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

(incorporated in Bermuda with limited liability)

(Stock code: 451)

PRELIMINARY ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The board (the "Board") of the directors (the "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 year ended 31 December 2015 (the "Reporting Period"), with comparative figures for the nine months ended 31 December 2014 (the "Prior Reporting Period") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	**1.1.2015 to 31.12.2015** ***RMB'000***	1.4.2014 to 31.12.2014 *RMB'000* (Restated)
Revenue	*4*	**1,969,899**	930,433
Cost of sales		**(1,447,365)**	(855,380)
Gross profit		**522,534**	75,053
Other income	*5*	**277,577**	67,198
Distribution and selling expenses		**(17,133)**	(13,407)
Administrative expenses		**(358,805)**	(146,579)
Share-based payment expenses		**(135,542)**	(72,895)
Gain on change in fair value of convertible bonds	*15*	**29,064**	–
Change in fair value of embedded derivatives in convertible redeemable bonds	*15*	**–**	45,475
Other expenses, gains and losses, net		**53,018**	(16,661)
Impairment loss recognised on plant and equipment		**(42,104)**	–
Bargain purchase from business combination		**21,626**	–
Share of profits (losses) of joint ventures		**9,019**	(542)
Finance costs	*6*	**(335,923)**	(14,793)

	NOTES	1.1.2015 to 31.12.2015 RMB'000	1.4.2014 to 31.12.2014 RMB'000 (Restated)
Profit (loss) before tax		**23,331**	(77,151)
Income tax expense	*7*	**(38,803)**	(12,298)
Loss for the year/period	*8*	**(15,472)**	(89,449)
Other comprehensive income (expense):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation		**32,548**	(5,911)
Total comprehensive income (expense) for the year/period		**17,076**	(95,360)
Loss for the year/period attributable to:			
Owners of the Company		**(15,229)**	(89,397)
Non-controlling interests		**(243)**	(52)
		(15,472)	(89,449)
Total comprehensive income (expenses) for the year/period attributable to:			
Owners of the Company		**17,321**	(95,310)
Non-controlling interests		**(245)**	(50)
		17,076	(95,360)
		RMB cents	*RMB cents* (Restated)
Loss per share	*10*		
– Basic			
– Diluted		**(0.11)**	(0.71)
		(0.30)	(0.71)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2015

	NOTES	At 31 December 2015 RMB'000	At 31 December 2014 RMB'000 (Restated)	At 1 April 2014 RMB'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**14,193,691**	5,269,499	681,025
Prepaid lease payments		**52,159**	6,799	16,524
Interests in joint ventures		**67,633**	42,059	–
Amounts due from related companies		**129,936**	21,534	–
Deferred tax assets		**20,941**	10,073	–
Deposits, prepayment and other non-current assets	*11*	**2,355,322**	842,191	7,468
Pledged bank and other deposits		**126,980**	9,498	–
		16,946,662	6,201,653	705,017
CURRENT ASSETS				
Inventories		**166,784**	137,858	161,855
Trade and other receivables	*12*	**3,150,943**	451,412	289,906
Other loan receivables		**389,378**	–	–
Amounts due from related companies		**55,972**	35,629	–
Prepaid lease payments		**1,772**	–	–
Tax recoverable		**783**	–	–
Pledged bank and other deposits		**825,171**	438,900	4,000
Bank balances and cash		**1,964,993**	598,340	36,462
		6,555,796	1,662,139	492,223
CURRENT LIABILITIES				
Trade and other payables	*13*	**7,100,248**	2,874,138	377,656
Amounts due to related companies		**179,632**	44,874	–
Tax payable		**57,637**	38,803	31,798
Loan from a shareholder		**16,756**	15,778	15,767
Loans from fellow subsidiaries		**629,157**	750,000	–
Bank and other borrowings	*14*	**4,466,690**	254,066	193,363
Obligations under finance leases		**48,201**	29,899	15,320
Bonds payable		**360,000**	–	–
		12,858,321	4,007,558	633,904
NET CURRENT LIABILITIES		**(6,302,525)**	(2,345,419)	(141,681)
TOTAL ASSETS LESS CURRENT LIABILITIES		**10,644,137**	3,856,234	563,336

	NOTES	At 31 December 2015 RMB'000	At 31 December 2014 RMB'000 (Restated)	At 1 April 2014 RMB'000 (Restated)
NON-CURRENT LIABILITIES				
Bank and other borrowings	*14*	**7,393,429**	1,521,467	40,000
Obligations under finance leases		**47,163**	27,959	15,558
Convertible bonds	*15*	**732,856**	–	306,451
Deferred income		**6,623**	6,777	16,489
Deferred tax liabilities		**22,027**	11,310	10,852
		8,202,098	1,567,513	389,350
NET ASSETS		**2,442,039**	2,288,721	173,986
CAPITAL AND RESERVES				
Share capital		**48,491**	48,491	9,456
Reserves		**2,392,743**	2,239,880	164,530
Equity attributable to owners of the Company		**2,441,234**	2,288,371	173,986
Non-controlling interests		**805**	350	–
TOTAL EQUITY		**2,442,039**	2,288,721	173,986

1. GENERAL INFORMATION

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

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

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

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

The change in functional and presentation currencies in presenting the operating results and financial positions of the Group effective from 1 July 2015 and is accounted for the change in functional and presentation currencies in accordance with International Accounting Standard ("IAS") 21 *The Effects of Changes in Foreign Exchange Rates*. Comparative figures have been re-stated to reflect the change in the Group's presentation currency. The Group has also presented the consolidated statement of financial position as at 1 April 2014 without related notes.

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

2. BASIS OF PREPARATION

As at 31 December 2015, the Group's current liabilities exceeded its current assets by approximately RMB6,303 million; and it incurred a net loss of approximately RMB15 million and had a net cash inflow from operating activities of RMB35 million for the year ended. In addition, at the date of approval of these consolidated financial statements, the Group has capital commitment to acquire solar power plant sites and construct solar power plants which will involve capital expenditures of approximately RMB6,689 million to be settled within the next twelve months from 31 December 2015. This included payables of approximately RMB4,275 million that have been recognised in current liabilities. In addition, the Group, subject to the availability of additional financial resources, is currently looking for further opportunities to increase the scale of its solar power plant operations through mergers and acquisitions. In the event that the Group is successful in securing more solar power plant investments or expanding the investments in the existing solar power plants in the coming twelve months from 31 December 2015, additional cash outflows will be required to settle further committed capital expenditure.

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

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

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 power plants, 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 2015, the Group successfully obtained new borrowings with an aggregate amount of approximately RMB852 million from banks in both Hong Kong and the PRC, of which approximately RMB723 million were with repayment terms of more than twelve months provided that the covenants under the borrowing agreements are satisfied. In addition, the Group also completed its right issues of shares on 3 February 2016 (the "Rights Issue") with net proceeds of approximately RMB1,935 million.

(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 RMB5,000 million to finance the solar energy projects undertaken by GCL-Poly and its subsidiaries. Up to the date of approval of these consolidated financial statements, approximately RMB1,905 million were drawn down by GCL-Poly and its subsidiaries other than any members of the Group, and approximately RMB1,230 million were drawn down by the subsidiaries of the Group. The remaining undrawn facility of approximately RMB1,865 million is available for the Group to draw down to finance its solar power plant projects. Under this framework agreement, guarantees from GCL-Poly and GCL-Poly Subsidiaries are required for the loan drawdowns. In addition, the drawdown of the facilities and the terms of the borrowings, including the borrowings amounts, pledges or guarantees required and repayment terms, are subject to further approval of the bank upon application by the Group, and provision of guarantees from GCL-Poly and GCL-Poly Subsidiaries. The Group is in the process of discussing with GCL-Poly to obtain GCL-Poly's further written support for the provision of guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank requires when the applications for the loan drawdowns are submitted;

(iv) The Group is currently negotiating with several banks in both Hong Kong and the PRC for additional financing. It has received detailed proposals from certain banks for total banking facilities with repayment periods for more than one year. The Group also received letters of intent from certain other banks which indicated that these banks tentatively offer banking facilities to the Group.

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

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

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

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described in (i) to (vi) above. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements is dependent on the Group's ability to generate adequate financing and operating cash flows through successful renewal of its bank borrowings upon expiry, compliance with the covenants under the borrowing agreements or obtaining waiver from the relevant banks if the Group is not able to satisfy any of the covenant requirements, successful securing of the financing from banks with repayment terms beyond twelve months from the date of approval of these consolidated financial statements, obtaining the necessary guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank (mentioned in note (iii) above) requires and other short-term or long-term financing; and the completion of the construction of the solar power plants to generate adequate cash inflows as scheduled. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

(a) Application of new and revised IFRSs

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

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

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

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

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

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

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

IFRS 9 Financial Instruments

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

Key requirements of IFRS 9:

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

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

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

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

IFRS 15 Revenue from Contracts with Customers

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

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

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

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

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

IFRS 16 Leases

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

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

The Directors anticipate that the application of IFRS 16 in the future may not have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements.

(c) Changes of accounting estimates

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

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

4. REVENUE AND SEGMENT INFORMATION

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

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

Note: Sales of electricity included RMB418,694,000 (1.4.2014 to 31.12.2014: RMB378,000) tariff adjustment received and receivable from the state grid companies in the PRC based on the prevailing nationwide government policies on renewable energy for solar power plants.

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

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

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

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

Segment revenue and results

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

Year ended 31 December 2015

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

Period from 1 April to 31 December 2014

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

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

Segment assets and liabilities

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

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

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

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

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

5. OTHER INCOME

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

Notes:

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

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

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

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

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

6. FINANCE COSTS

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

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

7. INCOME TAX EXPENSE

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

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

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

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

8. LOSS FOR THE YEAR/PERIOD

	1.1.2015 to 31.12.2015	1.4.2014 to 31.12.2014
	RMB'000	*RMB'000*
		(Restated)
Loss for the year/period has been arrived at after charging (crediting):		
Amortisation of deferred income on government grants	**(154)**	(278)
Amortisation of prepaid lease payments	**1,802**	290
Auditor's remuneration	**3,292**	3,237
Cost of inventories recognised as cost of sales	**617,600**	498,302
Depreciation of property, plant and equipment	**381,976**	80,492
Impairment of goodwill	**–**	6,279
Operating lease rental in respect of properties	**15,426**	8,568
Staff costs (including directors' remuneration but excluding share based payments)		
– Salaries, wages and other benefits	**347,546**	199,532
– Retirement benefit scheme contributions	**36,686**	18,216
Share-based payment expenses (Administrative expenses in nature)		
– Directors and staff	**103,958**	57,263
– Consultancy services	**31,584**	15,632

9. DIVIDENDS

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

10. LOSS PER SHARE

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

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

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

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

Diluted loss per share for both reporting periods did not assume (i) the exercise of the share options since the exercise had an anti-dilutive effect on the loss per share for both periods; and (ii) the conversion of convertible redeemable bonds since conversion had an anti-dilutive effect on loss per shares for the period from 1 April to 31 December 2014.

As described in note 17, the Company completed the Rights Issue subsequent to the end of the reporting period but prior to the date the consolidated financial statements were authorised for issue, however, as there is bonus element in the Right Issue, retrospective adjustment is made for the weighted average number of ordinary shares for the current and prior period.

11. DEPOSITS, PREPAYMENT AND OTHER NON-CURRENT ASSETS

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

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

12. TRADE AND OTHER RECEIVABLES

	2015 RMB'000	2014 RMB'000 (Restated)
Trade receivables	**865,270**	338,913
Bills receivable	**682,813**	–
Prepayment and deposits	**130,566**	7,688
Other receivables		
– Consultancy services income receivables	**82,079**	–
– Receivables for modules procurement	**1,325,203**	–
– Refundable value-added tax	**153,440**	61,917
– Others	**87,272**	42,894
	3,326,643	451,412
Analysed as		
Current	**3,150,943**	451,412
Non-current *(note 11)*	**175,700**	–
	3,326,643	451,412

Trade receivables primarily comprise amounts receivable for the sale of PCB products and receivables for electricity sales and included tariff adjustment receivables to be received from the state grid companies within twelve months from the reporting date. The current portion and non-current portion of tariff adjustment receivables are approximately RMB280,973,000 (2014:RMB59,084,000) and RMB175,700,000 (2014:nil) (Note 11), respectively. The tariff adjustment receivables are recognised based on the prevailing nationwide government policies on renewable energy for solar power plants amounting to approximately RMB456,673,000 (2014:RMB59,084,000). The Directors expected certain part of the tariff adjustment receivables will be recovered after twelve months from the reporting date and classified as non-current assets.

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

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

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

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

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

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

Note: Unbilled receivable represents tariff adjustment to be bill and receive based on prevailing national government policies on renewable energy.

Consultancy services income receivables and modules sales receivables are aged from 0 to 90 days.

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

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

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

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

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

13. TRADE AND OTHER PAYABLES

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

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

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

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

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

14. BANK AND OTHER BORROWINGS

	2015	2014
	RMB'000	*RMB'000*
		(Restated)
Bank loans	**7,241,761**	1,775,533
Other loans	**4,618,358**	–
	11,860,119	1,775,533
Secured	**6,826,307**	1,764,466
Unsecured	**5,033,812**	11,067
	11,860,119	1,775,533
Total borrowings	**11,860,119**	1,775,533
Less: Amounts due within one year shown under current liabilities	**(4,466,690)**	(254,066)
Amounts due after one year	**7,393,429**	1,521,467
Analysed as:		
Fixed-rate borrowings	**6,388,522**	600,206
Variable-rate borrowings	**5,471,597**	1,175,327
	11,860,119	1,775,533

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

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

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

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

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

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

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

15. CONVERTIBLE BONDS

Year ended 31 December 2015

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

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

(a) Interest rate

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

(b) Conversion price

The bond matures three years from the date of issuance at its nominal value of HK$775,100,000 and HK$200,000,000 or can be converted into ordinary shares of the Company at an original conversion price of HK$1.20 per share, subject to adjustments, after six months from the date of issuance to the date of maturity.

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

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

(ii) In addition, (1) if at any time after the date falling six months from the date of the instrument (i.e. 27 May 2015 and 20 July 2015), the 30-day average price falls below 80% of the applicable conversion price, the conversion price shall be adjusted to a price equal to the higher of (i) the then prevailing conversion price multiplied by 0.80 and (ii) the Minimum Conversion Price (see definition below) of HK$0.78 (the conversion price so adjusted being the "First Adjusted Conversion Price"). The First Adjusted Conversion Price shall be effective from the close of business in Hong Kong on the business day following the last dealing day within the period of the 30 consecutive dealing days in which such 30-day average price is ascertained; and (2) if at any time after the date falling three months from the date of the First Adjusted Conversion Price, the 30-day average price falls below 80% of the then prevailing conversion price, the conversion price shall be further adjusted to a price equal to the higher of (i) the then applicable conversion price multiplied by 0.80 and (ii) the Minimum Conversion Price (the conversion price so adjusted being the "Further Adjusted Conversion Price"). The Further Adjusted Conversion Price shall be effective from the close of business in Hong Kong on the business day following the last dealing day within the period of the 30 consecutive dealing days in which such 30-day average price is ascertained. For these purposes, "Minimum Conversion Price" means HK$0.78 subject to adjustments in the same manner as the conversion price. The Minimum Conversion Price has been further adjusted to HK$0.754 with effect from 6 January 2016 as a result of the determination of entitlements to the Rights Issue.

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

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

(c) Maturity

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

(d) Redemption

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

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

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

The following assumptions were applied:

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

Period ended 31 December 2014

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

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

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

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

The movement of liability component is as follows:

	2014
	RMB'000
	(Restated)
As at 1 April 2014	45,977
Interest expense for the period *(note 6)*	254
Conversion into ordinary shares	(46,520)
Effect of foreign currency exchange differences	289
As at 31 December 2014	–

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

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

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

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

16. CAPITAL COMMITMENTS

	2015	2014
	RMB'000	*RMB'000*
		(Restated)
Contracted for but not provided:		
Construction commitments in respect of solar power plants	**4,847,312**	3,250,938
Property, plant and equipment and leasehold improvements	**15,998**	26,385
Commitment to contribute share capital to a joint venture	**36,000**	52,100
	4,899,310	3,329,423

17. EVENTS AFTER REPORTING PERIOD

Other than disclosed elsewhere in the consolidated financial statements, the Group also has the following significant events after the end of the reporting period:

(i) On 3 February 2016, the Company completed a Right Issue on the basis of three rights shares for every eight existing shares held, on a pro rata basis. 5,201,922,393 rights shares were issued at the subscription price of HK$0.45 per share. Net proceeds from the Rights Issue is approximately HK$2,309,865,000, (equivalent to approximately RMB1,935,205,000) after deducting related expenses of approximately HK$31,000,000 (equivalent to approximately RMB25,920,000).

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

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

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

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

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

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

Business Review

Solar Energy Business

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

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

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

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

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

(1) Aggregate installed capacity represents the maximum capacity that approved by local government authorities.

(2) Grid-connected capacity represents that the actual capacity connected to the State Grid.

(3) Revenue from joint venture solar power plants was accounted for under "Share of Profits of Joint Ventures" in the consolidated statement of profit and loss and other comprehensive income.

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

Printed Circuit Board Business

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

Financial Review

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

Segment Information

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

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

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

Revenue

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

Gross Profit

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

Other Income

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

Distribution and Selling Expenses

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

Administrative Expenses

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

Share-based Payment Expenses

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

Gain on change in fair value of convertible bonds

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

Change in fair value of embedded derivatives in convertible redeemable bonds

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

Other expenses, gains and losses, net

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

Impairment loss recognised on plant and equipment

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

Bargain purchase on business combination

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

EBITDA and EBITDA margin

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

Finance Costs

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

Finance costs amounting to RMB475 million for the Reporting Period (Prior Reporting Period: RMB18 million) represented an increase of 25 times compared with Prior Reporting Period. The increase was mainly due to the significant increase in average bank borrowing balance as a result of the capital expenditure incurred by the Solar Energy Business, which is capital intensive and high gearing in nature. The average interest rates were ranging from 4.6% to 11.45% for the Reporting Period (the Prior Reporting Period ranging from 2.59% to 7.84%).

Income Tax Expense

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

Loss Attributable to Owners of the Company

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

Dividend

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

Property, Plant and Equipment

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

Deposits, Prepayment and Other Non-current Assets

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

Trade and Other Receivables

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

Trade and Other Payables

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

Liquidity and Financial Resources

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

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

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

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

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

Indebtedness and gearing ratio

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

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

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

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

	31 December 2015	31 December 2014
	RMB million	*RMB million*
Net debts to total equity attributable to the owner of the Company after the Rights Issue	**223.8%**	N/A
Total liabilities	21,060	5,575
Total assets	23,502	7,864
Total liabilities to total assets	89.6%	70.9%
Total assets after the Rights Issue	25,437	N/A
Total liabilities to total assets after the Rights Issue	**82.8%**	N/A

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

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

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

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

Use of Proceeds

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

Date	Events and net proceeds raised	Net Proceeds and actual use of proceeds
27 May 2015	Issuance of the convertible bonds to Talent Legend Holdings Limited and raised HK$775 million (equivalent to approximately RMB611 million)	The net proceeds of approximately RMB601 million and RMB10 million were used in project developments and the general operations, respectively.
20 July 2015	Issuance of the convertible bonds to Ivyrock China Focus Master Fund and raised HK$200 million (equivalent to approximately RMB158 million)	The net proceeds of approximately RMB122 million was used for project developments; and approximately RMB36 million was used for general operations

Foreign Currency Risk

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

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

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

Pledge of Assets

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

– property, plant and equipment of RMB6,348 million (31 December 2014: RMB1,376 million);

– prepaid lease payments of RMB6 million (31 December 2014: RMB6 million);

– bank and other deposits of RMB952 million (31 December 2014: RMB448 million); and

– rights to collect the sales of electricity for certain subsidiaries. As at 31 December 2015, the trade receivables of those subsidiaries amounted to RMB144 million (31 December 2014: nil).

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

Contingent Liabilities

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

Capital Commitments

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

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

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

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

Employee and Remuneration Policies

We consider our employees to be our most important resource. As at 31 December 2015, the Group had approximately 5,795 employees (31 December 2014: 4,040) in Hong Kong, the PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits include discretionary bonuses, with share options granted to eligible employees.

Event after Reporting Period

On 3 February 2016, the Company completed a rights issue of its shares on the basis of three rights shares for every eight existing shares held, on a pro rata basis. 5,201,922,393 rights shares were issued at a subscription price of HK$0.45 per share. Net proceeds from the rights issue is approximately RMB1,935,205,000 (equivalent to approximately HK$2,309,865,000), after deducting related expenses of approximately RMB25,920,000 (equivalent to approximately HK$31,000,000).

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

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to announce the annual results of GCL New Energy for the year ended 31 December 2015.

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

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

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

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

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

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

Strong Chinese government support for solar industry development

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

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

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

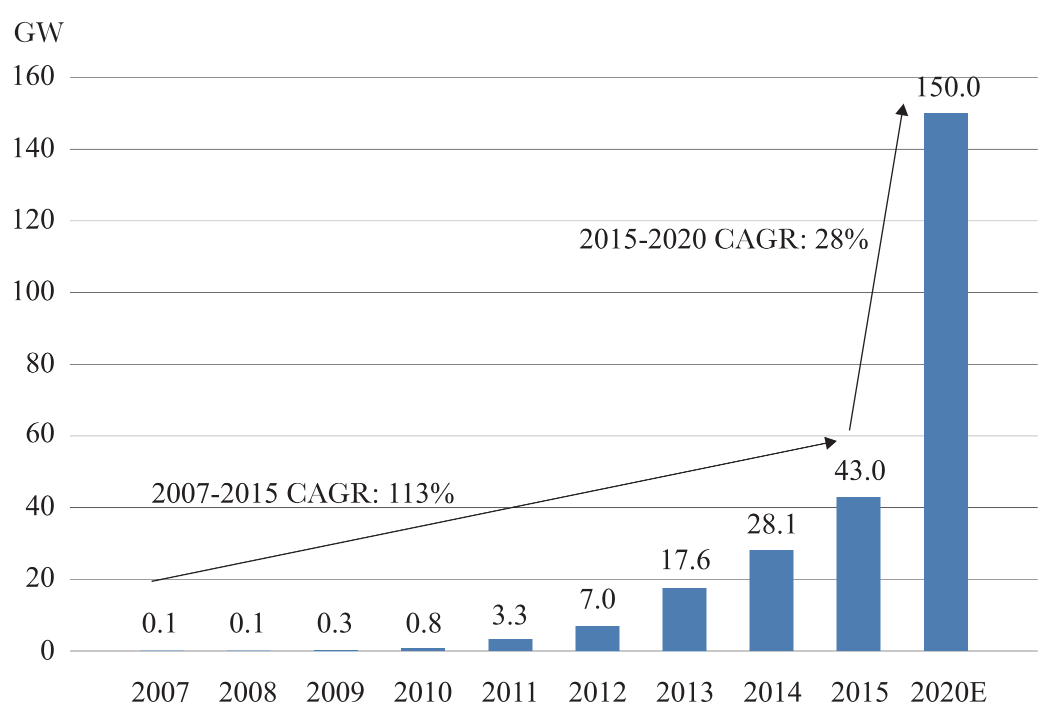
2016 is the year China's 13th Five-Year Plan begins. In energy planning, the government will focus on optimizing the energy mix and improving the energy quality. It will advance the application of renewable energy such as solar energy, to boost the long-term development of the solar industry. To spur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

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

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

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

Accumulative Installed Capacity of Solar Power in China



Develop overseas business on the back of its corporate strength

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

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

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

Enhancing corporate governance

Risk Management

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

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

Environment, society and governance

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

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

Zhu Yufeng
Chairman

22 March 2016

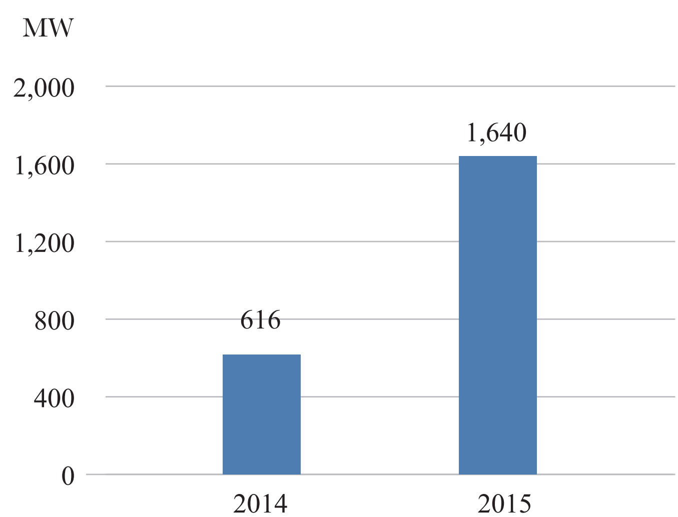
PRESIDENT'S MESSAGE

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

Rapid growth of Solar Energy Business

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

Total Installed Capacity of GCL New Energy



Optimizing organizational structure

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

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

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

Development and construction:

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

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

Operation and maintenance:

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

Innovative financing

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

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

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

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

Stepping up development of quality projects

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

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

Prospects

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

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

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

Acknowledgements

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

SUN Xingping
President

22 March 2016

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 Corporate Governance Code, except for the deviations as explained below.

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

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

Code provision A.6.7 of the Corporate Governance Code requires that independent non-executive Directors and other non-executive Directors shall attend general meetings and develop a balanced understanding of the views of Shareholders. Mr. ZHU Yufeng, Ms. SUN Wei, Mr. SHA Hongqiu, Mr. WANG Bohua, Mr. XU Songda, Mr. WANG Yanguo and Dr. CHEN Ying were unable to attend the annual general meeting of the Company held on 28 May 2015 as they had other important business engagements.

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 of the Company 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. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in this preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu 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. Deloitte Touche Tohmatsu on this preliminary announcement.

AUDIT OPINION

The auditor of the Group has issued an opinion with an emphasis of matter paragraph 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 financial position of the Group as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of Matter

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

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 26 May 2016 to Friday, 27 May 2016, 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 ("**AGM**") of the Company to be held on Friday, 27 May 2016 at 11:00 a.m.. In order to be eligible to attend and vote at the AGM, all completed share transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Wednesday, 25 May 2016. The notice of AGM will be published and despatched to shareholders of GCL New Energy in April 2016.

* *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
Zhu Yufeng
Chairman

Hong Kong, 22 March 2016

As at the date of this announcement, the executive directors are Mr. Zhu Gongshan, Mr. Zhu Yufeng, Mr. Sun Xingping, Ms. Hu Xiaoyan, Mr. Tong Wan Sze and Mr. Yip Sum Yin; the non-executive directors are Ms. Sun Wei, Mr. Sha Hongqiu and Mr. Yeung Man Chung, Charles; and the independent non-executive directors are Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo, Mr. Lee Conway Kong Wai and Dr. Chen Ying.