	8,186,068
	HK cents	*HK cents*
		(restated)
Basic loss per share attributable to owners of the Company	**(0.90)**	(2.11)

Diluted

Diluted loss per share for the period from 1 April 2014 to 31 December 2014 did not assume the exercise of the share options and conversion of the convertible redeemable bond since the exercise and conversion had an anti-dilutive effect on the loss per share.

For the year ended 31 March 2014, the diluted loss per share was the same as the basic loss per share, as the convertible redeemable bond had an anti-dilutive effect on the loss per share.

10 DEPOSITS, PREPAYMENTS AND TRADE AND OTHER RECEIVABLES

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

	As at 31 December 2014	As at 31 March 2014
	HK$'000	*HK$'000*
Deposits for engineering, procurement and construction contracts *(note)*	**499,162**	—
Refundable value-added tax	**425,491**	—
Deposits for acquisitions of solar farm projects	**96,367**	—
Prepaid rent for lands	**27,326**	—
Deposits for finance leases	**12,039**	4,643
Others	**19,206**	4,830
	1,079,591	9,473

Note: Deposits for engineering, procurement and construction contracts represent deposits paid to contractors which will be transferred to solar farm under construction when the constructions commence.

Current — trade and other receivables

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Trade receivables	**429,602**	310,077
Deposits, prepayments and other receivables	**142,602**	57,656
	572,204	367,733

The ageing analysis of trade receivables based on invoice date is as follows:

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Up to 3 months	**331,642**	281,921
3 to 6 months	**21,831**	26,812
Over 6 months	**76,129**	1,344
	429,602	310,077

Sales are made to customers generally with credit terms of 30 to 120 days.

11 TRADE AND OTHER PAYABLES

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Trade payables	**318,213**	333,153
Payables for the purchase of plant and machinery and construction of solar farms	**2,831,683**	48,518
Payables to vendors of solar farms	**317,177**	—
Other payables	**46,105**	23,119
Receipts in advance	**30,263**	14,850
Accrued expenses		
— Staff costs	**70,194**	35,863
— Professional fees	**12,111**	12,503
— Utilities	**5,785**	5,481
— Others	**11,691**	5,553
	3,643,222	479,040

The ageing analysis of trade payables based on invoice date is as follows:

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Up to 3 months	**206,634**	202,050
3 to 6 months	**101,328**	116,390
Over 6 months	**10,251**	14,713
	318,213	333,153

12 BORROWINGS

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Non-current		
Bank loans	**1,928,593**	50,738
Obligations under finance leases	**35,441**	19,735
	1,964,034	70,473
Current		
Bank loans	**322,051**	245,272
Obligations under finance leases	**37,900**	19,433
Shareholder's loan	**20,000**	20,000
	379,951	284,705
Total borrowings	**2,343,985**	355,178

The loans were carried at amortised cost.

13 CONVERTIBLE REDEEMABLE BOND

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Liability component	**—**	58,320
Fair value of the embedded derivative	**—**	330,400
	—	388,720

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

The following events took place subsequent to the issuance of the convertible redeemable bond:

- The conversion price was adjusted to HK$1.75 per share in accordance with the terms on conversion price adjustment after the Company issued 13,650,000 new shares on 25 June 2012.
- On 17 January 2012, the Company redeemed HK$24,300,000 of the principal amount of the convertible redeemable bond at 105% of the relevant principal amount.
- On 13 September 2012, convertible redeemable bond with a principal amount of HK$7,000,000 was converted into 4,000,000 ordinary shares of the Company at the price of HK$1.75 per share.
- On 9 May 2014, the remaining outstanding convertible redeemable bond with a principal amount of HK$58,700,000 was converted into 33,542,857 ordinary shares of HK$0.1 each of the Company at the price of HK$1.75 per share.

The conversion feature failed the fixed-for-fixed requirement for equity classification as one of the conversion ratio adjustments did not preserve the relative interest between bondholder and ordinary shareholders. The option was therefore regarded as derivative with changes in fair value through profit or loss in accordance with IAS 39, "Financial instruments: recognition and measurement". According to this accounting standard and the terms of the convertible redeemable bond, the liability components and the embedded derivatives of the convertible redeemable bond should be separately accounted for. The embedded derivatives concerned referred to the conversion right and redemption rights of the convertible redeemable bond exercisable by the bond holder and the Company respectively.

The fair value of the convertible redeemable bond was determined by an independent qualified valuer based on the Binomial Lattice Model. The fair value of the liability component on initial recognition was valued as the proceeds of the convertible redeemable bond (net of transaction cost) minus the fair value of the embedded derivative. The fair value of the embedded derivative was valued by estimating the value of the whole bond with and without the conversion feature. The difference in value reflected the value of the embedded derivative. In subsequent reporting periods, the liability component was carried at amortised cost and the embedded derivative was stated at fair value.

The movement of liability component is as follows:

	HK$'000
Liability component as at 1 April 2013	55,177
Interest expense for the year *(note 6)*	3,730
Less: interest payment during the year	(587)
Liability component as at 31 March 2014	58,320
Interest expense for the period *(note 6)*	320
Conversion into ordinary shares	(58,640)
Liability component as at 31 December 2014	—

The interest expense of the liability component was calculated using the effective interest method with effective interest rate of 6.61% per annum (31 March 2014: 6.61% per annum).

The fair value of the liability component of the convertible redeemable bond as at 31 March 2014 amounted to HK$58,697,000. The fair value was calculated by using the discounted cash flow method using a discount rate of 4.86%.

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

	HK$'000
Fair value of the embedded derivative as at 1 April 2013	163,676
Loss from change in fair value	166,724
Fair value of the embedded derivative as at 31 March 2014	330,400
Realised gain from change in fair value upon share conversion	(57,324)
Conversion into ordinary shares	(273,076)
Fair value of the embedded derivative as at 31 December 2014	—

During the period, the Group recognised a realised fair value gain on the embedded derivative of the convertible redeemable bond amounting to HK$57,324,000 upon the conversion of the convertible redeemable bond into ordinary shares (31 March 2014: unrealised fair value loss of HK$166,724,000). The change in fair value at the date of conversion and at each period end date was primarily a result of the changes of certain parameters during the relevant period used to determine the fair value of the embedded derivative including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of conversion right and redemption rights of the convertible redeemable bond by the bond holder and the Company, respectively.

14 SHARE CAPITAL

	Number of shares	**Amount** *HK$'000*
Authorised:		
At 1 April 2013, 31 March 2014 and 1 April 2014 *(Ordinary shares of HK$0.10 each)*	**700,000,000**	70,000
Shares subdivision *(note (d))*	**3,500,000,000**	—
Increase in share capital *(note (e))*	**4,800,000,000**	80,000
Shares subdivision *(note (g))*	**27,000,000,000**	—
At 31 December 2014 *(Ordinary shares of HK0.0041\dot{6}$ each)*	**36,000,000,000**	150,000
Issued and fully paid:		
At 1 April 2013, 31 March 2014 and 1 April 2014 *(Ordinary shares of HK$0.10 each)*	**85,948,520**	8,595
Subscription of new shares *(note (a))*	**360,000,000**	36,000
Placement of new shares *(note (b))*	**50,000,000**	5,000
Shares issued upon conversion of convertible redeemable bond *(note (c))*	**33,542,857**	3,354
Shares subdivision *(note (d))*	**2,647,456,885**	—
Top-Up Placing of existing shares and Top-Up Subscription for new shares *(note (f))*	**291,000,000**	4,850
Shares subdivision *(note (g))*	**10,403,844,786**	—
At 31 December 2014 *(Ordinary shares of HK0.0041\dot{6}$ each)*	**13,871,793,048**	57,799

Note:

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

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

(c) On 9 May 2014, the convertible redeemable bond issued by the Company with details set out in note 13 above was fully converted into 33,542,857 shares of the Company (the "Conversion").

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

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

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

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

15 BANKING FACILITIES

At 31 December 2014, total facilities granted to the Group amounted to HK$3,225,817,000 (31 March 2014: HK$367,852,000) of which HK$2,250,644,000 (31 March 2014: HK$296,010,000) were utilised.

Among the total facilities, banking facilities amounting to HK$2,478,548,000 (31 March 2014: HK$317,114,000) were secured by legal charges on the following assets of the Group:

	As at 31 December 2014 *HK$'000*	As at 31 March 2014 *HK$'000*
Property, plant and equipment	**1,743,845**	326,024
Land use rights	**8,019**	20,343
Pledged bank deposits	**556,344**	5,074
	2,308,208	351,441

16 CAPITAL COMMITMENTS

	As at 31 December 2014 HK$'000	As at 31 March 2014 HK$'000
Authorised but not contracted for:		
Construction commitments in relation to solar farms	**2,088,504**	—
Commitment to contribute share capital to a joint venture	**116,877**	—
	2,205,381	—
Contracted but not provided for:		
Construction commitments in relation to solar farms	**4,120,850**	—
Property, plant and equipment and leasehold improvements	**33,445**	16,240
Commitment to contribute share capital to a joint venture	**66,041**	—
	4,220,336	16,240

17 EVENTS AFTER THE REPORTING PERIOD

(a) Agreements for engineering, procurement and construction service

On 6 January 2015, the Group entered into agreements with two contractors which undertook to provide engineering, procurement and construction services of photovoltaic power plants with an aggregate capability of 200MW in Shangyi city in Hebei province, Yulin city in Shaanxi province and Zhenglanqi in Inner Mongolia Autonomous Region, the PRC. The aggregate consideration for the services under these agreements is approximately HK$1,491,559,000 (equivalent to RMB1,195,225,000).

(b) Solar module purchase agreement

On 12 February 2015, the Group entered into an agreement with a supplier to acquire 100 MW of solar modules at the unit price of RMB4 per watt for a total consideration of approximately HK$505,720,000 (equivalent to RMB400,000,000).

(c) Cooperation agreement of Yuanmou Project ("the Cooperation Agreement")

On 2 March 2015, the Group, 昆明綠電科技有限公司 (the "Vendor") and 元謀綠電新能源開發有限公司 (the "Target Company") entered into a cooperation agreement, pursuant to which the parties agreed to cooperate in relation to phase one of the development of a photovoltaic power station project with a capacity of 50MW in Hewai of Yuanmou County, the PRC (the "Yuanmou Project Phase I"). The Yuanmou Project Phase I is part of a 100MW photovoltaic power station project in Hewai of Yuanmou County, the PRC (the "Yuanmou Project"), which is solely owned by the Target Company. Under the Cooperation Agreement, the Group will be responsible for the land rental of the Yuanmou Project Phase I up to a maximum of approximately HK$6,732,000 (equivalent to RMB5,333,000).

Pursuant to the Cooperation Agreement:

(i) the Group and the Vendor entered into a share transfer agreement under which the Group conditionally agreed to acquire 30% equity interest of the Target Company at a cash consideration of approximately HK$7,564,000 (equivalent to RMB6,000,000). After completion of the share transfer agreement, the Vendor will continue to hold 70% equity interest in the Target Company;

(ii) the Group and the Vendor entered into a share pledge agreement, pursuant to which the Vendor agreed to pledge the remaining 70% equity interest of the Target Company to the Group to guarantee its performance of its duties and obligations under the Cooperation Agreement and the equity purchase agreement; and

(iii) an EPC Agreement was entered into between the Target Company and the Vendor, under which the Target Company agreed to engage the Vendor to provide engineering, procurement and construction services in relation to the Yuanmou Project Phase I at a cash consideration of approximately HK$535,755,000 (equivalent to RMB425,000,000).

(iv) the Vendor will enter into a module sales agreement with the Group for the supply of modules for the Yuanmou Project Phase I at a price of RMB4.00 per watt for a total consideration of approximately HK$252,120,000 (equivalent to RMB200,000,000).

(d) Transactions with 中利騰暉光伏科技有限公司 ("Zhongli Solar Technology*") and 常熟中利騰暉光伏材料有限公司 ("Changshu Zhongli Solar*")

On 30 December 2014, the Group entered into equity purchase agreements with Zhongli Solar Technology and Changshu Zhongli Solar, pursuant to which the Group agreed to acquire two solar farm project companies (the "Target Companies") for a total consideration of approximately HK$18,698,000 (equivalent to RMB15,000,000). On the same date, two wholly owned subsidiaries of the Target Companies entered into EPC services agreements with Zhongli Solar Technology under which Zhongli Solar Technology was engaged to provide the engineering, procurement and construction services in relation to the photovoltaic solar power stations in Baotou City, Inner Mongolia Autonomous Region, the PRC and Gonghe County, Qinghai Province, the PRC, respectively. The aggregate consideration under the various agreements (including the above equity purchase agreements) is approximately HK$1,020,260,000 (equivalent to RMB818,500,000). Up to the date of this announcement, the transactions are still in progress.

* *English for identification only*

CHAIRMAN'S STATEMENT

Dear all shareholders,

I am pleased to announce on behalf of the Board that GCL New Energy Holdings Limited (the "Company" or "GCL New Energy") and its subsidiaries (together, the "Group") has experienced prominent growth in terms of its total assets and market capitalisation through business expansion, since the completion of share subscription, placing and change of company name on 9 May 2014. Based on the original plans and strategies and in reliance on the experience and expertise of the new management team, the Group expanded its business to renewable energy sector including development, acquisition or investment into greenfield or existing solar power plants, solar energy projects and solar energy assets. For the Reporting Period, the Group's total revenue was approximately HK$1,172.9 million (For the year ended 31 March 2014 (the "Prior Reporting Period"): approximately HK$1,579.8 million). Gross profit margin for the Reporting Period was approximately 8.1% (Prior Reporting Period: approximately 8.2%). Loss attributable to owners of the Company for the Reporting Period was approximately HK$112.7 million (Prior Reporting Period: approximately HK$173.3 million), mainly due to amortisation of expenses related to share options as well as the increase in costs and expenses due to expansion into solar energy business. Except where specified, the comparative figures refer to the results of the Prior Reporting Period.

Leveraging on the advantages of being the biggest independent power producing company, the company is growing into one of the world's leading photovoltaic power plant enterprise

As a result of the hard work of our management and our staff, on 9 May 2014, the Company announced the completion of the placement and the share subscription which raised approximately HK$1.64 billion, and with the change of the company name becoming effective on the same date, all these signified the official birth of GCL New Energy. GCL New Energy is now focusing on development, construction and operation of solar power, energy storage, energy conservation, smart micro-grid and distributed energy. The Company has a world-class research and development team and operations management team and possesses extensive experience in development, construction, operation, maintenance, investment and financing and innovation with respect to solar power systems integration and photovoltaic power plant projects. The subscription and the placing aforementioned were also rewarded "Best Transaction 2014" by the prestigious Acquisition International Magazine in the UK.

On 8 October 2014, the Company placed additional shares to raise a further HK$740 million and was admitted to MSCI Index in November 2014. In February 2015, GCL New Energy was awarded "Most Excellent Investment Holding Company (Hong Kong)" by Corporate Livewire, a UK organisation. All these indicate the recognition and approval by the international capital market of the performance, potential and development prospect of GCL New Energy.

As at 31 December 2014, installed capacity of the photovoltaic power stations of the Company which were completed and approved for on-grid connection exceeded the Company's target. The Company also planned for additional 2.0 GW, 2.5 GW and 3.0 GW on-grid capacities for 2015–2017. Projects completed in 2014 which were approved for on-grid connection are located in Inner Mongolia, Jiangsu, Shanxi, Qinghai, and Xinjiang, and for such projects the Company adopted an approach of joint development and acquisition. For projects in the future, GCL New Energy will gradually increase its efforts on in house development, making it its central strategy to be complemented by other jointly developed or acquired projects. As for project types, the Company will continue to concentrate on large-scale ground-mounted power plants yet speed up on its development of distributed photovoltaic projects with higher profit yields at the same time. With China remaining to be our core area of development, the Company will try to lay hands on other emerging markets with high growth.

Diversifying financing avenue to construct a steadfast financial platform for future development

For our fund management, the Company strengthened its communications with banks and various financial institutions to expand our financing avenue. Different financial measures were adopted to ensure rational and effective use of funds. GCL New Energy will continue to expand and optimise financing avenue such as project-based loans, short-term loans, financial leasing, and foreign financing. It will also match different stages of project development with corresponding project financing plans, formulating financing proposals for projects based on the actual conditions of the projects.

In 2014, GCL New Energy was granted credits by many large financial institutions and made considerable progress with respect to foreign financing. On 29 December 2014, GCL New Energy announced that the Company and its subsidiaries entered into a revolving loan agreement for US$ 80 million with BOCI Leveraged and Structured Finance Limited (中銀國際槓杆及結構融資有限公司) to provide working capital and finance the solar power plants for GCL New Energy. The loan was the first financial loan in the PRC for overseas solar power plants taken out based on the repayment capacity of the project and is guarantee-free and revolving. It represented an innovative way of coordinating domestic and overseas finances and financing for GCL New Energy in a historic cooperation with PRC banks. The loan provided revolving financing of key importance for the Company's solar power plant projects in the phase of construction before they obtained long-term financing. Meanwhile, the loan can fill in the funding needs in the gap between the construction and the on-grid connection of solar power plants as the loan was taken out based on the repayment capacity of the projects, creating a new financing platform in cross-border cooperation that will be beneficial for our sustained development. Meanwhile, a fund management company has been set up by GCL New Energy in cooperation with banks and other financial institutions, planning to set up funds to support the future development of the Company's businesses.

Prospects

In 2014, different policies regarding the photovoltaic industry were fine-tuned and finalized, which rationalised the industry. Additional installed photovoltaic capacity of the PRC was approximately 10.5 GW in 2014, failing the planned target of 14 GW. We believe that as the industry is becoming mature and different complementary policies will be implemented, the installed photovoltaic capacity of the PRC in 2015 will be significantly increased, especially that of distributed power plants.

In January 2015, the National Energy Administration issued the exposure draft of "National Annual Plan of New On-Grid Connected Photovoltaic Capacity in 2015", pursuant to which the National Energy Administration planned for 15 GW new on-grid connected capacity in 2015, including 8 GW of concentrated power plants and 7 GW of distributed power plants (rooftop distributed plants will be no less than 3.15 GW). The exposure draft specified that no development cap is imposed for Beijing, Tianjin, Shanghai, Chongqing and Tibet, provided that no unused capacity will be resulted. For Beijing, Tianjin and Shanghai, a minimum development target of 50,000 kW is set for distributed plants. For rooftop distributed photovoltaic equipment, two modes are available: total on-grid connection, or surplus on-grid connection. The exposure draft showed that the state was committed to and confident in the development of photovoltaic power, especially distributed photovoltaic power. GCL New Energy will make regional plans in Inner Mongolia, Xinjiang, Ningxia, Shaanxi, Shanxi, Jiangsu and other regions according to the present conditions of photovoltaic industry in the nation, leveraging on this opportunity to make use of our advantages in terms of development, construction and operation. We insist on our strategy of combining industrial and financial means, taking a technology-based approach, gathering more talents to create synergy and innovation, dedicated to the promotion of renewable energy application and encouraging structural transformation of regional economies. We anticipate that green energy will be become part and parcel of our daily life.

The Company will focus on the development of in-house development capacity and accumulation of self-developed projects. The Company will also focus on the development of carefully selected regions in response to the prevailing conditions of photovoltaic market. The Company will adopt strict fund management and investment management initiatives, perfect its project manager responsibility system and improve its information management platform. In 2015, with our philosophy of "promoting the development of green energy through constant technological innovation", GCL New Energy strives to create the greatest value for our shareholders, providing safe, clean, economical, green new energy for our society and contributing to greener field, clearer water and better living environment. We pursue both autonomous developments and joint developments of photovoltaic plants in tandem with our partners to increase the total installed capacity as well as the proportion of autonomous development. We should yield higher returns for all our investors by further business integration, better management of our operation, and increasing operation efficiency.

Acknowledgements

On behalf of the Board, I express my sincere appreciation for the hard work and contribution of the management and staff of GCL New Energy as well as the support of our shareholders, business partners and banks.

Tang Cheng

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Due to the change of financial year end date, this reporting period only covered nine months result of the Group. For the Reporting Period, the revenue of the Group amounting to HK$1,172.9 million (Prior Reporting Period: HK$1,579.8 million). Loss attributable to owners of the Company amounted to HK$112.7 million (Prior Reporting Period: HK$173.3 million). The loss was mainly attributable to share-based payment expense and increased in operating expenses as a result of the expansion into solar energy business.

Use of Proceeds

The Company raised approximately HK$1,635 million in net proceeds by subscription and placement of new shares on 9 May 2014. As at 31 December 2014, the above amount has been utilised as follows:

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

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

The Company then signed the Top-Up Placing Agreement and Top-Up Subscription Agreement on 8 October 2014. An aggregate of 291,000,000 Top-Up Placing Shares have been successfully placed to not less than six placees who are third parties independent of the Company and connected persons (within the meaning of the Listing Rules) of the Company, at the Top-Up Placing Price of HK$2.55 per Top-Up Placing Share, represented a discount of approximately 19.3% to the closing price of HK$3.16 per Share as quoted on the Stock Exchange. The net price of the Top-Up Subscription is approximately HK$2.53 per Share. The net proceeds from the Top-Up Subscription was approximately HK$735 million and will be used for the investment, construction and development of photovoltaic power stations and general working capital. The top-up placement and top-up subscription of new shares completed on 13 October 2014 and 16 October 2014, respectively. As at 31 December 2014, an aggregate amount of HK$510 million has been utilised as follows:

1. Approximately HK$423 million for the investment, construction and development of solar farms; and

2. Approximately HK$87 million for the general working capital, including mainly professional fees and office expenses.

Business Review

Solar Energy Business

On 9 May 2014, the subscription of 360,000,000 ordinary shares, placement of 50,000,000 ordinary shares, conversion of convertible redeemable bond and the change of company name were completed. With the funds raised by subscription and placement of new shares, we diversify our scope of business into renewable business, which includes the development, construction, operation and management of solar energy.

During the Reporting Period, through intensive acquisitions and developments, the Group successfully expanded into solar energy business and developed a significant amount of solar farm projects throughout different regions of the PRC. As at 31 December 2014, we completed the construction and obtained the approval for on-grid connection for the following projects: Jinhu Zhenhui 100MW ground-mounted solar farm project and Suqian 10.4MW rooftop distributed solar farm project in Jiangsu province, Xiangdao 130MW ground-mounted solar farm project in Inner Mongolia Autonomous Region, Yu County 50MW and Licheng 30MW ground-mounted solar farm projects in Shanxi province, Hami Yaohui 60MW and Hami Ourui 20MW ground-mounted solar farm projects in Xinjiang province; and Shuqimeng 17.5MW rooftop distributed solar farm project in Zhejiang province. In addition, the Group completed the acquisition of Delingha 100MW ground-mounted solar farm project in Qinghai province by end of December, which can immediately contribute revenue to the Group as the Delingha solar farm project was already grid-connected.

For the Reporting Period, revenue contributed by solar energy business amounted to HK$0.8 million (Prior Reporting Period: Nil). As most of our solar farms achieved on-grid connection in late December, only a little amount of revenue was contributed to the Reporting Period.

Printed Circuit Board Business

For the Reporting Period, revenue contributed by printed circuit board business ("PCB Business") amounted to HK$1,172.1 million, as compared with HK$1,579.8 million for the Prior Reporting Period. Gross margin slightly decreased to 8.1% for the Reporting Period from 8.2% for the Prior Reporting Period as a result of inflation in staff and other production costs. The Group will continue to implement stringent cost control measures to different production cycles of our PCB business so as to reduce our production cost and improve the gross margin.

Employees and Remuneration Policies

We consider our employees to be our most important resource. As at 31 December 2014, the Group had approximately 4,040 employees in Hong Kong, the PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits include discretionary bonuses, with share options granted to eligible employees.

Financial Review

Segment Information

The Group reported its financial information by two segments — the solar energy business and PCB Business — during the Reporting Period. The following table sets forth the Group's profit/loss from operations by business segment:

	Solar Energy Business *HK$ million*	**PCB Business** *HK$ million*	**Unallocated** *HK$ million*	**Total** *HK$ million*
Revenue from external customers	0.8	1,172.1	—	1,172.9
Segment (loss)/profit	(44.1)	15.6	(84.3)	(112.8)
EBITDA	(51.0)	158.2	(84.0)	23.2

In Prior Reporting Period, the Group was principally engaged in the manufacturing and selling of printed circuit board and PCB business was the only one reportable segment for the Group.

Revenue

Revenue for the Reporting Period amounted to HK$1,172.9 million, as compared with HK$1,579.8 million for the Prior Reporting Period. During the Reporting Period, revenue was mainly contributed by the PCB Business as most of our solar farms from Solar Energy Business achieved the on-grid connection in late December 2014.

Gross Margin

The Group's gross margin for the Reporting Period was 8.1%, as compared with 8.2% for the Prior Reporting Period. Gross margin for the PCB Business was 8.0% for the Reporting Period, slightly decreased from 8.2% for the Prior Reporting Period. The decrease in gross margin was mainly due to the increase in staff and other production costs.

Other Income

During the Reporting Period, other income mainly included sales of manufacturing by-products amounting to HK$35.6 million (Prior Reporting Period: HK$56.6 million), management service income amounting to HK$20.0 million (Prior Reporting Period: Nil) and government subsidies for Jiangxi factory amounting to HK$12.6 million (Prior Reporting Period: HK$11.9 million). Government subsidies represent cash received from the local municipal government in the PRC as incentives to encourage export sales in the PRC, the conditions attached thereto had been fully complied with.

Distribution and Marketing Costs

For the Reporting Period, distribution and marketing expenses decreased to HK$16.9 million (Prior Reporting Period: HK$25.9 million). The decrease was mainly due to the decrease in sales commission during the Reporting Period.

Administrative Expenses

Administrative expenses increased to HK$184.8 million for the Reporting Period (Prior Reporting Period: HK$127.3 million). The increase in administrative expenses was attributed to i) increase in staff cost, office rental expense and other operating costs as a result of expansion into solar energy business; and ii) more legal and professional fees were incurred due to various acquisitions of solar farm projects during the Reporting Period.

Share-based Payment Expenses

Share-based payment expenses amounting to HK$91.9 million for the Reporting Period (Prior Reporting Period: Nil). The amount represented the share option expenses arising from the Company's share option scheme which has been recognised in the Reporting Period.

Gain/(loss) relating to the Convertible Redeemable Bond

During the Reporting Period, the Group recognised a realised gain on embedded derivatives amounting to HK$57.3 million upon conversion of convertible redeemable bond into 33,542,857 ordinary shares of the Company at the price of HK$1.75 per share on 9 May 2014.

The Group recognised a fair value loss on embedded derivative of the convertible redeemable bond amounting to HK$166.7 million during the Prior Reporting Period, which is primarily a result of the changes certain parameters during that year used to determine the fair value of the embedded derivatives.

Finance Costs

Finance costs amounting to HK$18.6 million for the Reporting Period (Prior Reporting Period: HK$30.3 million). As a result of smaller average bank borrowing balance during the Reporting Period and no interest expense incurred after the conversion of convertible redeemable bond on 9 May 2014, lesser finance costs were incurred for the Reporting period.

Income Tax Expense

Income tax expense for the Reporting Period was HK$15.5 million. For Prior Reporting Period, income tax expense was HK$26.6 million. Decrease in income tax expense were attributed to decrease in deferred income tax.

Loss Attributable to Owners of the Company

The Group recorded a loss attributable to owners of the Company of HK$112.7 million for the Reporting Period as compared with a loss attributable to owners of the Company of HK$173.3 million for the Prior Reporting Period.

Dividend

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

Property, Plant and Equipment

Property, plant and equipment increased significantly from HK$863.9 million as of 31 March 2014 to HK$6,679.6 million as of 31 December 2014. This is mainly attributable to the increase in solar farm assets contributed by the Solar Energy Business. During the Reporting Period, the Group developed and completed a significant amount of solar farm projects and thus solar farm assets increased.

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

Non-current portion for deposits, prepayment and other non-current assets increased from HK$9.5 million as of 31 March 2014 to HK$1,079.6 million as of 31 December 2014. The increase was mainly attributable to increase in deposits for engineering, procurement construction contracts of HK$499.2 million and increase in refundable value-added tax arising from acquisition of raw materials for construction of solar farms of HK$425.5 million.

Trade and Other Payables

Trade and other payables increased from HK$479.0 million as of 31 March 2014 to HK$3,643.2 million as of 31 December 2014. As a result of a significant amount of solar farm projects developed during the Reporting Period, other payables related to purchase of plant and machinery and constructions for solar farms increased to HK$2,831.7 million as of 31 December 2014 as compared to HK$48.5 million as of 31 March 2014.

Liquidity and Financial Resources

	Nine Months Ended 31 December 2014	Twelve Months Ended 31 March 2014
	HK$ million	*HK$ million*
Net cash (used in)/generated from operating activities	**(518.2)**	121.6
Net cash used in investing activities	**(3,245.8)**	(67.3)
Net cash generated from/(used in) financing activities	**4,472.5**	(57.4)

For the Reporting Period, the Group's main sources of funding were cash generated from financing activities. The main financing activities of the Group during the Reporting Period included issuance of shares through placement and share subscription of HK$930.7 million and HK$1,431.2 million respectively, newly raised bank borrowings of HK$1,379.6 million and loan from a fellow subsidiary amounting to HK$945.3 million. The net cash used in operating activities during the Reporting Period was HK$518.2 million. As the Company expanded into Solar Energy Business, more operating expenses were incurred and paid during the Reporting Period. The net cash used in investing activities during the Reporting Period primarily arose from payments and deposit paid for acquisition of property, plant and equipment, which was mainly contributed by Solar Energy Business as a result of the acquisition and development of solar farm projects.

The aggregate restricted and unrestricted cash and bank balances amounted to approximately HK$1,314.8 million as at 31 December 2014 (31 March 2014: HK$51.3 million). The Group's total assets as at 31 December 2014 were HK$9,968.0 million (31 March 2014: HK$1,518.6 million).

At 31 December 2014, the Group's banking facilities were summarised as follows:

	31 December 2014	31 March 2014
	HK$ million	*HK$ million*
Total banking facilities granted	**3,225.8**	367.9
Facilities utilised	**(2,250.6)**	(296.0)
Available facilities	**975.2**	71.9

Indebtedness

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

At 31 December 2014, the Group's total borrowings and loan from a fellow subsidiary were repayable as follows:

	31 December 2014	31 March 2014
	HK$ million	*HK$ million*
Non-current		
Bank loans	**1,928.6**	50.7
Obligations under finance leases	**35.4**	19.8
	1,964.0	70.5
Current		
Bank loans due for repayment within one year	**322.0**	245.3
Obligations under finance leases	**37.9**	19.4
Shareholder's loan	**20.0**	20.0
Loan from a fellow subsidiary	**950.7**	—
	1,330.6	284.7
Total	**3,294.6**	355.2

The loan from a fellow subsidiary was unsecured, interest bearing at fixed rate of 5.6% per annum and for a term of three months.

The Group's borrowings and loan from a fellow subsidiary are denominated in the following currencies:

	31 December 2014	31 March 2014
	HK$ million	*HK$ million*
RMB	**3,253.1**	319.0
HK$	**26.0**	30.2
US$	**15.5**	6.0
	3,294.6	355.2

At 31 December 2014, the maturities of the bank loans of the Group were as follows:

	31 December 2014 *HK$ million*	31 March 2014 *HK$ million*
Within one year	**322.1**	245.3
In the second year	**1,175.6**	50.7
In the third to fifth year	**154.6**	—
Over five years	**598.3**	—
Total	**2,250.6**	296.0

Key Financial Ratios of the Group

	31 December 2014	31 March 2014
Current ratio	**0.41**	0.52
Quick ratio	**0.38**	0.35
Net debt to equity attributable to the owners of the Company	**68.2%**	164.1%

Current ratio	=	Balance of current assets at the end of the period/year / balance of current liabilities at the end of the period/year
Quick ratio	=	(Balance of current assets at the end of the period/year — balance of inventories and project assets at the end of the period/year) / balance of current liabilities at the end of the period/year
Net debt to total equity attributable to owners of the Company	=	(Balance of total interest-bearing borrowings at the end of the period/year — balance of bank balances, cash and pledged bank deposits at the end of the period/year) / balance of equity attributable to owners of the Company at the end of the period/year

Foreign Currency Risk

Most of our revenue, cost of sales and operating expenses are denominated in RMB, US dollars and Hong Kong dollars. Some of the bank deposits are denominated in RMB and Hong Kong dollars. Most of our assets and liabilities are denominated in RMB and Hong Kong dollars.

For the Reporting Period, the Group did not purchase any material foreign currency or interest rate derivatives or related hedging instruments.

Pledge of Assets

At 31 December 2014, the Group's property, plant and equipment, land use rights and bank deposits with net book amount of HK$1,743.8 million, HK$8.0 million and HK$556.3 million, respectively (31 March 2014: HK$326.0 million, HK$20.3 million and HK$5.1 million, respectively) were pledged as security for the bank facilities granted to the Group amounted to HK$2,478.5 million (31 March 2014: HK$317.1 million).

At 31 December 2014, the Group's property, plant and equipment with a net book amount of HK$106.8 million (31 March 2014: HK$81.2 million) were pledged as security for obligations under finance leases of the Group amounting to HK$73.3 million (31 March 2014: HK$39.2 million).

Capital Commitments

As at 31 December 2014, the Group's capital commitments in respect of construction commitments related to solar farm, purchase of machinery and leasehold improvements and share capital commitment to a joint venture contracted for but not provided amounted to approximately HK$4,120.9 million, HK$33.4 million and HK$66.0 million, respectively (31 March 2014: Nil, HK$16.2 million and Nil, respectively).

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

Events After the Reporting Period

(a) Agreements for engineering, procurement and construction service

On 6 January 2015, the Group entered into agreements with two contractors which undertook to provide engineering, procurement and construction services of photovoltaic power plants with an aggregate capability of 200MW in Shangyi city in Hebei province, Yulin city in Shaanxi province and Zhenglanqi in Inner Mongolia Autonomous Region, the PRC. The aggregate consideration for the services under these agreements are approximately HK$1,491,559,000 (equivalent to RMB1,195,225,000).

(b) Solar module purchase agreement

On 12 February 2015, the Group entered into an agreement with a supplier to acquire 100 MW of solar modules at the unit price of RMB4 per watt for a total consideration of approximately HK$505,720,000 (equivalent to RMB400,000,000).

(c) Cooperation agreement of Yuanmou Project ("the Cooperation Agreement")

On 2 March 2015, the Group, 昆明綠電科技有限公司 (the "Vendor") and 元謀綠電新能源開發有限公司 (the "Target Company") entered into a cooperation agreement, pursuant to which the parties agreed to cooperate in relation to phase one of the development of a photovoltaic power station project with a capacity of 50MW in Hewai of Yuanmou County, the PRC (the "Yuanmou Project Phase I"). The Yuanmou Project Phase I is part of a 100MW photovoltaic power station project in Hewai of Yuanmou County, the PRC (the "Yuanmou Project"), which is solely owned by the Target Company. Please refer to note 17 of this announcement for details.

(d) Transactions with 中利騰暉光伏科技有限公司 ("Zhongli Solar Technology") and 常熟中利騰暉光伏材料有限公司 ("Changshu Zhongli Solar*")*

On 30 December 2014, the Group entered into equity purchase agreements with Zhongli Solar Technology and Changshu Zhongli Solar pursuant to which the Group agreed to acquire two solar farm project companies (the "Target Companies") for a total consideration of approximately HK$18,698,000 (equivalent to RMB15,000,000). On the same date, two wholly owned subsidiaries of the Target Companies entered into EPC services agreements with Zhongli Solar Technology under which Zhongli Solar Technology was engaged to provide the engineering, procurement and construction services in relation to the photovoltaic solar power stations in Baotou City, Inner Mongolia Autonomous Region, the PRC and Gonghe County, Qinghai Province, the PRC, respectively. The aggregate consideration under the various agreements (including the above equity purchase agreements) is approximately HK$1,020,260,000 (equivalent to RMB818,500,000). Up to the date of this announcement, the transactions are still in progress.

PURCHASE, SALES 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 during the Reporting Period.

CORPORATE GOVERNANCE

The Company is committed to promoting high standards of corporate governance through its continuous effort in improving its corporate governance practices and process. The Board believes that sound and reasonable corporate governance practices are essential for sustainable development and growth, and safeguarding the interests and assets of the Group and enhancement of shareholders' value. Throughout the Reporting Period, the Company complied with all the code provisions set out in the Appendix 14 Corporate Governance Code and Corporate Governance Report (the "**CG Code**") of the Listing Rules, except for the deviations as explained below.

Code provision A.2.1 of the CG Code requires the roles of chairman and chief executive to be separate and not be performed by the same individual. Mr. Tang Cheng has been the Chairman and President of the Company with effect from 9 May 2014. Mr. Tang Cheng has in-depth knowledge and expertise in the solar power plant projects. The Board has evaluated such arrangement and considered that this structure could enhance efficiency and effectiveness in the formulation and implementation of the Company's strategies as well as the management of the operations of the Group at the initial stage. The distinct roles of the Chairman, Mr. Tang Cheng and the President of the Company, Mr. Zhang Guoxin are acknowledged since 25 September 2014.

Under Code provision A.5.1 of the CG Code that the Company should establish a nomination committee which is chaired by the chairman of the Board or an independent non-executive Director and comprises a majority of independent non-executive Directors, and under code provision A.5.2 of the CG Code that nomination committee should be established with specific written terms of reference which deal clearly with its authority and duties. The Company has not set up a Nomination Committee until 9 May 2014. Pursuant to the Company's Bye-laws ("Bye-laws"), any Director appointed by the Board either to fill a casual vacancy or as an addition to the Board shall retire and be eligible for re-election at the first general meeting or next following annual general meeting respectively after appointment. Executive Directors identify potential new Directors and recommend to the Board for decision. In considering the nomination of a new Director, the Board will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of independent non-executive Directors, the Board follows the requirements set out in the Listing Rules. Mr. Han Qing-hua, an independent non-executive Director and a member of the Nomination Committee passed away on 30 January 2015 following illness and resulted in the deviation from the code provisions A.5.1 and Rule 3.25 of the Listing Rules. To fill the vacancy, the Company appointed Mr. Wang Yanguo, an independent non-executive Director as a member of the Nomination Committee on 9 February 2015.

Code provision A.6.7 of the CG Code requires that independent non-executive Directors and other non-executive Directors shall attend general meetings and develop a balanced understanding of the views of Shareholders. Ms. Yu Hung Min and Mr. Yip Wing Fung were unable to attend the SGM of the Company held on 23 April 2014 as they had other important business engagement. Ms. Sun Wei, Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai were unable to attend the SGM held on 27 June 2014 as they had other important business engagement. Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai were unable to attend the annual general meeting (the "**AGM 2014**") of the Company held on 18 August 2014 as they had other important business engagement. Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Xu Songda and Mr. Han Qing-hua, were unable to attend the SGM held on 15 October 2014 as they had other important business engagement. Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua and Mr. Han Qing-hua, were unable to attend the SGM held on 18 November 2014 as they had other important business engagement.

Under Code provision D.1.4 of the CG Code that issuers should have formal letters of appointment for Directors setting out the key terms and conditions of their appointment. The Company did not have formal letter of appointment for Mr. Yip Sum Yin and Ms. Yu Hung Min, the former Director who resigned on 9 May 2014. On 9 May 2014, Mr. Yip Sum Yin entered into a letter of employment for a term of three years, subject to retirement by rotation and re-election in accordance with the Bye-laws.

Under Code provision E.1.2 of the CG Code that the Chairman of the Board should attend the AGM 2014. The Chairman of the Board, Mr. Tang Cheng, was unable to attend the AGM 2014 as he had another business engagement. Mr. Gu Xin, the executive Director, attended and took the chair of the AGM 2014 and answered questions from the Shareholders.

AUDIT COMMITTEE AND FINANCIAL INFORMATION

The financial information in this announcement does not constitute the Group's consolidated financial statements for the year, but represents an extract from those consolidated financial statements. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, and the final results of the Group for the Reporting Period in conjunction with the external auditor of the Company.

SCOPE OF WORK OF MESSRS PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the Reporting Period as set out in this announcement have been agreed by the Group's auditor, Messrs PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs PricewaterhouseCoopers on this announcement.

AUDIT OPINION

The auditor of the Group has issued an opinion with emphasis of matter on the consolidated financial statements of the Group for the period under audit. An extract of the auditor's report is set out in the section headed "EXTRACT OF THE AUDITOR'S REPORT" below.

EXTRACT OF THE AUDITOR'S REPORT

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the Group's loss and cash flows for the nine-month period then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

We draw attention to Note 2.2 to the consolidated financial statements which states that the Group's current liabilities exceeded its current assets by HK$2,973 million as at 31 December 2014; and it had incurred a net loss of HK$113 million and had a net cash outflow from operating activities of HK$518 million for the nine-month period ended 31 December 2014. In addition, the Group had entered into agreements during the nine months ended 31 December 2014 and up to the date of this report to acquire solar farm sites and construct the solar farms thereon which will involve total capital expenditures of approximately HK$9,711 million (equivalent to approximately RMB7,683 million). These conditions, along with other matters as described in Note 2.2 below, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 27 May 2015 to Thursday, 28 May 2015, both days inclusive, during which period no transfer of shares will be effected and for the purpose of determining the identity of members who are entitled to attend and vote at the annual general meeting of the Company to be held on Thursday, 28 May 2015 at 11:00 a.m.. In order to be eligible to attend and vote at the AGM, all completed share transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Tuesday, 26 May 2015.

* *All of the English titles or names of the PRC laws and regulations, as well as certain items contained in this announcement have been included for identification purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail.*

By order of the Board
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Tang Cheng
Chairman

Hong Kong, 25 March 2015

As at the date of this announcement, the executive Directors are Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Zhang Guoxin, Ms. Hu Xiaoyan and Mr. Yip Sum Yin; the non-executive Directors are Mr. Zhu Yufeng, Ms. Sun Wei and Mr. Sha Hongqiu; and the independent non-executive Directors are Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo and Mr. Lee Conway Kong Wai.