China WindPower 中国风电

Annual Report 2009

For the year ended 31 March 2009

Stock code:182

Generation for Generations

中国风电集团有限公司

China WindPower Group Limited

Contents

Corporate Information

Board of Directors

Chairman

Mr. Ko Chun Shun, Johnson

Executive Directors

Mr. Liu Shunxing *(Chief Executive Officer)*
Mr. Wang Xun
Mr. Yang Zhifeng
Ms. Liu Jianhong
Mr. Chan Kam Kwan, Jason

Non-executive Directors

Mr. Tsoi Tong Hoo, Tony

Independent non-executive Directors

Mr. Ho Tak Man, Billy
Mr. Yap Fat Suan, Henry
Dr. Wong Yau Kar, David

Company Secretary

Mr. Chan Kam Kwan, Jason

Qualified Accountant

Mr. Wong Kwan Kit, Eric

Auditors

PricewaterhouseCoopers
Certified Public Accountants

Bankers

China Construction Bank
Hang Seng Bank
Industrial and Commercial Bank of China
Standard Chartered Bank

Solicitors

Baker & McKenzie

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong

Suite 3901, Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

Branch Share Registrar and Transfer Office in Hong Kong

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

Website

www.chinawindpower.com.hk
www.irasia.com/listco/hk/chinawindpower/

Chairman's Statement

Dear Shareholders,

2008 was a memorable year. Financial turmoil spread across the globe. Economies in many countries were severely hit. Macro-environment underwent dramatic changes. However, these challenges did not deter the Group from advancing. The Group met these challenges with robustness, prudence and focus — focus on our core business and now we are well prepared for very rapid growth in the years immediately ahead. On behalf of the Board of Directors, I am pleased to announce that profit attributable to the shareholders, for the year ended 31 March 2009, amounted to HK$116,766,000, representing an increase of approximately 17% from the previous financial year. Cash and cash equivalents amounted to HK$745,061,000 at the end of the year under review, representing an increase of over 122% year-on-year. The cash position reflects, among others factors, the success of our integrated business model, with its focus in strong cash flow.

The global economy experienced radical changes when the financial world suffered from crisis in the period under review. However, the changes did not detract from the world's attention to climate issues, which we were glad to see. The unshaken attention to climate issues was in evidence when China's government gave priority to emission-reduction measures in its, timely, RMB4 trillion economic stimulus packages. Meanwhile, the U.S. government pushed keenly forward the development of clean energy industry as a remedy to the economic crisis.

To capture the opportunities arising from changes in market conditions, the Group swiftly adopted appropriate strategies. When profit grew and substantial cash flew in, the Group strengthened itself in many aspects. Our team for the design and consultation of wind farm projects, of 39 people strong, became, in terms of scale, one of the national leaders of its kind. In the business of construction of wind farms, in the period under review, the Group won the certificate of qualification for Grade II electricity power construction. It also won an award on quality, safety and environmental factors, a so-called "three-in-one" award. Our qualifications and awards enable the Group to receive contracts for the construction of wind farms of any size. Meanwhile, the Group achieved good progress in wind resource reserves, the provision of maintenance service and the manufacture of equipment. Regarding the investment in wind farms, the Group connected three wind farms to the power grid, started the construction of another five wind farms and established two alliances with, respectively, CLP Holdings Limited and China Power Investment Mengdong Energy Co., Ltd.. As a step to sharpen focus on the core business, the Group disposed of Nam Pei Hong Sum Yung business. The aforesaid moves built a concrete foundation for the Group's long-term development.

Looking forward, we believe low-emission will become the mainstream of economic development, and there will arise great potential for the development of renewable energies. Although China has developed wind power rapidly in the past several years, the percentage contribution of wind power to the overall power output remains very low. Leveraging its low-emission characteristic, efficiency and scalability, wind power will become the most preferred clean energy source in China — one of the world's richest countries in wind resources. The government will soon launch a new energy stimulus plan. In this plan, we expect the government to significantly raise its target for wind power installed capacity to over 100GW by 2020. Under the direction of the central planning authorities, meanwhile, China will coordinate efficiently between the rapid development of both the wind farms and the power grid infrastructure. The Group will continue to focus on wind power business. Leveraging all of its advantages, the Group will accelerate the pace of development. It will maintain rapid and steady growth of business and results, aiming to increase shareholders' return.

Chairman's Statement

We expect the rapid growth of wind power to continue in China. The continued decline of the prices of key components, such as wind turbines, the relaxation of equipment shortage and the persistence of low interest rates will favor wind power investments. The Group will accelerate its own investment in wind power. During the year, the construction of wind farms with capacity of more than 50 MW will commence. That would meet our target for the completion of the construction and grid connection of 12 wind farms in total. The Group will continue to strengthen its capability of design, consultation, construction, operation, maintenance and equipment manufacturing. It will expand both the scope and the scale of its service.

We regard human resources as the Group's most valuable assets and we will continue to seek to enhance the quality of our human resources. In the interest of good governance, we will continue to strengthen corporate policy and risk controls. We will take our social responsibilities seriously; in addition to the efforts we make to develop clean energy, we take an active part in social and community services, so that the environment can be better improved and the Earth be made a better place in which to live.

On behalf of the Board, I take this opportunity to thank the management team and all the staff for their hard work, and to thank the shareholders, business partners, institutions and communities for their support.

KO Chun Shun, Johnson
Chairman

Hong Kong, 10 June 2009

Management Discussion and Analysis

Business Review

The financial crisis swept across the world in 2008. However, despite facing drastic changes the Group adopted a very prudent business strategy and kept focus on its core wind power business. Notwithstanding the challenging macro-environment and drawing on its flexible and responsive approaches and unique business model which integrates wind farm construction and operation, equipment manufacturing and investment in wind power plants, the Group managed to achieve profit growth and strong cash flow and the Group has laid the foundation for achieving rapid growth in the years immediately ahead. During the year, the wind power business recorded consolidated revenue of HK$379,389,000 (2008: HK$216,344,000), representing an increase of 75% from last year. Cash and cash equivalents were HK$745,061,000 (2008: HK$335,531,000). At the end of the financial year, the Group's net assets value amounted to HK$2,484,570,000 (2008: HK$1,947,824,000), representing a growth of 27% from last year. Profit attributable to equity holders of the Company was HK$116,766,000 (2008: HK$100,064,000), representing an increase of 17% as compared with last year. Basic earnings per share from the continuing operations were 2.06 HK cents (2008: 2.82 HK cents) and its fully-diluted earnings per share were 1.81 HK cents (2008: 1.85 HK cents).

Wind Power Business

During the year, the Group strengthened its wind power business and made significant progress in securing wind power resources, investment in wind power plants, project design and consultancy, engineering and construction, operation and maintenance, and equipment manufacturing as compared with the previous year.

1. **Wind Power Resources**

   The Group continued to build up quality wind power resources. During the year, it signed exclusive development agreements with local governments for wind power resources of 1,550MW, which include 200MW in Jilin Province, 300MW in Longjiang, Heilongjiang Province, 200MW in Damaoqi, Inner Mongolia Autonomous Region, 300MW in Xinghe, Inner Mongolia Autonomous Region, 200MW each in Kangbao and Guyuan in Hebei Province and 150MW in Cangnan County in Zhejiang Province. The Group now has reserves of wind power resources of 7,600MW in aggregate, which lay a solid base for accomplishing future growth. The rapid development of the wind power industry has turned quality wind resources in China increasingly valuable and the intrinsic value of such wind resources is growing. This phenomenon becomes the competitive advantage of the Group with a rich holding of wind power resources. The Group will continue to explore and enrich its reserve of wind resources to secure sufficient supply.

2. **Investment in wind power plants**

   As at 31 March 2009, the Group had invested in 12 wind power plants with aggregate capacity of 565.5 MW, of which 286 MW is attributable to the Group. Four of the 12 wind power plants are on grid and five are being constructed and will commence operation in the second quarter. Preparations for the commencement of construction of the remaining three are well underway.

   During the year, the Group generated on-grid electricity of 225,520,000 kWh, representing a 329% increase from last year.

Wind Power Business *(Continued)*

2. Investment in wind power plants *(Continued)*

The eight wind power investment projects undertaken by the Group during the year were backed by secured bank loans at the most favorable interest rates. Various wind power plants of the Group including Erlianhaote, Taipusiqi, Zhenlai Linchang and Zhenlai Heiyupao, FuXin Union and Fuxin Shenhua Xiehe wind power plants had VAT rebates approved by relevant government department and about RMB100,016,000 has been received.

The 12 wind power plants of the Group had all signed CER sales agreements by way of open tender and CDM registration for the plants are being processed. The Changtu Wind Power Project reported CDM revenue of RMB11,762,000 for 2008 and 2009. As for the Erlianhaote Wind Power Project, its application has been published on the United Nations website meaning registration will soon be completed. Four other projects of the Group have been approved by National Development and Reform Commission ("NDRC") and passed the audit of independent authorities, and are currently reviewed by the United Nations Framework Convention on Climate Change. The Group expects approval to be imminent.

The Group signed an agreement with a subsidiary of CLP Holdings Limited to set up a 50-50 joint venture to invest and develop wind power business in Liaoning Province and Heilongjiang Province, China. The cooperation will allow the two partners to fully realize their respective competitive strengths, which will help speed up development of wind power resources. During the year, the joint venture acquired the Group's interests in Fuxin Shenhua Xiehe Wind Power Plant and Fuxin Union Wind Power Plant.

3. Wind Power Consultancy and Design

The Group aggressively built up its wind power construction service capacity during the year. It now has a wind power design and consultancy team with 39 professional engineers and designers. During the year, the team processed 45 wind resource assessment reports, 25 wind power planning reports and 12 feasibility study reports and provided engineering design service to 7 wind power projects. It also offered plans for optimization of wind power plants that the Group invested in and thus helped these plants to enhance their overall efficiency.

4. Wind Power Engineering and Construction Service

Another core business of the Group, wind power engineering and construction service made good progress during the year. The electrical engineering construction company under the Group secured Grade 2 Chief Electrical Engineering and Construction Contractor Qualification, which allows it to undertake contracts for wind power projects of any size and grid construction projects of up to 220KV. Moreover, the Group increased headcount of this business arm with an expanded full-time workforce of 120 employees. The engineering and construction company provided services to 8 wind power plants during the year and generated revenues of HK$125,447,000 (2008: HK$94,018,000).

Wind Power Business *(Continued)*

5. **Wind Power Plant Operation and Maintenance Service**

   The Group accomplished a rapid growth for the business during the year. It signed an agreement with a world leading British renewable energy technology consultation company — Sgurr Energy Ltd. wherein the two parties pledged to cooperate in areas including wind power equipment operation and maintenance, and wind power plant technology consultancy service. During the year, the Group undertook operations and maintenance services of four wind power plants, bringing in revenues of HK$9,316,000 (2008: HK$1,425,000). The Group has signed contracts with four other wind power plants.

6. **Manufacturing of Wind Power Equipment**

   The Group acquired from an independent third party a wind power equipment production line during the year. The acquisition has enabled the Group to expand production capacity for tower tubes and boost its regional competitiveness. Armed with increased production capacity, the Group has been able to expand rapidly its equipment manufacturing business. Apart from meeting the needs for tower tubes of the wind power plants it invested in, the Group has also participated actively in bids for power tube manufacturing contracts of other companies and secured a number of orders from well-known power groups. During the year, it generated revenues of HK$227,273,000 from manufacture of tower tubes (2008: HK$93,740,000).

7. **Others**

   To ensure smooth construction of wind power projects at the lowest construction costs without compromising quality, the Group centralizes purchases of all critical equipment and raw materials through its own professional procurement centre. The arrangement has allowed it to achieve economies of scale and significant cost saving in purchasing.

Nam Pei Hong

The Group believes this is the golden age for developing wind power business and focusing on the business will be more conducive to its growth. Thus, as stated in an announcement on 6 March 2009, the Group agreed to dispose of its entire equity interest in the NPH Group to Mr. Ko Chun Shun, Johnson, Chairman of the Group, at a consideration of HK$34,000,000. The completion of the transaction means that the Group can now concentrate and focus all of its resources in the wind power business.

Liquidity and financial resources

As at 31 March 2009, the Group had cash or cash equivalents of approximately HK$745,061,000 (2008: HK$335,531,000). At that date the current ratio was 6.94 times (2008: 6.87 times) and gearing ratio (long term debts over equity and long term debts) was 0.01 (2008: 0.06). The consolidated net assets of the Group stood at approximately HK$2,484,570,000 (2008: HK$1,947,824,000).

Foreign exchange risk

The financial statements of the Group are presented in Hong Kong dollars and its income and expenditure (including capital expenditure) of its principal business are denominated in Renminbi. The Group did not engage in the use of any financial instruments for hedging purposes.

Management Discussion and Analysis

Capital structure

On 19 June 2008, the Company issued the 2nd tranche convertible note with principal amount of HK$100,000,000 to settle contingent consideration for the acquisition of China Wind Power (Note 33(a)). The convertible note, with 1% coupon rate, are convertible at the option of the holder, in whole or in part on or before 1 August 2012, into new shares of the Company at the conversion price of HK$0.099 per share, subject to adjustment. Details of the transaction were disclosed in the Company's circular dated 13 July 2007.

On 14 July 2008, 1,700,000,000 ordinary shares par value HK$0.01 each of the Company were issued as a result of the conversion of convertible notes with a principal amount of HK$168,300,000.

Charge of assets

As at 31 March 2009, the Group had, via its wholly-own subsidiaries entered into joint venture agreements with a joint venture partner in the PRC.

Pursuant to the joint venture agreements, the Group was required to pledge its share of the equity interests in jointly controlled entities as security for the bank loans of the jointly controlled entities. As at the close of business on 31 March 2009, the Group had pledged its share of the equity interests in jointly controlled entities namely "Tongliao Taihe Wind Power Co., Ltd.", "Jilin CWP-Milestone Wind Power Co, Ltd."and "Jilin Taihe Wind Power Co., Ltd." as securities for the bank loans of these jointly controlled entities. The Group's aggregate equity interests in jointly controlled entities pledged amounted to approximately HK$249,991,000.

Contingent liabilities

Save as disclosed in charge of assets above, the Group did not have any significant contingent liabilities as at 31 March 2009 and 31 March 2008.

Commitments

As at 31 March 2009, the Group has capital commitments of HK$67,873,000 (2008: HK$197,036,000) which were not accounted for in the financial statements. The amount was mainly capital committed for investment in wind power plants.

As at 31 March 2009, rental payments under non-cancellable operating leases amounted to HK$8,487,000 (2008: HK$19,145,000).

Staff and Remuneration

As at 31 March 2009, the Group had 516 full-time employees (2008: 318). During the year, several influential power industry veterans joined the senior management team of the Group. Moreover, the Group also perfected its middle management structure, resulting in improved operational efficiency.

The remuneration packages of employees include salary and discretionary bonus. The Group also grants share options as incentive to employees. The staff remuneration policy and packages, including share options, of the Group are reviewed regularly by the management to ensure employees are rewarded according to their performance and that the Group's remuneration policy is competitive in the market.

Management Discussion and Analysis

Corporate Governance

At the same time as it pushes for rapid growth, the Group has also relentlessly striven to raise its corporate governance standard. During the year, it laid down 132 sets of rules and regulations and systems to facilitate effective running of all operations. For risk management and control, it set up a collective decision making mechanism and a system of regular checking by the internal control and legal departments. For more efficient cross-regional management, the Group has set up branch offices in the provinces where its business operations cluster, such as Liaoning Province, Jilin Province, Inner Mongolia Autonomous Region and Gansu Province, to ensure its businesses are well-coordinated and cost efficient and respond promptly to market needs.

In the aspect of financial management, the Group continued to strengthen its vertical financial management structure, improve utilization of funds and allocation of internal resources so as to effectively mitigate financial risks.

Apart from strengthening its systems and target-oriented management, the Group also puts considerable attention on nurturing a strong corporate culture with fostering growth of the Group and its staff as the goal.

Corporate Social Responsibility

The Group is committed to developing clean renewable energy to aid the combat of global climate change. As the development of wind power boasts the clear advantages of helping to lower green house gas emission, improve the energy supply structure and protect the environment, it is deemed as a current effort that can benefit the world for generations to come. The Group has, through its wind power plants, helped to reduce emission of 200,000 tonnes of carbon dioxide, 3,710 tonnes of sulphur dioxide, 8,240 tonnes of cinder, 1,198 tonnes of ash flushing water, 412 tonnes of nitrogen dioxide, 38 tonnes of carbon oxide and 15 tonnes of hydrocarbon. In addition, compared with coal-powered supply operating on unit consumption of 350g of coal per kWh and designed water consumption of 288,000 tonnes per 100,000,000 kWh, the Group saved 386,000 tonnes of standard coals and 3,170,000 tonnes of water for the country.

The wind power plants and equipment manufacturing facilities and corporations such as EPC related to the Group are located in northeastern, northern and northwestern China. Investment of the Group in those areas has driven local employment and economic development and been commended by local governments.

The Group has also set up scholarships, grants and other subsidies for students and teachers of the North China Electric Power University, contributing to nurturing talents for the electricity sector.

Prospect

Despite the sluggish global economy, climate change has continued to be a concern among countries all over the world. Countries and regions such as China, the European Union and US continued to support and encourage development of clean and renewable energy. And, many countries are banking on new energy sources to reinvigorate their economies. As wind power boasts the most potential for large-scale development, it has been developing at tremendous speed and has shown vast room for future growth.

Prospect *(Continued)*

The Chinese Government has identified the wind power industry as a major focus and pledged support to its development. The Group expects the country to raise the target of planned installed wind power generation capacity in China notably to more than 100 GW by 2020. The introduction of PRC Renewable Energy Law and Mid-Long term Development Plan for Renewable Energy and other complementary policies and measures are also going to facilitate long-term rapid development of wind power.

Supporting recent government efforts to speed up power grid construction and realize its "millions megawatt wind power" plan, the State Grid Corporation of China has come up with corresponding transmission provisions including the transmission of wind power from remote but wind power rich zones to high power consumption regions using extra-high voltage power grid. The marked increase of the planned wind power generation target is going to see construction of wind power projects and ancillary power grids proceeding quickly and cohesively.

As for the wind power equipment manufacturing business, it has seen domestic production technologies becoming more mature and reliable, supply capability of equipment significantly enhanced and costs considerably lowered. For wind power plants, this means less investment will be required, construction cycle can be shortened and their economic returns can be enhanced. The Group expects this trend to persist for a certain period of time.

The Group anticipates continuous fast growth over a longer period for the wind power industry in China, hence is positive about the prospect of the industry. Looking to 2009, backed by increasingly favorable policies and wind power equipment of improved quality and lower prices, and lower financing costs, transmission of wind power to power grids will improve. The Group plans to hasten investment in wind power projects in 2009 and continue to enhance its core competitiveness in wind power business. It will focus on investing in Liaoning Province, Jilin Province and eastern part of the Inner Mongolia Autonomous Region where power grid connection conditions are more favorable and wind power resources are more abundant, and in Gansu Province in the coming year. It also plans to commence construction of wind power projects of capacity between 500 to 600 MW this year to quickly boost attributable installed capacity.

The Group will continue to focus on development of wind power business in the future, aiming to become a first-rate provider of clean energy and professional wind power construction and operation services. Capitalizing on its unique advantages namely its abundant wind power resources, top-notch professionals and all-round operational chain spanning from wind power development and design, wind power plant construction, supply of key equipment to wind power plants to provision of operation and maintenance services, the Group will continue to ensure its business and operational cost-effectiveness will grow quickly together while contributing to a better ecological environment for mankind.

Biographical Details of Directors and Senior Management

Executive Directors

Mr. Ko Chun Shun, Johnson, aged 57, was appointed Chairman of the Group in 2006. He is also the Chairman and executive director of DVN (Holdings) Limited and Varitronix International Limited. Mr. Ko was also the Chairman and executive director of MAE Holdings Limited until June 2009. The above companies are listed on the Hong Kong Stock Exchange. Mr. Ko also served as an independent board member of Sports Supply Inc from 1996 to 2003 and of The Dll Group, Inc from 1999 until April 2000 when it merged with Flextronics International Limited. These two companies are listed on the New York Stock Exchange ("NYSE") and NASDAQ, respectively.

Mr. Liu Shunxing, aged 47, joined the Group in 2007. He is the Chief Executive Officer ("CEO") of the Company and is also a director of various subsidiaries of the Group. Mr. Liu received his first degree in Electricity Generation from Tianjin University and was awarded a master degree of Energy Source Economy Management from the Management College of Harbin Institute of Technology. Mr. Liu is a council member of China Energy Research Institute and a deputy director of the China Specialism Committee of Thermoelectricity. He once worked in National Development and Reform Commission and was formerly the Vice CEO of China Energy Conservation Investment Corporation for eight years. He was in charge of and involved in the investment and constructions of several hundreds of energy saving projects such as wind power, thermoelectricity, solar energy and biomass energy power generation.

Mr. Wang Xun, aged 42, joined the Group in 2007. He is the Executive Vice President of the Company and is also a director of various subsidiaries of the Group. Mr. Wang holds a Bachelor degree from International Politics College. Mr. Wang has devoted himself to wind power industry since 1999. Mr. Wang had served as one of the board members of Farsight Group and the President of its wind power division. Mr. Wang had also been the General Manager of Beijing Shenzhou Wind Power Co., Ltd, the General Manager of Ninxia Clean Sky Shenzhou Wind Power Co., Ltd, and the General Manager of Jiangsu Lianneng Wind Power Co., Ltd. Prior to joining the Group, Mr. Wang had held certain senior positions in Golden Concord Holdings Limited, a company engaged in renewable energy investment and was responsible for wind power business.

Mr. Yang Zhifeng, aged 38, joined the Group in 2007. He is the Vice President of the Company and is also a director of various subsidiaries of the Group. Mr. Yang holds his Master degree in International Finance from Renmin University of China. He began his career as a project manager of Chinese Energy Conservation Investment Corporation. As one of the sponsors, he has served successively as the Vice General Manager, General Manager, and President of Beijing Huaming Light Group since 1996. In 2002, he was the General Manager of Asset Management and Operation Department in China Energy Conservation Investment Corporation.

Ms. Liu Jianhong, aged 40, joined the Group in 2007. She is the Vice President of the Company and is also a director of various subsidiaries of the Group. Ms. Liu holds her Master degree from the Law School of Renmin University of China. She was the Chief Legal Officer of China Energy Conservation Investment Corporation where she was engaged in asset management, asset restructuring of state enterprises, merger and acquisition and legal affairs.

Mr. Chan Kam Kwan, Jason, aged 35, is also the company secretary of the Company since 2006. Mr. Chan graduated from the University of British Columbia in Canada with a Bachelor of Commerce Degree and is a member of the American Institute of Certified Public Accountants. Mr. Chan has extensive experience in corporate finance.

Biographical Details of Directors and Senior Management

Non-Executive Director

Mr. Tsoi Tong Hoo, Tony, aged 44, has been the executive director of the Company since 2006 and was re-designated to a non-executive director of the Company in October 2007. Mr. Tsoi graduated from the University of Western Ontario, Canada with a Bachelor of Business Administration degree. He has been a Chartered Financial Analyst since 1989, and has extensive experience in the areas of investment research, investment banking and corporate management. Mr. Tsoi is a member of the Listing Committees of the Growth Enterprises Market and Main Board of the Stock Exchange. Mr. Tsoi is the CEO and an executive director of Varitronix International Limited and an independent non-executive director of Fairwood Holdings Limited, both of which are listed on the Hong Kong Stock Exchange.

Independent Non-Executive Directors

Mr. Ho Tak Man, Billy, aged 61, holds a Bachelor of Medicine and Bachelor of Surgery degree from the University of Hong Kong and is a general practitioner in Hong Kong. Mr. Ho has been an independent non-executive director of the Company since 2006.

Mr. Yap Fat Suan, Henry, aged 63, has been an independent non-executive director of the Company since 2006. He holds a master degree in Business Administration from the University of Strathclyde, Glasgow, in the United Kingdom. He is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in finance and accounting. He retired as the managing director of Johnson Matthey Hong Kong Limited in June 2007 and prior to that appointment he was the general manager of Sun Hung Kai China Development Limited. Mr. Yap is also an independent non-executive director of DVN (Holdings) Limited, which is listed on the Hong Kong Stock Exchange.

Dr. Wong Yau Kar, David, aged 51, has been an independent non-executive director of the Company since 2006. Dr. Wong holds a doctor's degree in economics from University of Chicago. Dr. Wong has extensive experience in direct investments and corporate finance. Currently, Dr. Wong is the managing director of United Overseas Investments Limited. Dr. Wong has also been actively participated in public services and to name a few, he has been a council member of the Hong Kong Institute of Directors since 1999 and a vice-president of the Chinese Manufacturers' Association of Hong Kong. Dr. Wong is also an independent non-executive director of Media China Corporation Limited, which is listed on the Hong Kong Stock Exchange.

Senior Management

Mr. Yu Weizhou, aged 43, joined the Group in 2009. He is the Vice President of the Company. He holds the Ph.D. degree of Engineering Management from Xian University of Technology. Mr. Yu was the Vice General Engineer of China Shenhua-Guohua Energy Investment Ltd., the Director of Market Management Department of State Power Management Commission and the Vice Director of Power Planning & Investment Department of State Economic & Trade Commission. He has engaged in the management works in the electric power industry for a long period and has extensive experience in the development and management of electric power projects.

Biographical Details of Directors and Senior Management

Mr. Luo Maofeng, aged 44, joined the Group in 2008. He is the Vice President of the Company, and presides over investor relations and overseas business. Mr. Luo is an Irrigation and Hydropower Construction Master Degree holder of Dalian University of Technology, and also a UK Registered Civil Engineer. He formerly has been appointed as the deputy chief economist and Department Principal of China Harbour Engineering Company Ltd and engaged in overseas business for many years.

Mr. Xie Jianmin, aged 45, joined the Group in 2007. He is the General Engineer of the Company. He was a professor of Southeast University and he has been conducting advanced research in wind power industry. He has over 10 years experience in the operation of wind power plants, such as evaluation of wind energy resource, various types of wind turbines, site selection, etc.

Mr. Wong Kwan Kit, Eric, aged 38, joined the Group as Financial Controller in 2007. Mr. Wong oversees the overall finance activities of the Group. He has extensive professional experience in accounting and financial management. Mr. Wong previously held senior management positions in a number of Hong Kong listed companies. He holds a Bachelor of Business Administration degree from the Open University of Hong Kong and is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Mr. Wang Yaobo, aged 61, joined the Group in 2007. He is the Assistant to the CEO of the Company. He holds a Bachelor Degree from Wuhan Water and Electric Power College. He was the Chairman of Jilin the First Electric Power Ltd. And then, he was promoted to the vice General Engineer of Jilin Electric Bureau. He has more than 30 years management experience of electric power construction works.

Mr. Liu Dongyan, aged 46, joined the Group in 2008. He is the Assistant to the CEO of the Company. He holds a Master degree from China University of Political Science and Law. He was the General Manager of Asset Management Branch of China Conservation Investment Corporation, and the Secretary of the Party Committee and the Vice General Manager of China National Environmental Corporation.

Mr. Wang Zuohai, aged 44, joined the Group in 2007. He is the Assistant to the CEO of the Company. He holds the Ph.D. degree from Southwestern University of Finance and Economics. He was the Deputy General Manager of the Finance Department of Motorola (China) Electronic Co., Ltd and the Chief Financial Officer and the General Manager of the Asset Management Department of Zhongzhu Holdings Ltd.

Mr. Zhang Shihui, aged 49, joined the Group in 2008. He is the Vice General Engineer of the Company and the General Manager of the O&M division of the Group. He is currently the member of National Wind Power Mechanism Standardization Commission. He served as the Vice General Engineer in Huabei Institute of Electricity Science, and the Deputy Director of the Department of Plants Safety of Guodian Dragon Resources Power Group.

Report of the Directors

The directors of the Company (the "Directors") submit their report together with the audited financial statements for the year ended 31 March 2009.

Principal Activities and Geographical Analysis of Operations

The principal activity of the Company is investment holding. The activities of the principal subsidiaries are set out in Note 16 to the financial statements. An analysis of the Group's income and contribution to operating profit for the year ended 31 March 2009 is set out in Note 5 to the financial statements.

Results and Dividends

The results of the Group for the year are set out in the consolidated income statement on pages 28 and 29. The Directors do not recommend dividend.

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in Note 30 to the financial statements.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the financial statements.

Share Capital

Details of the movements in the share capital of the Company are set out in Note 28 to the financial statements.

Distributable Reserves

Details of the distributable reserves of the Company as at 31 March 2009 are set out in Note 30 to the financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's bye-laws and there is no restriction against such rights under the laws of the Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Five-year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 104.

Purchase, Sale or Redemption of the Listed Securities of the Company

During the year ended 31 March 2009, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

Preference Shares, Convertible Notes and Share Capital

Details of movements of the Company's preference shares, convertible notes and share capital during the year are set out in Notes 26, 27 and 28 to the financial statements respectively.

Share Options

The Company has adopted a new share option scheme (the "New Share Option Scheme") on 16 April 2007 and the old share option scheme was terminated accordingly.

The purpose of the New Share Option Scheme is to recognize and acknowledge the contributions of the Qualified Persons (as defined in the New Share Option Scheme, including but not limited to, the directors, employees, partners and associates of the Group) of the Group.

Pursuant to this 10-year term New Share Option Scheme, the Company can grant options to the Qualified Persons for a consideration of HK$1.00 for each grant payable by the Qualified Persons. The total number of the shares issued and to be issued upon exercise of the options granted to each Qualified Person (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the shares then in issue. On 1 April 2008, 60,080,000 share options were granted under the New Share Option Scheme. The New Share Option Scheme was subsequently refreshed by a resolution passed at the annual general meeting held on 15 July 2008. The maximum number of options that can be granted by the Company has therefore been refreshed to 625,447,057 share options.

Subscription price in relation to each option pursuant to the New Share Option Scheme shall be not less than the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date on which the option is offered to a Qualified Person; or (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the 5 trading days immediately preceding the date of offer; or (iii) the nominal value of the shares. There shall be no minimum holding period for the vesting or exercise of the options but the options are exercisable within the option period as determined by the board of directors of the Company.

The Company has granted 60,080,000 share options to some Qualified Persons under the New Share Option Scheme during the year. Subsequent to the balance sheet date and on 6 April 2009, the Company has granted 100,000,000 share options to Qualified Persons.

Directors

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

Executive Directors

Mr. Ko Chun Shun, Johnson
Mr. Liu Shunxing
Mr. Wang Xun
Mr. Yang Zhifeng
Ms. Liu Jianhong
Mr. Chan Kam Kwan, Jason

Non-executive Directors

Mr. Tsoi Tong Hoo, Tony

Independent non-executive Directors

Mr. Ho Tak Man, Billy
Mr. Yap Fat Suan, Henry
Dr. Wong Yau Kar, David

Directors *(Continued)*

In accordance with bye-law 99 of the Company's Bye-laws, Messrs. Ko Chun Shun, Johnson, Chan Kam Kwan, Jason, Tsoi Tong Hoo, Tony, and Dr. Wong Yau Kar, David shall retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

All the non-executive Directors are appointed for a specific term and will be subject to retirement by rotation and re-election at the annual general meeting of the Company.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules during the year and the Company considered that they are independent.

Directors' Service Contracts

None of the Directors has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company, any of its fellow subsidiaries or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation

As at 31 March 2009, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code contained in the Listing Rules, were as follows:

Interests and short positions in the shares of the Company as at 31 March 2009

(i) Long positions in the shares of the Company:

	Number of shares held and nature of interest				
Name of the Director	**Personal**	**Family**	**Corporate**	**Total**	**Approximate percentage of the total issued share capital** *(%)*
Ko Chun Shun, Johnson *(Note)*	—	—	2,000,000,000	2,000,000,000	31.97

Note:

Mr. Ko Chun Shun, Johnson is deemed to be interested in 2,000,000,000 shares held by Gain Alpha Finance Limited ("Gain Alpha"). Gain Alpha is wholly owned by Mr. Ko Chun Shun, Johnson.

Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation

(Continued)

Interests and short positions in the shares of the Company as at 31 March 2009 *(Continued)*

(ii) Long positions in the underlying shares of share options of the Company:

Name of the Directors	Date of grant of share options	Exercise price per share *HK$*	Number of share options outstanding	Approximate percentage of the total issued share capital *(%)*
Liu Shunxing	1 April 2008	0.45	5,000,000	0.08
Wang Xun	1 April 2008	0.45	3,600,000	0.06
Yang Zhifeng	1 April 2008	0.45	3,600,000	0.06
Liu Jianhong	1 April 2008	0.45	3,600,000	0.06
Chan Kam Kwan, Jason	1 April 2008	0.45	1,000,000	0.02
Tsoi Tong Hoo, Tony	1 April 2008	0.45	1,200,000	0.02
Ho Tak Man, Billy	1 April 2008	0.45	800,000	0.01
Yap Fat Suan, Henry	1 April 2008	0.45	800,000	0.01
Dr. Wong Yau Kar, David	1 April 2008	0.45	800,000	0.01

These options were granted subject to the following vesting requirement:

On 1st anniversary of the date of grant	25%
On 2nd anniversary of the date of grant	25%
On 3rd anniversary of the date of grant	25%
On 4th anniversary of the date of grant	25%

The exercise period of these options shall be expired on the day before 5th anniversary of the date of grant.

Details of the movement of the share options are set out in Note 29 to the financial statement.

Saved as disclosed above, as at 31 March 2009, none of the directors and chief executives of the Company and/or any of their respective associates had any interest or short position in the shares, underlying shares or debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code adopted by the Company.

Directors' Rights to Acquire Shares

Saved as disclosed under the heading "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying shares and Debentures of the Company or any Associated Corporation" above, at no time during the year was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the directors of the Company (including their respective spouse and children under the age of 18) to acquire benefits by the means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

Substantial Shareholders

As at 31 March 2009, saved as disclosed under the section "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying shares and Debentures of the Company or any Associated Corporation" above, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital under Section 336 of the SFO.

(i) Long positions in the shares of the Company:

Name of shareholder	**Number of the shares of the Company held**	**Approximate percentage of the total issued share capital** *(%)*
China Wind Power Investment Limited *(Note)*	1,700,000,000	27.18%

(ii) Long positions in the underlying shares of the convertible note of the Company:

Name of the holder of the convertible note	**Amount of the convertible note** *HK$*	**Number of the total underlying shares**
China Wind Power Investment Limited *(Note)*	31,700,000	320,202,020

Note:

China Wind Power Investment Limited is wholly-owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited ("Concord International"). Four executive Directors, namely Mr. Liu Shunxing, Mr. Wang Xun, Mr. Yang Zhifeng and Ms. Liu Jianhong held as to 65.135% of the issued shares of Concord International, and the above four Directors are also the directors of Concord International, New Energy International Limited and China Wind Power Investment Limited.

Saved as disclosed above, as at 31 March 2009, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Section 336 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

Report of the Directors

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Suppliers and Major Customers

During the year, sales to the Group's largest 5 customers accounted for 73% of the total sales for the year.

Purchases from the Group's 5 larges suppliers accounted for 50% of the total purchases for the year, and the largest supplier included therein amounted to 18%.

None of the Directors, their associates or any shareholders, which to the knowledge of the Directors own more than 5% of the Company's share capital, had an interests in the major suppliers or customers noted above.

Corporate Governance

The Company is committed to maintain a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 20 to 25 of the annual report.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there was sufficient of public float of the Company's securities as required under the Listing Rules.

Auditors

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

PricewaterhouseCoopers were appointed auditors of the Company on 16 April 2007 following the resignation of Moore Stephens who acted as the auditors of the Company until 23 February 2007.

On behalf of the Board

Ko Chun Shun, Johnson
Chairman

Hong Kong, 10 June 2009

Corporate Governance Report

The board of Directors (the "Board") is committed to achieving a high standard of corporate governance.

The Board has reviewed the Group's corporate governance practices and is satisfied that the Company has complied with the code provisions in the Code on Corporate Governance Practices ("the Code") set out in the Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") during the year.

The Board

The Board, led by the Chairman, is responsible for the formulation of the Group's strategies and policies, approval of annual budgets and business plans, and supervising the management of the day-to-day operations of the Group to ensure the business objectives are met.

As at 31 March 2009, the Board comprised of ten Directors, including the Chairman, CEO, four executive Directors, one non-executive Director and three independent non-executive Directors. Biographical details of the Directors are stated under the section "Biographical Details of Directors and Senior Management".

For a Director to be considered independent, that director should not have any direct or indirect material interest in the Group. In determining the independence of Directors, the Board follows the requirement set out in the Listing Rules. Each of the independent non-executive Directors has made an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules.

All the non-executive Directors are appointed for a specific term and will be subject to retirement by rotation and re-election at the annual general meeting of the Company.

The Chairman is responsible for providing leadership to, and overseeing, the functioning of the Board to ensure that the Board acts in the best interest for the Group. Board meetings are planned and conducted effectively.

The Chairman is responsible for approving the agenda for each Board meeting, after taking into account the matters proposed by other Directors. With the support of the executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner. The Chairman also actively encourages all Directors to be fully engaged in the Board's affairs and make contributions to the Board's functions. The Board has adopted good corporate governance practices and procedures and has taken appropriate steps to provide effective communication with shareholders.

The CEO is responsible for managing the business of the Group, attending to the formulation and implementation of group policies, and assuming full accountability for the Group's operations. Acting as the principal manager of the Group's business, the CEO develops a strategic operating plan that reflects the long-term objectives and priorities established by the Board, and is directly responsible for maintaining the operational performance of the Group. Working with the senior management and the Board, the CEO ensures that the funding requirements of the business are met and closely monitors the operating and financial results against the plans and budgets. He also takes remedial actions when necessary and advises the Board of any significant developments and issues of the Group.

The Board *(Continued)*

Ongoing dialogues are maintained with the Chairman and all Directors to keep them fully informed of all major business developments and issues.

The Board meets regularly, and at least 4 times a year. Between scheduled meetings, senior management of the Group provides to Directors the information on the activities and developments in the business of the Group on a timely basis and when required, additional Board meetings are held. In addition, Directors have full access to the information of the Group and the independent professional advice whenever deemed necessary by the Directors.

The Board held 5 meetings during the year.

	Name of Director	**Attended/Eligible to attend**
Chairman	Ko Chun Shun, Johnson	5/5
CEO	Liu Shunxing	5/5
Executive Directors	Wang Xun	5/5
	Yang Zhifeng	5/5
	Liu Jianhong	5/5
	Chan Kam Kwan, Jason	5/5
Non-executive Director	Tsoi Tong Hoo, Tony	5/5
Independent Non-Executive Directors	Ho Tak Man, Billy	5/5
	Yap Fat Suan, Henry	5/5
	Dr. Wong Yau Kar, David	5/5

All Directors are subject to re-election by shareholders at the annual general meeting following their appointments. The Directors shall retire and shall be eligible according to the bye-laws of the Company to offer themselves for re-election at least once every three years. None of the Directors has a service contract with the Company which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

All Directors confirmed that they have complied with the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules (the "Model Code") in their securities transactions throughout the year.

Directors' Responsibility for the Financial Statements

The following statements, which set out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditor's report on page 26 which acknowledges the reporting responsibilities of the Group's Auditors.

Corporate Governance Report

Annual Report and Financial Statements

The Directors acknowledge their responsibilities to prepare financial statements for each financial year which give a true and fair view of the state of the Group.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group uses appropriate accounting policies that are consistently applied, and that all applicable accounting standards are followed.

Accounting Records

The Directors are responsible for ensuring that the Group keeps proper and accurate accounting records for the preparation of the financial statements in accordance with the relevant laws and the applicable accounting standards.

Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Company Secretary

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and that the activities of the Board are carried out efficiently and effectively. The Company Secretary assists the Chairman to prepare agendas and Board papers for meetings and disseminates such documents to the Directors and board committees in a timely manner. The Company Secretary is responsible for ensuring that the Board is fully briefed on all legislative, regulatory and corporate governance developments when making decisions. The Company Secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules and Codes on Takeovers and Mergers and Share Repurchases, including publication and dissemination of Report and Financial Statements and interim reports within the period laid down in the Listing Rules, timely dissemination of announcements and information relating to the Group to the market and ensuring that proper notification is made when there are any dealings of the Director in the securities of the Group.

The Company Secretary also advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensure that the standards and disclosures required by the Listing Rules are observed.

With respect to the secretarial function of the Group, the Company Secretary maintains formal minutes of the Board meetings and other Board committee meetings.

Audit Committee

The Audit Committee comprises three independent non-executive Directors. The Audit Committee is a chaired by Mr. Yap Fat Suan, Henry and the other members of the Committee are Dr. Wong Yau Kar, David and Mr. Ho Tak Man, Billy. Mr. Yap Fat Suan, Henry is a chartered accountant in England and Wales and is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of Hong Kong Institute of Certified Public Accountants.

Audit Committee *(Continued)*

Under its terms of reference, the Audit Committee is required, amongst other things, to oversee the relationship with the external auditors, to review the Group's preliminary results, interim results and annual financial statements, to monitor compliance with statutory and listing requirements, to review the scope, extent and effectiveness of the Group's internal control system, to engage independent legal or other advisers as it determined necessary and to perform necessary investigations.

The Audit Committee held 2 meetings during the year.

Name of Member	Attended/Eligible to attend
Ho Tak Man, Billy	2/2
Dr. Wong Yau Kar, David	2/2
Yap Fat Suan, Henry	2/2

There are no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the interim financial statements and the annual consolidated financial statements.

Financial Statements

The Audit Committee meets and holds discussions with the Executive Directors and other senior management of the Group on the interim results, preliminary results announcement and Annual Report. The Audit Committee reviews and discusses the management's report and representations with a view to ensure that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also considers reports from the Group's principal external auditors, PricewaterhouseCoopers ("PwC"), on the scope and outcome of their annual audit of the consolidated financial statements.

External Auditors

The Audit Committee holds meetings with PwC regularly to discuss the scope of their audit and their findings during the audit.

The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

Review of Risk Management and Internal Control

The Audit Committee reviews the process by which the Group evaluates its control environment and its risk assessment process, and the way in which business and risks are managed. In reliance on these reviews, the Audit Committee makes a recommendation to the Board for the approval of the consolidated financial statements for the year.

Corporate Governance Report

Auditors' Remuneration

A summary of fees for audit and non-audit services is as follows:

Nature of the services	2009 HK$'000	2008 HK$'000
Audit services	2,650	1,934
Other services	268	—
	2,918	1,934

Remuneration Committee

The Remuneration Committee comprises 4 members. The Remuneration Committee is chaired by Mr. Ko Chun Shun, Johnson, with Messrs. Ho Tak Man, Billy, Yap Fat Suan, Henry and Dr. Wong Yau Kar, David, being the members. The Remuneration Committee meets for the determination of the remuneration packages of Directors and senior management of the Group. In addition, the Remuneration Committee also meets as and when required to consider remuneration related matters.

Under its term of reference, the responsibilities of the Remuneration Committee are to assist the Board in achieving its objective of attracting, retaining and motivating people of the highest caliber and experience needed to shape and execute strategies across the Group's operations. The Committee assists the Group in the administration of the fair and transparent procedure for setting policies on the remuneration of Directors and senior management of the Group.

The Remuneration Committee held 1 meeting during the year ended 31 March 2009.

Name of Member	Attended/Eligible to attend
Ko Chun Shun, Johnson	1/1
Ho Tak Man, Billy	1/1
Yap Fat Suan, Henry	1/1
Dr. Wong Yau Kar, David	1/1

Internal Control and Group Risk Management

The Board has overall responsibility for the Group's system of internal control and for the assessment and management of risk. The Board has conducted a review of and is satisfied with the effectiveness of the system of internal control of the Group.

In meeting its responsibility, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including the parameters of delegated authority, which provide a framework for the identification and management of risk. Reporting and review activities include the review and approval by the Board of detailed operational and financial reports, budgets and plans provided by the management of the business operations, the review by the Board of actual results against the budgets, the review by the Board of the internal control system of the Group, as well as the regular business reviews by executive Directors and the senior management.

The Board is responsible for monitoring the overall operations of the businesses within the Group. Directors are appointed to the boards of all significant material operating subsidiaries and associates to attend their board meetings and to oversee the operations of those companies. Monitoring activities include the review and approval of business strategies, budgets and plans, and the setting of key business performance targets. The senior management is accountable for the performance within the agreed strategies and is accountable for its conduct and performance.

The Financial Controller of the Company, reports directly to the Board and the Audit Committee, and monitors the existence and effectiveness of the risk management activities and controls in the Group's business operations. The Financial Controller also discusses the audit plan with the Audit Committee and the external auditors. The audit plan is reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. In addition, regular dialogues are maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scope of work.

Reports from the external auditors on relevant financial reporting matter is presented to the Audit Committee, and, as appropriate, to the Board.

Investor Relations and Shareholders' Rights

The Board is committed in providing clear and full performance information of the Group to shareholders through the publication of interim and annual reports. In addition to the circulars, notices and financial reports sent to shareholders, additional information of the Group is also available to shareholders on the Group's website.

Shareholders are encouraged to attend the annual general meeting for which at least 20 clear business days' notice is given. The Chairman and Directors are available to answer questions on the Group's business at the meeting. Subject to the bye-laws of the Company, all shareholders shall have statutory rights to call for special general meetings and put forward agenda items for consideration in the general meetings. All resolutions at the general meeting are decided by a poll which is conducted by the Group's branch share registrar in Hong Kong.

The Group values feedback from shareholders on its effort to promote transparency and foster investor relationships. Comments and suggestions are always welcomed.

Independent Auditor's Report

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

TO THE SHAREHOLDERS OF CHINA WINDPOWER GROUP LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China WindPower Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 28 to 103, which comprise the consolidated and Company balance sheets as at 31 March 2009, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

Independent Auditor's Report

Auditor's responsibility *(Continued)*

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 10 June 2009

Consolidated Income Statement

For the year ended 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Continuing operations			
Revenue	5, 6	**379,389**	216,344
Other income	6	**15,673**	23,118
Other gain, net	7	**28,098**	15,204
Expenses			
Cost of construction and inventories sold	10	**(244,173)**	(104,565)
Employee benefit expense	9	**(32,148)**	(15,236)
Depreciation and amortisation	10	**(4,463)**	(872)
Operating lease payments in respect of land and buildings		**(3,189)**	(2,136)
Other expenses		**(26,894)**	(21,950)
Finance costs	8	**(5,507)**	(5,274)
Share of results			
— associates		**4,779**	3,032
— jointly controlled entities		**10,461**	(2,265)
Profit before income tax	10	**122,026**	105,400
Income tax expense	11	**(3,973)**	—
Profit for the year from continuing operations		**118,053**	105,400
Discontinued operations			
(Loss)/profit from discontinued operations	32	**(1,983)**	2,687
Profit for the year		**116,070**	108,087

Consolidated Income Statement

For the year ended 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Attributable to:			
Equity holders of the Company		**116,766**	100,064
Minority interests		**(696)**	8,023
		116,070	108,087
Earnings/(loss) per share from profit/(loss) attributable to the equity holders of the Company during the year			
Basic earnings/(loss) per share			
From continuing operations	*13*	**2.06 HK cents**	2.82 HK cents
From discontinued operations	*13*	**(0.03) HK cents**	0.08 HK cents
		2.03 HK cents	2.90 HK cents
Diluted earnings/(loss) per share			
From continuing operations	*13*	**1.81 HK cents**	1.85 HK cents
From discontinued operations	*13*	**(0.03) HK cents**	0.05 HK cents
		1.78 HK cents	1.90 HK cents

The notes on pages 37 to 103 form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Non-current assets			
Property, plant and equipment	*14*	**47,838**	13,455
Land use right		**642**	—
Intangible assets	*15*	**1,218,469**	903,142
Interests in associates	*17*	**99,921**	71,313
Interests in jointly controlled entities	*18*	**321,048**	425,738
Deferred tax asset	*31*	**6,008**	—
		1,693,926	1,413,648
Current assets			
Inventories	*19*	**63,594**	54,970
Trade receivables, net	*20*	**38,802**	43,270
Prepayments, deposits and other receivables	*21*	**31,666**	210,438
Amounts due from associates	*17*	**19,704**	—
Amounts due from jointly controlled entities	*18*	**1,483**	137,819
Cash and cash equivalents	*22*	**745,061**	335,531
		900,310	782,028
Assets of disposal group classified as held for sale and discontinued operations	*32*	**50,493**	—
		950,803	782,028
Current liabilities			
Trade payables	*24*	**65,687**	22,100
Other payables and accruals		**40,733**	18,092
Amounts due to jointly controlled entities	*18*	**9,791**	67,029
Borrowings	*25*	**14**	6,578
Tax payable		**1,399**	—
		117,624	113,799
Liabilities of disposal group classified as held for sale and discontinued operations	*32*	**19,299**	—
		136,923	113,799
Net current assets		**813,880**	668,229
Total assets less current liabilities		**2,507,806**	2,081,877

Consolidated Balance Sheet

As at 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Non-current liabilities			
Convertible notes	27	**23,205**	133,930
Borrowings	25	**31**	123
		23,236	134,053
Net assets		**2,484,570**	1,947,824
Capital and reserves attributable to the equity holders of the Company			
Share capital	28	**62,545**	45,545
Reserves		**2,408,420**	1,891,730
		2,470,965	1,937,275
Minority interests		**13,605**	10,549
		2,484,570	1,947,824

Ko Chun Shun, Johnson
Director

Liu Shunxing
Director

The notes on pages 37 to 103 form part of these financial statements.

Balance Sheet

As at 31 March 2009

	Notes	2009 *HK$'000*	2008 *HK$'000*
Non-current assets			
Property, plant and equipment	*14*	**649**	1,083
Interests in subsidiaries	*16*	**1,953,985**	1,640,405
		1,954,634	1,641,488
Current assets			
Amounts due from subsidiaries	*16*	**147,835**	261,585
Amount due from a jointly controlled entity	*18*	**41,000**	—
Prepayments, deposits and other receivables	*21*	**1,170**	24,751
Cash and cash equivalents	*22*	**2,474**	5,071
		192,479	291,407
Assets classified as held for sale	*32*	**13,943**	—
		206,422	291,407
Current liabilities			
Other payables and accruals		**4,732**	4,270
Borrowings	*25*	**14**	14
		4,746	4,284
Net current assets		**201,676**	287,123
Total assets less current liabilities		**2,156,310**	1,928,611
Non-current liabilities			
Convertible notes	*27*	**23,205**	133,930
Borrowings	*25*	**31**	45
		23,236	133,975
Net assets		**2,133,074**	1,794,636
Capital and reserves attributable to the equity holders of the Company			
Share capital	*28*	**62,545**	45,545
Reserves	*30*	**2,070,529**	1,749,091
Total equity		**2,133,074**	1,794,636

Ko Chun Shun, Johnson
Director

Liu Shunxing
Director

The notes on pages 37 to 103 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2009

		Attributable to equity holders of the Company									
		Share capital	**Share premium account**	**Contributed surplus**	**Premium arising on acquisition of minority interest**	**Exchange reserve**	**Other reserves**	**Accumulated losses**	**Subtotal**	**Minority interests**	**Total equity**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2007		9,503	162,464	78,810	—	—	47,230	(280,544)	17,463	—	17,463
Net exchange gains		—	—	—	—	41,560	—	—	41,560	597	42,157
Net gains recognised directly in equity		—	—	—	—	41,560	—	—	41,560	597	42,157
Profit for the year		—	—	—	—	—	—	100,064	100,064	8,023	108,087
Total recognised income for the year		—	—	—	—	41,560	—	100,064	141,624	8,620	150,244
Convertible notes — equity component		—	—	—	—	—	844,204	—	844,204	—	844,204
Issuance of ordinary shares		12,600	939,400	—	—	—	—	—	952,000	—	952,000
Conversion of convertible preference shares	*26*	23,442	33,696	—	—	—	(46,933)	—	10,205	—	10,205
Cost of issuance of shares		—	(28,221)	—	—	—	—	—	(28,221)	—	(28,221)
Acquisition of subsidiaries		—	—	—	—	—	—	—	—	6,314	6,314
Acquisition of additional interest in subsidiaries		—	—	—	—	—	—	—	—	(4,385)	(4,385)
At 31 March 2008		45,545	1,107,339	78,810	—	41,560	844,501	(180,480)	1,937,275	10,549	1,947,824
Net exchange gains		—	—	—	—	80,185	—	—	80,185	287	80,472
Net gains recognised directly in equity		—	—	—	—	80,185	—	—	80,185	287	80,472
Profit/(loss) for the year		—	—	—	—	—	—	116,766	116,766	(696)	116,070
Total recognised income/(loss) for the year		—	—	—	—	80,185	—	116,766	196,951	(409)	196,542
Fair value adjustment on issuance of contingent convertible note	*33(a)*	—	—	—	—	—	252,470	—	252,470	—	252,470
Issuance of ordinary shares upon conversion of convertible notes	*28*	17,000	1,030,074	—	—	—	(933,007)	—	114,067	—	114,067
Acquisition of additional interest in subsidiaries		—	—	—	(35,481)	—	—	—	(35,481)	(10,140)	(45,621)
Formation of a subsidiary		—	—	—	—	—	—	—	—	13,605	13,605
Share-based compensation		—	—	—	—	—	5,683	—	5,683	—	5,683
At 31 March 2009		62,545	2,137,413	78,810	(35,481)	121,745	169,647	(63,714)	2,470,965	13,605	2,484,570

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Operating activities			
Profit before income tax, including continuing and discontinued operations		**120,043**	108,087
Adjustments for:			
Finance costs	*8*	**5,507**	5,293
Interest income	*6*	**(13,806)**	(14,916)
Dividend income on financial assets at fair value through profit or loss	*6*	**—**	(3,365)
Depreciation	*14*	**5,694**	2,264
Amortisation of intangible asset and land use right	*10*	**335**	—
Share-based compensation	*9*	**5,683**	—
Net realised gain on disposal of financial assets at fair value through profit or loss	*6*	**—**	(6,499)
Share of profit from associates		**(4,779)**	(3,032)
Share of (profit)/loss from jointly controlled entities		**(10,461)**	2,265
Provision for impairment of trade receivables		**—**	20
Loss on disposal of property, plant and equipment		**202**	3
Gain on disposal of subsidiaries	*7*	**(28,098)**	(15,204)
Operating profit before working capital changes:		**80,320**	74,916
Increase in inventories		**(19,332)**	(44,082)
Decrease/(increase) in trade receivables		**1,762**	(39,647)
Decrease/(increase) in prepayments, deposits and other receivables		**171,731**	(142,696)
Decrease/(increase) in amounts due from jointly controlled entities		**203,890**	(153,988)
(Decrease)/increase in amounts due to jointly controlled entities		**(57,238)**	64,643
Increase in amounts due from associates		**(19,704)**	—
Increase in trade payables		**51,233**	13,432
Increase/(decrease) in other payables and accruals		**26,695**	(12,674)
Cash generated from/(used) in operating activities		**439,357**	(240,096)
Income tax paid		**(8,582)**	—
Net cash generated from/(used) in operating activities		**430,775**	(240,096)

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Cash flows from operating activities			
Net cash generated from/(used) in operating activities		**430,775**	(240,096)
Cash flows from investing activities			
Purchases of property, plant and equipment		**(41,943)**	(13,442)
Purchase of land use right		**(877)**	—
Proceeds from disposal of property, plant and equipment		**—**	6
Acquisition of interests in subsidiaries	*33(a)*	**—**	59,346
Capital injection from minority interest		**13,605**	—
Acquisition of interests in associates		**—**	(24,070)
Acquisition of interests in JCEs		**—**	(337,888)
Additional capital injection in an associate		**(25,787)**	—
Additional capital injection into JCEs		**(116,941)**	—
Acquisition of equity interest from minority interests		**(45,621)**	(4,385)
Disposal of subsidiaries	*33(b)*	**126,901**	9,848
Cash effect of disposal group		**(28,197)**	—
Purchase financial assets at fair value		**(24,830)**	(26,116)
Proceeds from disposal of financial assets at fair value through profit or loss		**—**	8,524
Dividends received on financial assets at fair value through profit or loss		**—**	3,365
Dividends received from an associate		**3,565**	—
Interest received		**13,806**	14,916
Net cash used in investing activities		**(126,319)**	(309,896)
Cash flows from financing activities			
Net proceeds from issuance of ordinary shares		**—**	923,779
Proceeds from borrowings		**890**	6,542
Inception of new finance leases		**—**	181
Repayment of borrowings		**—**	(73,095)
Repayment of amount due to minority shareholders		**—**	(1,033)
Repayment of loans from JCEs		**95,502**	—
Interest paid		**(1,794)**	(19)
Interest element on finance lease payments		**(6)**	(4)
Capital element of finance lease payments		**(31)**	(22)
Net cash generated from financing activities		**94,561**	856,329

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	Notes	**2009**	2008
		HK$'000	*HK$'000*
Net increase in cash and cash equivalents		**399,017**	306,337
Cash and cash equivalents at beginning of year		**335,531**	22,669
Exchange gain on cash and cash equivalents		**10,513**	6,525
Cash and cash equivalents at end of year		**745,061**	335,531
Analysis of balances of cash and cash equivalents			
Cash and bank balances		**745,061**	335,531

The notes on pages 37 to 103 form part of these financial statements.

Notes to the Consolidated Financial Statements

1. Corporate information

China WindPower Group Limited (the "Company") is a limited liability company incorporated in Bermuda. The head office and its principal place of business is located at Suite 3901, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

During the year, the Company and its subsidiaries (together the "Group") were involved in the following principal activities:

- Design and consultancy, engineering, procurement and construction, operation and maintenance of wind power plants, and manufacture of wind power equipment.
- Wholesale and retail of Chinese and other medicines, health products and dried seafood products.
- Provision of Chinese clinical services.

On 5 March 2009, the Company entered into a sale and purchase agreement to dispose the business of wholesale and retail of Chinese and other medicines, health products and dried seafood products; and provision of Chinese clinical services. Please refer to Note 32 for further details.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board on 10 June 2009.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Int") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). They have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

(a) *Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")*

In the current year, the Group has applied, for the first time, the following amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's accounting period beginning on or after 1 April 2008.

HKAS 39	Finance Instruments: Recognition and measurement — amendment on reclassification of financial assets
HK(IFRIC)–Int 11	HKFRS 2 Group and Treasury Share Transactions
HK(IFRIC)–Int 12	Service Concession Arrangements
HK(IFRIC)–Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

(b) *Standards, amendments and interpretation to existing standards that are not yet effective and have not been early adopted by the Group*

The following standards and amendments to existing standards have been published and are mandatory and relevant for the Group's accounting periods beginning on or after 1 April 2009, or later periods, but the Group has not early adopted them:

- HKAS 1 (Revised), Presentation of financial statements[1]. The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the consolidated income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The Group will apply HKAS 1 (Revised) from 1 April 2009. It is likely that both the consolidated income statement and statement of comprehensive income will be presented as performance statements.

Notes to the Consolidated Financial Statements

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

(b) ***Standards, amendments and interpretation to existing standards that are not yet effective and have not been adopted by the Group*** *(Continued)*

- HKAS 23 (Revised), Borrowing costs[1]. The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group will apply HKAS 23 (Revised) prospectively from 1 April 2009 but is currently not applicable to the Group as there are no qualifying assets.

- HKAS 27 (Revised), Consolidated and separate financial statements[2]. The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (Revised) prospectively to transactions with non-controlling interests from 1 April 2010.

- HKFRS 1 (Amendment), First time adoption of HKFRS and HKAS 27 'Consolidated and separate financial statements[2]. The amended standard allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from HKAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. The Group will apply HKAS 27 (Amendment) prospectively from 1 April 2010 in its separate financial statements but is currently not applicable to the Group.

- HKFRS 2 (Amendment), 'Share-based payment'. The amended standard deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. As such these features would need to be included in the grant date fair value for transactions with employees and others providing similar services, that is, these features would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group will apply HKFRS 2 (Amendment) from 1 January 2009, but it is not expected to have a material impact on the Group's financial statements.

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

(b) *Standards, amendments and interpretation to existing standards that are not yet effective and have not been adopted by the Group* *(Continued)*

- HKFRS 3 (Revised), Business combinations[2]. The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the consolidated income statement. There is a choice on an acquisition by acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (Revised) prospectively to all business combinations from 1 April 2010.

- HKFRS 8, Operating segments[1]. HKFRS 8 replaces HKAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. It is not expected to have significant impact to the Group's consolidated financial statements except that there will be additional disclosures required by HKFRS 8.

(c) *Improvements to HKFRS — Amendments to existing standards that are not yet effective and have not been early adopted by the Group*

The following amendments and minor amendments to existing standards have been published and are mandatory and relevant for the Group's accounting periods beginning on or after 1 April 2009, or later periods, but the Group has not early adopted them:

Improvements to HKFRS — Amendments to:

HKFRS 5	Non-current assets held for sale and discontinued operations[2]
HKAS 1	Presentation of Financial Statements[1]
HKAS 16	Property, Plant and Equipment[1]
HKAS 19	Employee Benefits[1]
HKAS 23	Borrowing Costs[1]
HKAS 27	Consolidated and separate financial statements[1]
HKAS 28	Investments in Associates[1]
HKAS 31	Interests in Joint Ventures[1]
HKAS 36	Impairment of Assets[1]
HKAS 38	Intangible Assets[1]
HKAS 39	Financial Instruments: Recognition and Measurement[1]

2. Summary of significant accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

(c) *Improvements to HKFRS — Amendments to existing standards that are not yet effective and have not been early adopted by the Group* *(Continued)*

Minor amendment to:

HKFRS 7	Financial instruments: Disclosures[1]
HKAS 8	Accounting policies, changes in accounting estimates and errors[1]
HKAS 10	Events after the balance sheet date[1]
HKAS 18	Revenue[1]
HKAS 34	Interim financial reporting[1]

The above amendments will not result in significant changes to the Group's accounting policies other than that there will be additional disclosures.

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 March.

(i) *Subsidiaries*

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group, except for those acquisitions which qualify as business combination under common control which are accounted for using merger accounting.

(A) Purchase method of accounting

The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(i) Subsidiaries *(Continued)*

(B) Business combinations under common control

The consolidated financial statements incorporate the financial statement items of the combining entities or business in which the common control combination occurs as if they had been consolidated from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the contribution of the controlling party's interest. All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities are recorded have been recognised directly in equity as part of the capital reserve.

The consolidated income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when combining entities or business first came under common control, where this is a shorter period, the date of the common control combination is disregarded.

The comparative amounts in the consolidated financial statements are presented as if the entities or business had been consolidated at the earliest balance sheet date presented or when they first came under common control, whichever is the later.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.8). The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

(C) Transactions with minority shareholders — 'economic entity approach'

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is charged against equity. Gains or losses on disposals to minority interests are also recorded in equity.

2. Summary of significant accounting policies *(Continued)*

2.2 Consolidation *(Continued)*

(ii) Associates and jointly controlled entities ("JCEs")

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. JCEs are joint ventures that involve the establishment of a cooperation, for which there is a contractual arrangement between the venturers establishing joint control over the economic activity of the entity. Investments in associates and JCEs are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investments in associates and JCEs include goodwill (net of any accumulated impairment loss) identified on acquisition (Note 2.6(i)).

The Group's share of its associates' and JCEs' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements, if any, is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates or JCEs equals or exceeds its interests in the associates or JCEs, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates or JCEs.

Unrealised gains on transactions between the Group and its associates or JCEs are eliminated to the extent of the Group's interest in the associates or JCEs. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and JCEs have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in associates and JCEs are stated at cost less provision for impairment losses (Note 2.8). The results of associates and JCEs are accounted for by the Company on the basis of dividend received and receivable.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

2. Summary of significant accounting policies *(Continued)*

2.4 Foreign currency translation *(Continued)*

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

— assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

— income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

— all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the income statement during the financial period in which they are incurred.

2. Summary of significant accounting policies *(Continued)*

2.5 Property, plant and equipment *(Continued)*

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Building	Over 20 to 25 years
Leasehold improvements	Over the lease terms of 1 to 5 years
Furniture, fixtures and equipment	7%-33.33%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other expenses' in the income statements.

2.6 Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiaries/associates/JCEs at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates/JCEs is included in investments in associates/JCEs and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(ii) Other intangible assets

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date and is amortised over its estimated useful life.

2.7 Land use right

The cost of the land use right is its fair value at the acquisition date. The land use right has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of land use right over its term.

2. Summary of significant accounting policies *(Continued)*

2.8 Impairment of investments in subsidiaries, associates, JCEs and non-financial assets

Assets that have an indefinite useful life or have not yet available for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purposes for which the financial assets were acquired. Management determine the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables comprise trade receivables, other receivables, amounts due from associates/JCEs and 'cash and cash equivalents' in the balance sheet (Notes 2.12 and 2.13).

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

2. Summary of significant accounting policies *(Continued)*

2.9 Financial assets *(Continued)*

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains — net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of revenue when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in Note 2.12.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of sum yung and pharmaceutical products is determined using the weighted average basis method. Cost of wind power equipments manufactured is determined using specific identification of their individual costs.

2.11 Construction contracts

The accounting policy for contract revenue is set out in Note 2.22. When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the balance sheet date. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured.

2. Summary of significant accounting policies *(Continued)*

2.12 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the income statement.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2. Summary of significant accounting policies *(Continued)*

2.17 Convertible preference shares

Convertible preference shares issued by the Company that contain both financial liability and equity components were classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component was determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible preference shares and the fair value assigned to the liability component, representing the embedded call option for the holder to convert the notes into equity, was included in equity (other reserves).

In subsequent periods, the liability component of the convertible preference shares was carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in other reserves until the embedded option is exercised (in which case the balance stated in other reserves was transferred to share premium).

Transaction costs that relate to the issue of the convertible preference shares are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component were charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible preference shares using the effective interest method.

2.18 Convertible notes

Convertible notes that can be converted to equity share capital of the Company at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible notes is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amounts initially recognised as the liability component is recognised as the equity component and included in the convertible note reserve under equity. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently stated at amortised cost until extinguished on conversion or maturity of the notes, with any difference between the amount initially recognised and the redemption value being recognised in the income statement over the period of the notes using the effective interest method. The equity component is recognised in the convertible note reserve under equity until either the notes are converted or redeemed.

2. Summary of significant accounting policies *(Continued)*

2.18 Convertible notes *(Continued)*

If the notes are converted, the respective equity component in the convertible note reserve, together with the carrying value of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the notes are redeemed, the respective equity component in the convertible note reserve is released directly to equity.

2.19 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries, associates and JCEs operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.20 Employee benefits

(i) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

2. Summary of significant accounting policies *(Continued)*

2.20 Employee benefits *(Continued)*

(i) Pension obligations (Continued)

The employees of the Group's subsidiaries which operate in the People's Republic of China ("the PRC") are required to participate in central pension schemes operated by the local municipal government. The subsidiaries are required to contribute certain percentage of the payroll costs to the central pension schemes. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension schemes.

(ii) Share-based compensation

The Group operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(iii) Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year and prior years by the employees and carried forward.

2.21 Provisions

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2. Summary of significant accounting policies *(Continued)*

2.21 Provisions *(Continued)*

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.22 Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer and the goods are accepted by the customers and collectibility of the related receivable is reasonably assured;

(ii) from the rendering of services, when the services are rendered;

(iii) contract revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of surveys of work performed.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent that it is probable the contract costs incurred will be recoverable;

(iv) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;

(v) dividend income, when the shareholders' right to receive payment has been established; and

(vi) dealings in securities and sale of investments, on the transaction dates when the relevant contract notes are exchanged or the settlement dates when the securities are delivered.

2.23 Leases

(i) Operating leases

Accounting by lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2. Summary of significant accounting policies *(Continued)*

2.23 Leases *(Continued)*

(ii) Finance leases

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.24 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to a variety of financial risks which result from its operating and investing activities. The management periodically analyses and reviews measures to manage its exposure to market risk (including foreign currency risk, cashflow and interest rate risk and price risk), credit risk and liquidity risk. Generally, the Group employs a conservative strategy regarding its risk management and has not used any derivatives or other instruments for hedging purposes.

At 31 March 2009, the Group's financial instruments mainly consisted of trade receivables, other receivables, amounts due from associates, amounts due from/to JCEs, bank balances and deposits, trade payables, other payables, convertible notes, bank borrowings and finance lease payables. Details of these financial instruments are disclosed in respective notes.

(a) Market risk

(i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises from monetary assets and liabilities denominated in foreign currencies. The Group had only insignificant foreign exchange risk exposure to Renminbi ("RMB") as at 31 March 2009 and 31 March 2008 and as such, no sensitivity analysis has been presented.

3. Financial risk management *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) ***Market risk*** *(Continued)*

(i) Foreign exchange risk (Continued)

The Group had certain RMB denominated investments in foreign operations, the net assets of which were exposed to foreign currency translation risk. Fluctuations in such currencies are reflected in the movement of the translation reserve.

The Company has no foreign currency denominated financial assets and liabilities as at 31 March 2009 (2008: same). As such, it is not exposed to foreign exchange risk and no sensitivity analysis has been presented.

(ii) Interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group and the Company are exposed to fair value interest rate risk in relation to interests from JCEs and associates, fixed rate convertible notes and fixed rate obligation under finance leases.

The Group is also exposed to cashflow interest rate risk and is primarily in relation to the Group's bank balances.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for variable rate bank balances and borrowings at the balance sheet date. For variable-rate bank borrowings, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variable were held constant, the Group's profit for the year ended 31 March 2009 would increase/decrease by HK$3,736,000 (2008: HK$543,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank balances.

(iii) Price risk

The Group is not exposed to any equity securities risk or commodity price risk.

3. Financial risk management *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) *Credit risk*

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets and the amounts due from associates and JCEs as stated in the respective notes to the consolidated financial statements.

Credit risk is managed on a group basis. Both trade receivables and amounts due from associates and JCEs' arise during the course of the Group's business operations and are trade in nature. For trade receivables, the management of the Group limit credit risks by assessing the credit quality of the customer, perform ongoing credit evaluation taking into account its financial position, past trade experience and other factors. For the amounts due from the JCEs, the Group has joint operational control over its JCEs' and their financial positions with other ventures are regularly monitored in order to minimise the credit risk associated with receivables due from the JCEs. The Group has policies in place to review the recoverability of trade receivable balances and amounts due from associates and JCEs on an ongoing basis and assess the adequacy of provision for impairment.

The maximum exposure to credit risk is therefore represented by the carrying amount of each financial asset as stated in the balance sheet.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

(c) *Liquidity risk*

In the management of the liquidity risk, the Group monitors and maintains a level of cash reserves and banking facilities deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows and matching maturity profiles of financial assets and liabilities.

As at 31 March 2009, the Group has HK$Nil (2008: HK$8,459,000) available unutilised bank loan facilities.

The following table details the Group's and the Company's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The respective tables include both interest and principal cash flows.

3. Financial risk management *(Continued)*

3.1 Financial risk factors *(Continued)*

(c) ***Liquidity risk*** *(Continued)*

As at 31 March 2009

	The Group				
Non-derivative financial liabilities	**Less than 3 months**	**3-6 months**	**6-12 months**	**1-2 years**	**Over 2 years**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Trade and other payables	**73,425**	**28,721**	**257**	**—**	**—**
Finance lease payables	**5**	**5**	**10**	**20**	**27**
Convertible note					
— 2nd tranche	**69**	**64**	**290**	**32,614**	**—**

	The Company				
Non-derivative financial liabilities	**Less than 3 months**	**3-6 months**	**6-12 months**	**1-2 years**	**Over 2 years**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Other payables	**5**	**2,079**	**—**	**—**	**—**
Finance lease payables	**5**	**5**	**10**	**20**	**27**
Convertible note					
— 2nd tranche	**69**	**64**	**290**	**32,614**	**—**

As at 31 March 2008

	The Group				
Non-derivative financial liabilities	Less than 3 months	3-6 months	6-12 months	1-2 years	Over 2 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	32,654	2,450	—	—	—
Bank loan — variable rate	6,541	—	—	—	—
Finance lease payables	11	11	21	43	102
Convertible notes					
— 1st tranche	249	252	499	1,000	101,332
— 2nd tranche	—	252	499	1,000	101,581

	The Company				
Non-derivative financial liabilities	Less than 3 months	3-6 months	6-12 months	1-2 years	Over 2 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Other payables	5	1,781	—	—	—
Finance lease payables	5	5	10	40	27
Convertible notes					
— 1st tranche	249	252	499	1,000	101,332
— 2nd tranche	—	252	499	1,000	101,581

3. Financial risk management *(Continued)*

3.2 Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt to equity ratio.

The net debt to equity ratio did not apply at 31 March 2009 as the Group had cash surplus after allowing for the debt (2008: same). The cash surplus is a remaining balance of fund from the fund raising activities made during the year and shall be applied to for the Group's future business and expansion requirements.

3.3 Fair value estimation

The fair value of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices, and

- The fair value of other financial assets and other financial liabilities are determined in accordance with generally accepted pricing models based on discounted cashflow analysis using prices or rates from observable current market transaction as inputs.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

4. Critical accounting estimates and judgements

In preparing the consolidated financial statements, management is required to exercise significant judgements in the selection and application of accounting principles, as well as in making estimates and assumptions. The following is a review of the more significant accounting policies that are impacted by judgements and uncertainties and for which different amounts may be reported under a different set of conditions or using different assumptions.

(a) Percentage of completion of construction works

The Group recognises the revenue according to the percentage of completion of the individual contract of construction works. The percentage of completion of construction works is determined by reference to the percentage of surveys of work performed for individual contract at the balance sheet date. Because of the nature of the activities undertaken in construction contracts, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group regularly reviews and revises the estimation of both contract revenue and contract cost in the budget prepared for each construction contract as the contract progresses.

(b) Valuation of the issued convertible note ("Convertible Notes")

The fair value of convertible notes that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at issue date for the issued convertible notes ("Convertible Note — issued") and at initial recognition date for the to be issued contingent convertible note ("Convertible Note — to be issued"). During the year, the Group has re-estimated the fair value of a convertible note which was transferred from "Convertible Note — to be issued" to "Convertible Note issued" upon its issuance based on the market conditions existing at issue date. The corresponding change in the fair value has been adjusted to goodwill and equity (Note 27(ii) and Note 33(a)) respectively.

(c) Impairment of assets

At each balance sheet date, the Group reviews internal and external sources of information to identify indications that the following assets which are significant to the Group and/or Company may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- investments in subsidiaries, associates and JCEs;
- goodwill; and
- intangible assets

4. Critical accounting estimates and judgements *(Continued)*

(c) Impairment of assets *(Continued)*

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment. An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amounts.

The sources utilised to identify indications of impairment are often subjective in nature and the Group is required to use judgement in applying such information to its business. The Group's interpretation of this information has a direct impact on whether an impairment assessment is performed as at any given balance sheet date.

If an indication of impairment is identified, such information is further subject to an exercise that requires the Group or Company to estimate the recoverable value, representing the greater of the asset's fair value less cost to sell or its value in use. Depending on the Group or Companys' assessment of the overall materiality of the asset under review and complexity of deriving reasonable estimates of the recoverable value, the Group may perform such assessment utilising internal resources or the Group or Company may engage external advisors to counsel the Group or Company in making this assessment. Regardless of the resources utilised, the Group or Company is required to make many assumptions to make this assessment, including the utilisation of such asset, the cash flows to be generated, appropriate market discount rates and the projected market and regulatory conditions. Changes in any of these assumptions could result in a material change to future estimates of the recoverable value of any asset.

(d) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and function. It could change significantly as a result of changes in the Group's operations including any future relocation or renovation of the Group's facilities. Management will increase the depreciation charge where useful lives are less than previously estimated, or it will write-off or write-down non-strategic assets that have been abandoned or sold.

5. Segment information

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

On 5 March 2009, The Company entered into a sale and purchase agreement to dispose the entire equity interests in Nam Pei Hong Sum Yung Drugs Company Limited, NPH Sino-Meditech Limited, Poo Yuk Loong Limited and 保玉龍食品（深圳）有限公司 (Poo Yuk Loong (Shenzhen) Limited*), (collectively, "NPH Group"). As a result, the NPH Group represents a discontinued operation and the details of the results of the discontinued operation are disclosed in Note 32.

Summary of details of the business segments is as follows:

(a) Continuing operations

Wind power business — the engineering, procurement and construction ("EPC"), operation and maintenance of wind power plants, the manufacture of wind power equipments and other wind power related business.

(b) Discontinued operations

Nam Pei Hong — the sum yung and pharmaceutical products segment sells Chinese and other medicines, pharmaceutical products, health products and dried seafood products to wholesalers and retailers as well as Chinese clinical services.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted at cost or with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

* *For identification purposes only*

5. Segment information *(Continued)*

(a) Business segments

The following table presents the revenue, profit/(loss) for the Group's business segments for the year ended 31 March 2009. The comparative figures have been reclassified to conform with the current year's presentation.

2009	**Continuing operations Wind power business** *HK$'000*	**Discontinued operations Nam Pei Hong** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue:			
Sales to external customers	379,389	89,034	468,423
Segment results	118,563	(1,983)	116,580
Finance Income			13,806
Unallocated income			770
Unallocated expenses			(20,846)
Finance costs			(5,507)
Share of profit of associates			4,779
Share of profit of jointly controlled entities			10,461
Profit before income tax			120,043
Income tax expense			(3,973)
Profit for the year			116,070
Segment assets	2,148,329	50,493	2,198,822
Interests in associates			99,921
Interests in jointly controlled entities			321,048
Unallocated assets			24,938
Total assets			2,644,729
Segment liabilities	(111,509)	(19,299)	(130,808)
Unallocated liabilities			(29,351)
Total liabilities			(160,159)

	Continuing operations Wind power business *HK$'000*	**Discontinued operations Nam Pei Hong** *HK$'000*	**Unallocated** *HK$'000*
Other segment information:			
Capital expenditure	41,064	870	9
Depreciation	3,694	1,566	434
Amortisation of intangible asset and land use right	335	—	—
Loss on disposal of fixed assets	—	202	—
Share-based compensation	2,233	—	3,450

5. Segment information *(Continued)*

(a) Business segments *(Continued)*

2008	Continuing operations Wind power business *HK$'000*	Discontinued operations Nam Pei Hong *HK$'000*	Consolidated *HK$'000*
Segment revenue:			
Sales to external customers	216,344	81,468	297,812
Segment results	98,900	2,687	101,587
Interest and dividend income			16,588
Unallocated income			6,499
Unallocated expenses			(12,080)
Finance costs			(5,274)
Share of profit of associates			3,032
Share of loss of jointly controlled entities			(2,265)
Profit before income tax			108,087
Income tax expense			—
Profit for the year			108,087
Segment assets	1,418,800	51,803	1,470,603
Interests in associates			71,313
Interests in jointly controlled entities			425,738
Unallocated assets			228,022
Total assets			2,195,676
Segment liabilities	(90,791)	(18,326)	(109,117)
Unallocated liabilities			(138,735)
Total liabilities			(247,852)

	Continuing operations Wind power business *HK$'000*	Discontinued operations Nam Pei Hong *HK$'000*	Unallocated *HK$'000*
Other segment information:			
Capital expenditure	9,805	2,299	1,338
Depreciation	617	1,392	255

5. Segment information *(Continued)*

(b) Geographical segments

The following table presents revenue and certain assets and expenditures information for the Group's geographical segments.

2009	**The PRC**	**Hong Kong**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***
Segment revenue:			
Sales to external customers	**379,389**	**89,034**	**468,423**
Other segment information:			
Segment assets	**2,569,298**	**75,431**	**2,644,729**
Capital expenditures	**41,064**	**879**	**41,943**

2008	The PRC	Hong Kong	Consolidated
	HK$'000	*HK$'000*	*HK$'000*
Segment revenue:			
Sales to external customers	216,344	81,468	297,812
Other segment information:			
Segment assets	1,915,815	279,861	2,195,676
Capital expenditures	9,805	3,637	13,442

6. Revenue and other income

Revenue represents consultancy and construction income; the net invoiced value of goods sold, after allowances for returns and trade discounts; the value of maintenance and other services rendered during the year.

An analysis of revenue and other income is as follows:

Continuing operations	**Group**	
	2009	2008
	HK$'000	*HK$'000*
Revenue		
Wind power engineering consultancy and construction income	**379,389**	216,344
Other income		
Interest income	**13,806**	13,223
Dividend income on financial assets at fair value through profit or loss	**—**	3,365
Net realised gains on disposal of financial assets at fair value through profit or loss	**—**	6,499
Others	**1,867**	31
	15,673	23,118

7. Other gain, net

An analysis of other gain, net is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Gain on disposal of subsidiaries *(Note 33(b))*	**28,098**	15,204

8. Finance costs

	Group	
	2009	2008
	HK$'000	*HK$'000*
Interest on convertible notes *(Note 27)*	**3,925**	4,993
Interest on amounts due to associates	**1,115**	—
Interest on bank borrowings, wholly repayable within five years	**461**	—
Interest on finance lease	**6**	4
Interest on convertible preference shares	**—**	277
	5,507	5,274

9. Employee benefit expense and directors' emoluments

(a) Employee benefit expense

	Group	
	2009	2008
	HK$'000	*HK$'000*
Wages and salaries	**25,217**	15,197
Pension costs — defined contribution plans *(Note i)*	**1,248**	39
Share-based compensation *(Note 29)*	**5,683**	—
	32,148	15,236

Note:

(i) Pensions costs — defined contribution plans

At 31 March 2009, the Group had no significant forfeited contributions available to reduce its contributions to the pension scheme in future years (2008: Nil).

9. Employee benefit expense and directors' emoluments *(Continued)*

(b) Directors' emoluments

Details of directors' emoluments are set out below:

	Group 2009					
	Fees	Basic salaries, allowance and benefits	Discretionary bonuses	Employer's contribution to pension scheme	Share-based compensation *(Note)*	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Chairman						
Ko Chun Shun, Johnson	—	569	—	12	—	581
Executive directors						
Chan Kam Kwan, Jason	—	300	—	12	109	421
Liu Shunxing	—	1,192	—	—	547	1,739
Wang Xun	—	1,094	—	—	394	1,488
Liu Jianhong	—	1,042	—	—	394	1,436
Yang Zhifeng	—	1,131	—	—	394	1,525
Non-executive directors						
Tsoi Tong Hoo, Tony	144	—	—	—	131	275
Independent non-executive directors						
Ho Tak Man, Billy	144	—	—	—	88	232
Yap Fat Suan, Henry	144	—	—	—	88	232
Dr. Wong Yau Kar, David	144	—	—	—	88	232
	576	5,328	—	24	2,233	8,161

Note: This represents amortisation of the fair value of share options measured at the grant date charged to the income statement, regardless of whether or not the share options have been vested or exercised.

9. Employee benefit expense and directors' emoluments *(Continued)*

(b) Directors' emoluments *(Continued)*

	Group 2008				
	Fees	Basic salaries, allowance and benefits	Discretionary bonuses	Employer's contribution to pension scheme	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Chairman					
Ko Chun Shun, Johnson	—	616	—	12	628
Executive directors					
Chan Kam Kwan, Jason	—	300	—	12	312
Wong Fan, Frank	—	500	—	24	524
Yeung Heung Heung	—	300	—	—	300
Liu Shunxing	—	599	—	—	599
Wang Xun	—	372	—	—	372
Liu Jianhong	—	340	—	—	340
Yang Zhifeng	—	372	—	—	372
Non-executive directors					
Kelvin Edward Flynn	191	—	—	—	191
Tsoi Tong Hoo, Tony	144	—	—	—	144
Independent non-executive directors					
Ho Tak Man, Billy	144	—	—	—	144
Yap Fat Suan, Henry	144	—	—	—	144
Dr. Wong Yau Kar, David	144	—	—	—	144
	767	3,399	—	48	4,214

Other than as presented above, no other fees or emoluments were paid to the independent non-executive directors during the year (2008: Nil).

For the year ended 31 March 2009, there were no arrangement under which a director waived or agreed to waive any remuneration, and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group, or as compensation for loss of office (2008: Nil).

Details of share options granted to directors are set out in Note 29 to the consolidated financial statements.

9. Employee benefit expense and directors' emoluments *(Continued)*

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four directors (2008: five, two of which were appointed directors during 2008, the portion of their emoluments prior to their directorship were reflected in the analysis below) whose emoluments are reflected in the analysis above. The emoluments payable to the remaining one (2008: two) individual during the year are as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Basic salaries, housing allowances, other allowances and benefits in kind	**848**	279
Bonuses	**—**	—
Share-based compensation	**164**	—
	1,012	279

Their emoluments fell within the HK$1,000,000 — HK$1,500,000 (2008: Nil to HK$1,000,000) band.

10. Profit before income tax

Profit before income tax is stated after charging the following:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Charging		
Changes in inventories of finished goods and work in progress	**172,655**	64,690
Auditor's remuneration	**2,650**	1,934
Amortisation of intangible asset *(Note 15)*	**100**	—
Depreciation *(Note 14)*	**4,128**	872
Amortisation of land use right	**235**	—
Exchange losses, net	**85**	1,702

Notes to the Consolidated Financial Statements

11. Income tax expense

	Group 2009 HK$'000	Group 2008 HK$'000
Current tax		
— Overseas taxation — The PRC	**9,981**	—
Deferred tax	**(6,008)**	—
	3,973	—

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

Continuing operations

	Group 2009 HK$'000	Group 2008 HK$'000
Profit before income tax (excluding discontinued operations)	**122,026**	105,400
Tax calculated at domestic tax rates to profits in the respective countries	**31,994**	26,621
Effects of tax holiday on assessable profits of subsidiaries incorporated in the PRC	**(31,015)**	(41,100)
Income not subject to tax	**(11,854)**	(6,565)
Expenses not deductible for tax	**2,001**	1,239
Tax losses for which no deferred tax asset was recognised	**2,628**	2,775
Utilisation of previously unrecognised tax losses	**—**	(22)
Tax effects resulting from unrealised gains on transactions between the Group and its JCEs and associates	**10,219**	17,310
Others	**—**	(258)
	3,973	—

Discontinued operations

No Hong Kong profits tax and overseas taxation has been provided as the Group had sufficient tax losses brought forward to set off against the assessable profits for the year (2008: Nil).

12. Loss attributable to equity holders of the Company

The loss attributable to equity holders of the Company for the year ended 31 March 2009 dealt with in the financial statements of the Company is approximately HK$33,782,000 (2008: loss of HK$915,000).

13. Earnings/(loss) per share

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2009	2008
Weighted average number of shares in issue (thousands)	**5,770,087**	3,447,141
Profit from continuing operations attributable to equity holders of the Company (HK$ thousands)	**118,749**	97,377
Basic earnings per share from continuing operations attributable to equity holders of the Company (HK cents per share)	**2.06**	2.82
(Loss)/profit from discontinued operations attributable to equity holders of the Company (HK$ thousands)	**(1,983)**	2,687
Basic (loss)/earnings per share from discontinued operations attributable to equity holders of the Company (HK cents per share)	**(0.03)**	0.08
Profit attributable to equity holders of the Company (HK$ thousands)	**116,766**	100,064
Basic earnings per share attributable to equity holders of the Company (HK cents per share)	**2.03**	2.90

13. Earnings/(loss) per share *(Continued)*

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible notes and share options. The convertible notes are assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expenses. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared to the number of shares that would have been issued assuming the exercise of the share options. The effects of the assumed conversion of the share options were anti-dilutive.

	2009	2008
Profit attributable to equity holders of the Company (HK$ thousands)	**116,766**	100,064
Interest expenses on convertible notes (HK$ thousands)	**3,925**	4,993
Profit used to determine diluted earnings per share (HK$ thousands)	**120,691**	105,057
Weighted average number of ordinary shares in issue (thousands)	**5,770,087**	3,447,141
Adjustment for		
— assumed conversion of convertible preference shares (thousands)	**—**	735,635
— assumed conversion of convertible notes — issued (thousands)	**1,001,071**	673,401
— assumed conversion of convertible note — to be issued (thousands)	**—**	673,401
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**6,771,158**	5,529,578

14. Property, plant and equipment

Group

	Building HK$'000	Leasehold improvements HK$'000	Furniture, fixtures and equipment HK$'000	Motor vehicles HK$'000	Construction in progress HK$'000	Total HK$'000
Cost						
At 1 April 2008	1,867	8,038	7,618	3,249	—	20,772
Additions	13,062	827	17,272	7,734	3,048	41,943
Disposals	—	(1,676)	(2)	—	—	(1,678)
Transferred to disposal group classified as held for sale and discontinued operations *(Note 32(a))*	—	(3,923)	(5,282)	(84)	—	(9,289)
Exchange differences	41	42	76	71	—	230
At 31 March 2009	14,970	3,308	19,682	10,970	3,048	51,978
Accumulated depreciation						
At 1 April 2008	18	3,685	3,418	196	—	7,317
Charge during the year *(Note ii)*	247	2,733	1,175	1,539	—	5,694
Disposals	—	(1,474)	(2)	—	—	(1,476)
Transferred to disposal group classified as held for sale and discontinued operations *(Note 32(a))*	—	(2,909)	(4,416)	(84)	—	(7,409)
Exchange differences	—	7	4	3	—	14
At 31 March 2009	265	2,042	179	1,654	—	4,140
Net book value						
At 31 March 2009	14,705	1,266	19,503	9,316	3,048	47,838

14. Property, plant and equipment *(Continued)*

Group *(Continued)*

	Building	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost					
At 1 April 2007	—	4,665	3,709	85	8,459
Arising on acquisition of subsidiaries *(Note 33(a))*	—	—	51	351	402
Additions	1,867	4,892	3,896	2,787	13,442
Disposals	—	(1,519)	(45)	—	(1,564)
Exchange differences	—	—	7	26	33
At 31 March 2008	1,867	8,038	7,618	3,249	20,772
Accumulated depreciation					
At 1 April 2007	—	3,485	3,043	51	6,579
Arising on acquisition of subsidiaries *(Note 33(a))*	—	—	1	2	3
Charge during the year	17	1,706	403	138	2,264
Disposals	—	(1,519)	(36)	—	(1,555)
Exchange differences	1	13	7	5	26
At 31 March 2008	18	3,685	3,418	196	7,317
Net book value					
At 31 March 2008	1,849	4,353	4,200	3,053	13,455

Notes:

(i) The net book value of the Group's office equipment held under finance lease as at 31 March 2009 amounted to approximately HK$45,200 (2008: HK$159,000).

(ii) The net book value of the fixed assets transferred to disposal group classified as held for sale amounts to HK$1,880,000 (Note 32(a)). The depreciation charge for the year of the disposal group classified as held for sale and discontinued operations amounts to HK$1,566,000 (2008: HK$1,392,000).

14. Property, plant and equipment *(Continued)*

Company

	Leasehold improvements	Furniture and fixtures	Total
	HK$'000	*HK$'000*	*HK$'000*
Cost			
At 1 April 2008 and 31 March 2009	1,244	93	1,337
Accumulated depreciation			
At 1 April 2008	242	12	254
Charge during the year	415	19	434
At 31 March 2009	657	31	688
Net book value			
At 31 March 2009	587	62	649
At 31 March 2008	1,002	81	1,083

15. Intangible assets

	Group		
	Goodwill	Intangible asset	Total
	HK$'000	*HK$'000*	*HK$'000*
Net book amount as at 1 April 2008	901,142	2,000	903,142
Fair value adjustment *(Note 33(a))*	252,470	—	252,470
Amortisation	—	(100)	(100)
Exchange differences	62,957	—	62,957
Net book amount as at 31 March 2009	1,216,569	1,900	1,218,469

Goodwill arose from the acquisition of China Wind Power Holdings Limited ("China Wind Power") and its subsidiaries (collectively, "China Wind Power Group"). China Wind Power is a limited liability company incorporated in the British Virgin Islands. The acquisition was completed on 1 August 2007. The Group has assessed the recoverable amount of goodwill for China Wind Power Group's cash generating unit and determined that such goodwill has not been impaired.

15. Intangible assets *(Continued)*

The recoverable amount is based on a value in use calculation. The value in use is the present value of estimated future cash flow expected to arise from the continuing use of an asset. The calculation used cash flow projections based on cash flow of the financial budgets approved by management covering a ten-year period and a post-tax discount rate of 13.2%. Other key assumptions include projected number of wind farms to be set up and their estimated power generating capacity, and the prevailing and future levels of electricity prices. Management determined these key assumptions based on past performance and its expectation on market development.

The goodwill on acquisition is attributable to the anticipated profitability of the Company and its subsidiaries identified according to their operations. The Group and its subsidiaries operate in the wind power business, in particular engineering, procurement and construction services ("EPC services"), wind power equipment manufacturing as well as wind power plant investment and operations.

Other intangible asset arose from the acquisition of the China Wind Power Group on 1 August 2007. It represents the Wind Power Plant Cooperation Agreements signed with relevant local government authorities in the PRC. The intangible asset is amortised over the duration of the agreement of 20 years.

16. Interests in subsidiaries

	Company	
	2009	2008
	HK$'000	*HK$'000*
Unlisted shares, at cost *(Note i)*	**1,230,375**	977,905
Amounts due from subsidiaries *(Note ii)*	**894,742**	1,052,559
Less: Provisions for amounts due from subsidiaries	**(23,297)**	(128,474)
	2,101,820	1,901,990
Less: Current portion of amounts due from subsidiaries	**(147,835)**	(261,585)
	1,953,985	1,640,405

16. Interests in subsidiaries *(Continued)*

Notes:

(i) As at 31 March 2009, particulars of the principal subsidiaries are as follows:

Name	Place of incorporation/ registration and operations and kind of legal entity	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal Activities
			Direct	Indirect	
China Wind Power Holdings Ltd.	British Virgin Islands, limited company	1 ordinary share of US$1	100%	—	Investment holding
China Wind Power (HK) Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	100%	—	Investment holding
Glad Power Investments Ltd.	British Virgin Islands, limited company	50,000 ordinary shares of US$1	—	100%	Investment holding
Century Concord Holdings Ltd.	British Virgin Islands, limited company	50,000 ordinary shares of US$1	—	100%	Investment holding
CCH Wind Power Holdings Ltd.	British Virgin Islands, limited company	1 ordinary share of US$1	100%	—	Investment holding
CCH Energy Investment Ltd.	British Virgin Islands, limited company	1 ordinary share of US$1	—	100%	Investment holding
Top Well Holdings Ltd.	British Virgin Islands, limited company	1 ordinary share of US$1	—	100%	Investment holding
CWP Construction Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	100%	—	Investment holding
CWP Technology Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	—	100%	Investment holding
CWP Investment Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	—	100%	Investment holding
CWP Holdings Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	—	100%	Investment holding
Beijing Shijijuhe Wind Power Technology Co., Ltd.	The PRC, wholly-owned foreign enterprise	Registered capital of US$10,000,000	—	100%	Research and development in wind power technology. Provision of technical service

16. Interests in subsidiaries *(Continued)*

Notes: (Continued)

(i) As at 31 March 2009, particulars of the principal subsidiaries are as follows: *(Continued)*

Name	Place of incorporation/ registration and operations and kind of legal entity	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal Activities
			Direct	Indirect	
Jilin Tianhe Wind Power Equipment Co., Ltd.	The PRC, wholly-owned foreign enterprise	Registered capital of HK$213,661,300	—	100%	Wind power equipment design and production
Beijing Guohuaaidi Wind Power Technology Services Co., Ltd.	The PRC, limited company	Registered capital of RMB10,000,000	—	100%	Wind power equipment repair and maintenance
Jilin CWP Power Engineering Co., Ltd.	The PRC, wholly-owned foreign enterprise	Registered capital of RMB40,000,000	—	100%	Power plant facilities construction
Beijing Juhe Power Technology Design Co., Ltd.	The PRC, wholly-owned foreign enterprise	Registered capital of HK$50,000,000	—	100%	Wind power system design, research and exploitation
Century Concord Wind Power Investment Co., Ltd.	The PRC, limited company	Registered capital of RMB300,000,000	—	100%	Investment holding
Jilin Juhe Wind Power Co., Ltd.	The PRC, limited company	Registered capital of RMB20,000,000	—	100%	Wind power plant investment and operation
Jilin Century Concord Wind Power Investment Co., Ltd.	The PRC, limited company	Registered capital of RMB100,000,000	—	100%	Wind power plant investment and operation
Fuxin Julonghu Wind Power Co., Ltd.	The PRC, limited company	Registered capital of RMB100,000,000	—	60%	Wind power plant investment and operation

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group.

(ii) The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

The carrying amounts of the amounts due from subsidiaries approximate to their fair values.

17. Interests in associates

	Group 2009 HK$'000	2008 HK$'000
Share of net assets of associates *(Note i)*	**99,921**	71,313
Amounts due from associates *(Note ii)*	**19,704**	—

Notes:

(i) As at 31 March 2009, particulars of the principal associates are as follows:

Name of associates	Place of incorporation/ registration and operations and kind of legal entity	Nominal value of issued ordinary/ registered share capital	Interest held indirectly	Principal activities
Zhengzhou ZhengJi Century Concord Equipment Co., Ltd. 鄭州正機協合能源裝備科技有限公司	The PRC, Sino-foreign equity joint venture	RMB16,000,000	28%	Manufacturing of wind power facilities
Changtu Liaoneng Xiexin Wind Power Co., Ltd. 昌圖遼能協鑫風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB143,000,000	25%	Wind power plant investment and operation
Guohua CWP (bayannaoer) Wind Power Co., Ltd. 國華協合(巴彥淖爾)風電有限公司	The PRC, Sino-foreign equity joint venture	RMB171,500,000	25%	Wind power plant investment and operation
The Taipusiqi Century Concord-Shenhua Wind Power Investment Co., Limited 太仆寺旗申華協合風力發電投資有限公司	The PRC, Sino-foreign equity joint venture	RMB136,000,000	24.5%	Wind power plant investment and operation
Fuxin Union Wind Power Co., Ltd. 阜新聯合風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB175,500,000	24.5%	Wind power plant investment and operation
Fuxin Century Concord-Shenhua Wind Power Co., Ltd. 阜新申華協合風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB160,000,000	24.5%	Wind power plant investment and operation

17. Interests in associates *(Continued)*

Notes: (Continued)

(ii) The carrying amounts of the amounts due from associates approximate to their fair values.

The Group's share of results of its associates, all of which are unlisted, and their aggregated assets and liabilities, are as follows:—

	2009	2008
	HK$'000	*HK$'000*
Total assets	**610,983**	501,328
Total liabilities	**213,788**	218,998

	2009	2008
	HK$'000	*HK$'000*
Income	**19,830**	8,421
Expenses	**(15,051)**	(5,389)
Profit for the year	**4,779**	3,032

18. Interests in jointly controlled entities

	Group	
	2009	2008
	HK$'000	*HK$'000*
Share of net assets *(Note iii)*	**321,048**	330,236
Loans to JCEs — Non-current	**—**	95,502
	321,048	425,738
Deposits from JCEs	**(9,791)**	(67,029)
Amounts due from JCEs *(Note i)*	**1,483**	137,819

	Company	
	2009	2008
	HK$'000	*HK$'000*
Amount due from a JCE *(Note ii)*	**41,000**	—

18. Interests in jointly controlled entities *(Continued)*

Notes:

(i) Except for the trade receivable from JCEs of HK$Nil (2008: HK$60,323,000), the amounts due from JCEs are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of the amounts due from JCEs approximate to their fair values.

(ii) Amount due from a JCE is unsecured, interest-free and has no fixed terms of repayment. Its carrying amount approximates to its fair value.

(iii) As at 31 March 2009, particulars of the principal JCEs are as follows:

Name of JCEs	Place of incorporation/ registration and operations and kind of legal entity	Nominal value of issued ordinary/ registered share capital	Proportion of nominal value of issued/ registered capital held by the Group Proportion of voting power held Indirect	Proportion of voting power held	Principal activities
Century Concord Energy Investment Ltd.	British Virgin Islands, limited company	2 ordinary share of US$1	50%	50%	Investment holding
CLP-CWP Wind Power Investment Limited	British Virgin Islands, limited company	10,000 ordinary share of US$1	50%	50%	Investment holding
CWP Development Ltd.	Hong Kong, limited company	1 ordinary share of HK$1	50%	50%	Investment holding
Jilin CWP-Milestone Wind Power Co., Ltd. 吉林里程協合風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB150,000,000	49%	50%	Wind power plant investment and operation
The Erlianhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd. 二連浩特長風協合風能開發有限公司	The PRC, Sino-foreign equity joint venture	RMB76,000,000	49%	50%	Wind power plant investment and operation
Jilin Taihe Wind Power Co., Ltd. 吉林泰合風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB150,000,000	49%	50%	Wind power plant investment and operation
Tongliao Taihe Wind Power Co., Ltd. 通遼泰合風力發電有限公司	The PRC, Sino-foreign equity joint venture	RMB150,000,000	49%	50%	Wind power plant investment and operation

18. Interests in jointly controlled entities *(Continued)*

The Group's share of results of its jointly controlled entities, all of which are unlisted, and their aggregated assets and liabilities, are as follows:—

	2009	2008
	HK$'000	*HK$'000*
Assets:		
Non-current assets	**1,344,364**	602,439
Current assets	**383,003**	286,163
	1,727,367	888,602
Liabilities:		
Non-current liabilities	**(476,174)**	(294,783)
Current liabilities	**(388,764)**	—
	(864,938)	(294,783)
Net assets	**862,429**	593,819
Capital commitments	**1,270,613**	220,578

	2009	2008
	HK$'000	*HK$'000*
Income	**25,129**	—
Expenses	**(14,668)**	(2,265)
Profit/(loss) for the year	**10,461**	(2,265)

The Group's contingent liabilities relating to the Group's interests in the JCEs, and the contingent liabilities of the JCEs themselves are disclosed in Note 35. The Group's capital commitments in relation to its interests in the JCEs are disclosed in Note 36.

As at 31 March 2009, the JCEs which are principally engaged in wind power plant investment and operation, have yet to obtain the formal land use right certificates for certain wind power plants. The directors of the JCEs believe that the use of and the conduct of relevant activities above mentioned land are not affected by the fact that the relevant land use right certificates have not been obtained. JCEs directors believe that this will not have any material adverse effect on JCEs' results of operations and financial conditions.

19. Inventories

	Group	
	2009	2008
	HK$'000	*HK$'000*
Raw materials	**25,871**	41,238
Work in progress (not related to construction contracts)	**25,520**	496
Work in progress in relation to construction contracts	**12,203**	1,134
Finished goods and merchandised goods	**—**	12,102
	63,594	54,970

20. Trade receivables, net

	Group	
	2009	2008
	HK$'000	*HK$'000*
Trade receivables	**38,802**	43,564
Less: provision for impairment of receivables	**—**	(294)
	38,802	43,270

An aged analysis of the trade receivables, based on invoice date, as at the balance sheet date, net of provision, is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Within 3 months	**24,652**	43,107
3 to 6 months	**14,150**	132
6 to 12 months	**—**	31
	38,802	43,270

The credit terms granted to customers range between 30 and 180 days.

20. Trade receivables, net *(Continued)*

Trade receivables that are less than three months past due are not considered impaired. As of 31 March 2009, trade receivables of HK$ Nil (2008: HK$1,923,000) were past due but not impaired. For the amount of HK$1,923,000 as at 31 March 2008, they relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2009	2008
	HK$'000	*HK$'000*
3 months	**—**	1,887
3 to 6 months	**—**	36
	—	1,923

The carrying amounts of trade receivables approximate to their fair values and are denominated in RMB.

Movements on the provision for impairment of trade receivables are as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
At 1 April	**294**	274
Provision for receivable impairment	**—**	20
Utilised	**(2)**	—
Transferred to disposal group classified as held for sale and discontinued operations *(Note 32(a))*	**(292)**	—
At 31 March	**—**	294

The maximum exposure to credit risk at reporting date is the fair value. The Group does not hold any collateral as security.

21. Prepayments, deposits and other receivables — Group and Company

	Group	
	2009	2008
	HK$'000	*HK$'000*
Prepayments	**13,313**	709
Deposits *(Note a)*	**2,235**	147,174
Other receivables	**16,118**	62,555
	31,666	210,438

21. Prepayments, deposits and other receivables — Group and Company *(Continued)*

Note:

(a) As at 31 March 2008, the Group paid deposits of HK$143,658,000 to suppliers for raw materials and subcontractors in relation to the construction of wind power plants. These deposits were paid for meeting future sales orders and in anticipating the raw materials rising prices. No such deposit was paid as at 31 March 2009.

The carrying amounts of other receivables approximate to their fair values and approximately 91% (2008: 87%) and 9% (2008: 13%) of the total carrying amounts are denominated in RMB and HK$ respectively.

	Company	
	2009	2008
	HK$'000	*HK$'000*
Prepayments, deposits and receivables	**1,170**	24,751

The carrying amounts approximate to their fair value and are denominated in HK$.

22. Cash and cash equivalents — Group and Company

	Group		**Company**	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Cash at bank and on hand	**745,061**	115,135	**2,474**	5,071
Short-term bank deposits	**—**	220,396	**—**	—
	745,061	335,531	**2,474**	5,071
Maximum exposure to credit risk	**745,012**	335,284	**2,474**	5,071
Denominated in:				
— HK$	**150,228**	233,069	**410**	5,071
— RMB	**571,079**	57	**—**	—
— US$	**23,754**	102,405	**2,064**	—
	745,061	335,531	**2,474**	5,071

The weighted effective interest rate on the Group's cash, bank balances and short-term bank deposits is 1.07% (2008: 3.94%).

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23. Construction contract

Included in amounts due from associates of 31 March 2009, there was trade receivables from associates of HK$5,352,000 (2008: HK$Nil) for construction works. The credit terms granted to associates was 90 days.

Included in deposits from JCEs of 31 March 2009 was approximately HK$9,246,000 (2008: HK$Nil) representing advances received from JCEs in respect of construction in progress.

Included in amounts due from JCEs of 31 March 2009, there was HK$Nil (2008: HK$4,903,000) retention money held by customers in respect of construction in progress. Remaining amounts represent the trade receivables from JCEs, including HK$Nil (2008: HK$60,323,000) amounts due from JCEs for contract work. The credit terms granted to JCEs was 90 days.

Included in the sales of services, the total amount of progress billings of the construction in progress which is equivalent to the related construction income for the year, included in the estimated value of work performed as at 31 March 2009 was approximately HK$125,447,000 (2008: HK$94,018,000). The related construction costs incurred as at 31 March 2009 was approximately HK$71,518,000 (2008: HK$39,875,000).

24. Trade payables

An aged analysis of the trade payables as at the balance sheet date, based on invoice date, is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Within 3 months	**39,047**	19,272
3 to 6 months	**11,156**	1,399
6 to 12 months	**11,990**	1,291
Over 12 months	**3,494**	138
	65,687	22,100

The carrying amounts of trade payables approximate to their fair values and all are denominated in RMB.

25. Borrowings — Group and Company

	Group		Company	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Bank loan	**—**	6,542	**—**	—
Finance lease payables *(Note i)*	**45**	159	**45**	59
	45	6,701	**45**	59

Borrowings were repayable as follows:

Group

	Bank Loan		Finance lease payables		Total	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Within 1 year	**—**	6,542	**14**	36	**14**	6,578
Between 1 and 2 years	**—**	—	**14**	36	**14**	36
Between 2 and 5 years	**—**	—	**17**	87	**17**	87
	—	6,542	**45**	159	**45**	6,701

Company

	Finance lease payables	
	2009	2008
	HK$'000	*HK$'000*
Within 1 year	**14**	14
Between 1 and 2 years	**14**	14
Between 2 and 5 years	**17**	31
	45	59

25. Borrowings — Group and Company *(Continued)*

Note:

(i) Finance lease payables

	Minimum lease payments		Present value of finance lease payables	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Within 1 year	**20**	43	**14**	36
Between 1 and 2 years	**20**	43	**14**	36
Between 2 and 5 years	**27**	102	**17**	87
	67	188	**45**	159
Less: Finance charges	**(22)**	(29)	**—**	—
Present value of finance lease payables	**45**	159	**45**	159
Less: Amount due for settlement within 12 months (shown under current liabilities)			**(14)**	(36)
Amount due for settlement after 12 months			**31**	123

The Group's finance lease payables are secured by the lessor's charge over the leased assets.

The effective interest rates at the balance sheet date were as follows:

	2009	2008
Bank loan	**—**	3.74%
Finance lease payables	**17%**	6.29%

The carrying amounts of the borrowings are denominated in HK$.

26. Convertible preference shares — Group and Company

On 6 December 2006, the Company issued 2,160,000,000 convertible preference shares with a par value of HK$0.01 each at a price of HK$0.027 each to raise a total of approximately HK$58,320,000 for the Company.

The holders of the convertible preference shares of HK$0.01 each were entitled to receive a fixed cumulative dividend of 5% per annum of the issue price of each preference share.

At the 31 March 2008, the convertible preference shares of HK$0.01 each were fully converted into new ordinary shares of HK$0.01 each in the share capital of the Company at a conversion price of HK$0.027 per ordinary share.

27. Convertible notes — Group and Company

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Non-current liabilities		
Convertible note — issued	**23,205**	64,700
Convertible note — to be issued	**—**	69,230
	23,205	133,930

Note:

The convertible notes, with 1% coupon rate, are convertible at the option of the holder, in whole or in part, within the agreed period, into new shares of the Company at the conversion price of HK$0.099 per share, subject to usual adjustment. The fair value of the liability component is included in non-current liabilities, was calculated using a market interest rate for an equivalent non-convertible loan. The residual amount, representing the value of the equity conversion option, is included in shareholders' equity in other reserve (Note 30). The details of each convertible notes and their related fair value inputs are summarised below:

(i) On 1 August 2007, the Company issued the 1st tranche convertible note of HK$100,000,000 to satisfy the minimum consideration for the acquisition of China Wind Power. The fair value of convertible note is calculated using the Binomial model with the major inputs as at the issuance date as follows:

Stock price	HK$1.21
Expected volatility	50%
Risk free rate	4.31%

(ii) Pursuant to the sale and purchase agreement for the acquisition of China Wind Power Group, the Company issued the 2nd tranche convertible note of another HK$100,000,000 on 19 June 2008 to settle the contingent consideration from the acquisition of China Wind Power Group (Note 33(a)). The fair value of convertible note is calculated using the Binomial model with major inputs as at the date of issuance are summarised below:

Stock price	HK$0.57
Expected volatility	89%
Risk free rate	3.56%

The movement of the liability component of the convertible notes for the year is set out below:

	2009	2008
	HK$'000	*HK$'000*
Liability component	**133,930**	129,606
Conversions during the year	**(114,067)**	—
Interest expense *(Note 8)*	**3,925**	4,993
Interest paid	**(583)**	(669)
Carrying amount at the end of the year	**23,205**	133,930

28. Share capital

	2009	2008
	HK$'000	*HK$'000*
Authorised:		
10,000,000,000 (2008: 10,000,000,000) ordinary shares of HK$0.01 each	**100,000**	100,000
Issued and fully paid:		
6,254,470,578 (2008: 4,554,470,578) ordinary shares of HK$0.01 each	**62,545**	45,545

A summary of the transactions during the year with reference to the movements of the Company's ordinary share capital is as follows:

	No. of shares	**Nominal value**
	'000	*HK$'000*
Authorised:		
As at 31 March 2009 and 31 March 2008: 10,000,000,000 ordinary shares of HK$0.01 each	10,000,000	100,000
Issued and fully paid:		
At 31 March 2008: 4,554,470,578 ordinary shares of HK$0.01 each	4,554,471	45,545
Issues of ordinary shares at HK$0.01 each on conversion of convertible notes *(Note)*	1,700,000	17,000
At 31 March 2009: 6,254,470,578 ordinary shares of HK$0.01 each	6,254,471	62,545

Note:

On 14 July 2008, 1,700,000,000 ordinary shares par value HK$0.01 each of the Company were issued as a result of the conversion of convertible notes with a principal amount of HK$168,300,000.

29. Share option scheme

The Company's share option scheme was adopted on 16 April 2007 as an incentive to the Group's employees and business associates ("Share Option Scheme"). This scheme shall be valid for a period of ten years ending on 15 April 2017.

29. Share option scheme *(Continued)*

The maximum number of shares in respect of which option may be granted under the Share Option Scheme of the Company may not exceed 10 percent of the issued share capital of the Company at the date of adoption of the Share Option Scheme. The maximum entitlement of each eligible participant in the total number of shares issued and to be issued upon exercise of options granted under the Share Option Scheme of the Company in any 12 month period shall not exceed 1% of the total number of shares in issue.

Pursuant to the Share Option Scheme, the Company could grant up to 95,037,966 share options. On 1 April 2008, 60,080,000 share options were granted under the Share Option Scheme. The Share Option Scheme was subsequently refreshed by a resolution passed at the annual general meeting held on 15 July 2008. The maximum number of options that can be granted by the Company has therefore been refreshed to 625,447,057 share options.

Details of the movement in the number of share options are as below.

Name or category of participant	Number of share options outstanding as at 1 April 2008	Number of share options granted during the year	Number of share options exercised/ cancelled/ lapsed during the year	Number of share options outstanding as at 31 March 2009	Date of grant	Exercise period	Exercise price per share option *HK$*	Market value per share on date of grant of option *HK$*
Executive Directors								
Liu Shunxing	—	5,000,000	—	5,000,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Wang Xun	—	3,600,000	—	3,600,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Yang Zhifeng	—	3,600,000	—	3,600,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Liu Jianhong	—	3,600,000	—	3,600,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Chan Kam Kwan, Jason	—	1,000,000	—	1,000,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Non-executive Director								
Tsoi Tong Hoo, Tony	—	1,200,000	—	1,200,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Independent non-executive Directors								
Ho Tak Man, Billy	—	800,000	—	800,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Yap Fat Suan, Henry	—	800,000	—	800,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Dr. Wong Yau Kar, David	—	800,000	—	800,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
Other employees								
In aggregate	—	39,680,000	—	39,680,000	1 April 2008	1 April 2009 to 31 March 2013	0.45	0.435
	—	60,080,000	—	60,080,000				

29. Share option scheme *(Continued)*

These options were granted subject to the following vesting requirement:

On 1st anniversary of the date of grant	25%
On 2nd anniversary of the date of grant	25%
On 3rd anniversary of the date of grant	25%
On 4th anniversary of the date of grant	25%

The exercise period of these options shall be expired on the day before of 5th anniversary of the date of grant.

No share option granted under the Share Option Scheme of the Company were exercised during the year.

The Group recognised a total expense of HK$5,683,000 for the year ended 31 March 2009 (2008: Nil) in relation to share options granted by the Company.

Fair value of share options and assumptions

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Binomial model. The contractual life of the option is used as input into this model.

The fair value of each option granted during the period as determined by using the Binomial valuation model ranges from HK$0.1597 to HK$0.2103. The significant inputs into the model were the stock price at the grant date of HK$0.435 per option, exercise price of HK$0.45, volatility of 56%, expected option life of 5 years, dividend yield of 0%, and annual risk-free interest rate of 2.016%. Expected volatility is assumed to be based on historical volatility of the comparable companies.

On 6 April 2009, a total of 100,000,000 share options were granted to eligible persons of the Share Option Scheme. Details of the grant of the share options were disclosed in the Company's announcement on the same date.

30. Reserves

The details of movements in the Group's reserves are set out in the consolidated statement of changes in equity on page 33.

The details of the movements in the Company's reserves are set out as follows:

	Notes	Share premium account HK$'000	Contributed surplus (Note i) HK$'000	Other reserves HK$'000	Accumulated losses HK$'000	Total HK$'000
At 31 March 2007		162,464	78,810	47,230	(280,644)	7,860
Convertible notes — equity component		—	—	844,204	—	844,204
Issuance of ordinary shares		939,400	—	—	—	939,400
Conversion of convertible preference shares		33,696	—	(46,933)	—	(13,237)
Cost of issuance of shares		(28,221)	—	—	—	(28,221)
Loss for the year		—	—	—	(915)	(915)
At 31 March 2008		1,107,339	78,810	844,501	(281,559)	1,749,091
Fair value adjustment on issuance of contingent convertible note	33(a)	—	—	252,470	—	252,470
Issuance of ordinary shares upon conversion of convertible notes	28	1,030,074		(933,007)	—	97,067
Share-based compensation		—	—	5,683	—	5,683
Loss for the year		—	—	—	(33,782)	(33,782)
At 31 March 2009		2,137,413	78,810	169,647	(315,341)	2,070,529

Note:

(i) The Company's contributed surplus represented the excess of the fair value of the shares of the former holding company acquired pursuant to the group reorganisation in the prior years, over the nominal value of the Company's shares issued in exchange therefor.

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31. Deferred income tax

Deferred taxation is calculated in full on temporary differences under the liability method using the tax rate applicable to profits of the consolidated entities.

The movement in deferred tax asset during the year is as follows:

	Group Unrealised gains	
	2009	2008
	HK$'000	*HK$'000*
At 1 April 2008	**—**	—
Credited to the consolidated income statement	**6,008**	—
At 31 March 2009	**6,008**	—

The deferred tax asset recognised relates to the temporary differences arising from transactions with associates and JCEs regarding the construction of the windfarms. The credits to the consolidated income statement represent originating temporary differences arising from these transactions while the charge to the consolidated income statement represents the reversal of the temporary differences as a result of the deprecation of the windfarms.

Deferred tax assets are recognised for tax losses carry forward purposes only to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group recognises deferred tax assets to the extent of recognised deferred tax liabilities and has unrecognised tax losses of HK$63,894,000 (2008: HK$52,176,000), attributable to continuing operations, to carry forward against future taxable income. The unrecognised tax losses attributable to discontinued operations is HK$64,103,000. The tax losses afore-mentioned are subject to final approval by the Inland Revenue Department in Hong Kong and can be carried forward indefinitely.

32. Assets and liabilities of disposal group classified as held for sale and discontinued operations

Discontinued operation represents a separate major line of business or geographical area of operation disposed of in the current year.

On 5 March 2009, The Company entered into a sale and purchase agreement to dispose of the entire equity interests in the NPH Group. Details of the disposal were disclosed in the Company's circular dated 27 March 2009. As a result, the NPH Group represents a discontinued operation. The assets and liabilities related to the NPH Group have been classified as held for sale. The transaction was completed on 19 May 2009.

32. Assets and liabilities of disposal group classified as held for sale and discontinued operations *(Continued)*

	2009	2008
	HK$'000	*HK$'000*
Operating cash flows	**(1,514)**	988
Investing cash flows	**(602)**	(485)
Financing cash flows	**614**	6,528
Total cash flows	**(1,502)**	7,031

	2009
	HK$'000
(a) Assets of disposal group classified as held for sale and discontinued operations — Group	
Property, plant and equipment	**1,880**
Inventories	**10,708**
Trade receivables	**2,706**
Other current assets	**7,002**
Cash and cash equivalents	**28,197**
Total	**50,493**

	2009
	HK$'000
(b) Liabilities of disposal group classified as held for sale and discontinued operations — Group	
Trade and other payables	**7,646**
Borrowings	**7,509**
Other current liabilities	**3,436**
Provisions	**708**
Total	**19,299**

	2009
	HK$'000
(c) Assets classified as held for sale — Company	
Investment in a subsidiary	**13,943**

32. Assets and liabilities of disposal group classified as held for sale and discontinued operations *(Continued)*

	2009	2008
	HK$'000	*HK$'000*
(d) Analysis of the result of discontinued operations, the disposal group, is as follows:		
Revenue — sale of sum yung and pharmaceutical products	**89,034**	81,468
Other income	**2,247**	4,364
Cost of revenue	**(60,814)**	(52,672)
Expenses	**(32,450)**	(30,473)
(Loss)/profit before tax of discontinued operations	**(1,983)**	2,687
Tax	**—**	—
(Loss)/profit after tax of discontinued operations	**(1,983)**	2,687

33. Notes to the consolidated cash flow statement

(a) Acquisition of subsidiaries

Pursuant to a conditional sale and purchase agreement entered into by the Company with China Wind Power Investment Limited, under which the Company agreed to acquire the entire issued share capital of China Wind Power. The consideration for the acquisition was settled by the issuance of the 1st tranche convertible note with principal amount of HK$100,000,000 and fair value of HK$640,750,000 on 1 August 2007. The Company also recorded a contingent consideration of HK$333,060,000 at 31 March 2008, being the estimated fair value of the 2nd tranche convertible note to be issued with principal amount of another HK$100,000,000. The acquisition was completed on 1 August 2007 and the amount of the goodwill arising as a result of the acquisition was recorded at HK$901,142,000 for the year ended 31 March 2008.

The 2nd tranche convertible note was issued on 19 June 2008. It was valued by an independent valuer, Vigers Appraisal & Consulting Limited, and measured at fair value on the day of its issuance. This valuation of the 2nd tranche convertible note resulted in a fair value adjustment of HK$252,470,000, which was adjusted as an additional consideration for the acquisition of China Wind Power and hence resulting in a corresponding increase in the amount of goodwill. After adjusting exchange differences of HK$62,957,000, goodwill as at 31 March 2009 was HK$1,216,569,000.

33. Notes to the consolidated cash flow statement *(Continued)*

(a) Acquisition of subsidiaries *(Continued)*

The net assets acquired in the transaction and the goodwill arising are as follows:

	Acquiree's carrying amount 1 August 2007 *HK$'000*	Fair Value 1 August 2007 *HK$'000*
Net assets acquired:		
Property, plant and equipment	402	402
Interests in associates	40,962	40,962
Interests in JCEs	69,062	69,062
Other receivables	3,682	3,682
Intangible asset	—	2,000
Cash and cash equivalents	63,441	63,441
Amount due to a minority shareholder	(1,033)	(1,033)
Other payables and accruals	(22,344)	(22,344)
Borrowings	(73,095)	(73,095)
Minority interests	(6,314)	(6,314)
Net assets	74,763	76,763
Adjusted goodwill		1,153,612
Total consideration		1,230,375
Satisfied by:		
Incidental acquisition costs		4,095
Fair value of the 1st tranche convertible note issued		640,750
Estimated fair value of the 2nd tranche convertible note as at 31 March 2008		333,060
Estimated fair value of total consideration as at 31 March 2008		977,905
Fair value adjustment of the 2nd tranche convertible note arising on the date of issuance		252,470
Fair value of total consideration		1,230,375

33. Notes to the consolidated cash flow statement *(Continued)*

(a) Acquisition of subsidiaries *(Continued)*

Analysis of the net cashflow of cash and cash equivalents in respect of the acquisition of subsidiaries:

	2008
	HK$'000
Cash consideration	(4,095)
Cash and bank balance acquired	63,441
Net inflow of cash and equivalents in respect of the acquisition of subsidiaries	59,346

The goodwill arising on acquisition is attributable to the anticipated profitability of the Group in the wind power business.

(b) Disposal of subsidiaries

On 20 December 2007, the Group entered into a sale and purchase agreement with Golden Base Holdings Limited, pursuant to which the Group disposed of a 50% equity interest in Century Concord Energy Investment Limited ("CCEI") and its JCE, for a consideration of HK$36,000,000. Upon completion, CCEI became a JCE of the Group.

On 3 March 2008, the Company entered into a sale and purchase agreement with Nobal Choice Holdings Limited, pursuant to which the Company Group disposed of the entire equity interest and shareholder's loan of Healthy Form Investments Limited for a consideration of HK$28,574,000. Healthy Form Investments Limited ceased to be a subsidiary upon completion of the disposal.

On 25 September 2008, the Company entered into a sale and purchase agreement to dispose the entire equity interest in Great Grand Limited for a consideration of HK$25,600,000. Great Grand Limited ceased to be a subsidiary upon completion of the disposal.

On 16 March 2009, the Group entered into a sale and purchase agreement ("JV-S&P Agreement") with CLP Power China (Northeast) Limited, pursuant to which the Group disposed of a 50% equity interest in the CLP-CWP Wind Power Investment Limited, for a consideration of HK$101,300,504, CLP-CWP Wind Power Investment Limited in turn holds the entire issued share capital of CWP Development Ltd. ("CWPD") at completion of the JV-S&P Agreement. Upon completion, CWPD ceased to be a subsidiary and was accounted for as a jointly controlled entity.

33. Notes to the consolidated cash flow statement *(Continued)*

(b) Disposal of subsidiaries *(Continued)*

	2009	2008
	HK$'000	*HK$'000*
Carrying value of net assets/(liabilities) disposed of:		
Investments in JCEs	**74,215**	20,892
Prepayment and other receivables	**39**	1,535
Financial assets at fair value through profit or loss	**24,830**	27,215
Cash and cash equivalents	**—**	152
Other payables and accruals	**(281)**	(424)
Reserves	**—**	1,663
	98,803	51,033
Gain on disposal of subsidiaries *(Note 7)*	**28,098**	15,204
	126,901	66,237
Satisfied by:		
Cash	**126,901**	10,000
Non-cash consideration	**—**	56,237
	126,901	66,237

Analysis of the net cashflow of cash and cash equivalents in respect of the disposal of subsidiaries:

	2009	2008
	HK$'000	*HK$'000*
Cash consideration	**126,901**	10,000
Cash disposed	**—**	(152)
Net inflow of cash and equivalents in respect of the disposal of subsidiaries	**126,901**	9,848

34. Major non-cash transactions

During the year, the Group had the following major non-cash transactions:

(i) The 2nd tranche convertible note of HK$100,000,000 was issued on 19 June 2008. The 2nd tranche convertible note was valued by an independent valuer and measured at fair value based on the share price of the Company on the day of issuance of the convertible note. The valuation of the 2nd tranche convertible note resulted in a fair value adjustment of HK$252,470,000, which was adjusted as an additional consideration for the acquisition of China Wind Power Group and hence resulting in a corresponding increase in the amount of goodwill. Details are set out in Note 33(a).

(ii) On 14 July 2008, 1,700,000,000 ordinary shares par value HK$0.01 each of the Company were issued as a result of the conversion of convertible notes with a principal amount of HK$168,300,000.

35. Contingent liabilities

As at 31 March 2009, the Group had, via its wholly-own subsidiaries entered into joint venture agreements with a joint venture partner in the PRC.

Pursuant to the joint venture agreements, the Group was required to pledge its share of the equity interests in joint ventures as security for the bank loan. As at the close of business on 31 March 2009, the Group had pledged its share of the equity interests in joint ventures namely "Tongliao Taihe Wind Power Co., Ltd."(通遼泰合風力發電有限公司), "Jilin CWP-Milestone Wind Power Co., Ltd."(吉林里程協合風力發電有限公司) and "Jilin Taihe Wind Power Co., Ltd."(吉林泰合風力發電有限公司) as securities for the bank loans. The Group aggregate equity interests in joint ventures pledged amounted to approximately HK$249,991,000.

Save from the above, the Group did not have any significant contingent liabilities as at 31 March 2009 and 31 March 2008.

36. Commitment

Operating lease commitments

As lessee

The Group leases certain of its office and retail properties under operating lease arrangements.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
No later than 1 year	**4,453**	9,349
Later than 1 year and no later than 5 years	**4,034**	9,796
	8,487	19,145

Capital commitments

		Group	
		2009	2008
		HK$'000	*HK$'000*
(a)	Plant, property and equipment		
	Contracted but not provided for	**—**	408

(b) The Group has entered into a number of joint venture arrangements to develop wind power projects in the PRC. Equity contributions required and made by the Group under each project are summarised below:

Project name	**Total equity contribution required**	**Amount contributed as at 31 March 2009**	**Remaining balance to be contributed**	**Expected year for last contribution**
	HK$ '000	*HK$ '000*	*HK$ '000*	
Fuxin Julonghu Wind Power Co., Ltd. 阜新巨龍湖風力發電有限公司	68,025	20,407	47,618	2010
Beijing Shijijuhe Wind Power Technology Co., Ltd. 北京世紀聚合風電技術有限公司	77,491	57,236	20,255	2011

36. Commitment *(Continued)*

Other commitments

As at 31 March 2009, the Group is committed to pledge its share of the equity interests in Fuxin Century Concord-Shenhua Wind Power Co., Ltd. (阜新申華協合風力發電有限公司) and Fuxin Union Wind Power Co., Ltd. (阜新聯合風力發電有限公司) as security for bank loans.

37. Related party transactions

In the opinion of the Directors, the ultimate holding company is Gain Alpha Finance Limited, which is incorporated in the British Virgin Islands.

(a) The following transactions were carried out with related parties, except for disclosed elsewhere in these consolidated financial statements:

	2009	2008
	HK$'000	*HK$'000*
Sales of goods and services to JCEs and associates *(Note i)*	**289,218**	175,355
Loan interest income *(Note ii)*	**6,457**	2,783
Interest on amounts due from associates	**1,115**	—

Notes:

(i) The sales and purchases of goods were negotiated with related parties on normal commercial terms.

(ii) The loans to JCEs and associates were fully settled during the year (As at 31 March 2008: HK$94,393,000), which were unsecured, and at annual interest rate ranging from 7.47% to 12 % and repayable on demand.

37. Related party transactions *(Continued)*

(b) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. It comprises six (2008: four) of the executive Directors and two (2008: five) members of the senior management. The total remuneration of the key management personnel is shown below:

	2009	2008
	HK$'000	*HK$'000*
Salaries and other short-term employee benefits	**6,756**	4,025
Termination benefits	**—**	—
Post-employment benefits	**—**	—
Other long-term benefits	**—**	—
Share-based compensation	**2,003**	—
	8,759	4,025

38. Events after the balance sheet date

On 10 April 2009 Century Concord Wind Power Investment Ltd.("CCWPI"), a wholly-owned PRC subsidiary of the Company, and 遼寧能源投資(集團)有限責任公司 ("Liaoning Energy") entered into a joint venture agreement, pursuant to which CCWPI and Liaoning Energy shall jointly establish the joint venture 阜新千佛山風力發電有限責任公司 at Zhangwu, Fuxin, Liaoning province (the "Joint Venture"), to undertake wind farm projects in the PRC. Details of the transaction were disclosed in the circular of the Company dated 26 May 2009 (the "Circular"). The Group and Liaoning Energy shall respectively hold as to 60% and 40% of the equity interest of the Joint Venture.

On 5 May 2009, the Company and Liaoning Energy entered into a Framework Agreement (the "Framework Agreement") regarding, among other things, the formation of five more joint ventures (the "New JVs") in Fuxin, Liaoning province, the PRC, to undertake more wind farm projects. Details of the transaction were disclosed in the Circular. The Group will hold share of equity interests in each of the New JVs ranging from 25% to 60% with investment ranging from RMB25 million to RMB60 million.

38. Events after the balance sheet date *(Continued)*

Under the Framework Agreement, the total investment is up to RMB500,000,000 for each of the New JVs. Apart from the registered capital of RMB100,000,000, the remaining RMB400,000,000 of the total investment in each of the New JVs is expected to be raised by the New JVs through external borrowings. Liaoning Energy has agreed under the Framework Agreement that it may provide guarantees in respect of any external borrowings of the New JVs up to a maximum amount of RMB400,000,000 for each without any charge. The Company has agreed to provide counter indemnities to Liaoning Energy in respect of any claim made against Liaoning Energy under the guarantees (the "Claim"). The indemnified amount under the counter indemnities shall equal the Claim times the percentage equity interest of the Group in the relevant New JVs. Based on the maximum amount of guarantees that may be provided by Liaoning Energy, the maximum amount of counter indemnities that may be provided by the Group to Liaoning Energy is RMB1,260 million.

On 5 March 2009, The Company entered into a sale and purchase agreement to dispose the entire equity interests in the NPH Group (Note 32). The transaction was completed on 19 May 2009.

39. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Five Year Financial Summary

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out below.

RESULTS

	Year ended 31 March				
	2009	2008	2007	2006	2005
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**468,423**	324,936	59,483	49,323	62,929
Finance costs	**(5,760)**	(5,293)	(1,353)	(5,903)	(7,098)
Share of results					
— associates	**4,779**	3,032	—	—	—
— jointly controlled entities	**10,461**	(2,265)	—	—	—
Gain on deconsolidation of a subsidiary	**—**	—	—	—	16,686
Expenses, net	**(357,860)**	(212,323)	(24,532)	(34,007)	(76,239)
Profit/(loss) before income tax	**120,043**	108,087	33,598	9,413	(3,722)
Income tax expense	**(3,973)**	—	—	—	(1)
Minority interests	**696**	(8,023)	—	—	—
Profit/(loss) attributable to the equity share holders	**116,766**	100,064	33,598	9,413	(3,723)

ASSETS, LIABILITIES AND MINORITY INTERESTS

Total assets	**2,644,729**	2,195,676	42,345	31,175	26,276
Total liabilities	**(160,159)**	(247,852)	(24,882)	(108,933)	(113,447)
Net assets/(liabilities)	**2,484,570**	1,947,824	17,463	(77,758)	(87,171)
Equity/(deficiency) attributable to equity holders of the Company	**2,470,965**	1,937,275	17,463	(77,758)	(87,171)
Minority interests	**13,605**	10,549	—	—	—
	2,484,570	1,947,824	17,463	(77,758)	(87,171)

中国风电集团有限公司
China WindPower Group Limited

Suite 3901, Far East Finance Centre, 16 Harcourt Road,
Admiralty, Hong Kong Tel: 852-37661066 Fax: 852-28660281

F12 Tengda Plaza, No.168 Xiwai Street Haidian District, Beijing, 100044
Tel: 86-10-51655788 Fax: 86-10-88576780

www.chinawindpower.com.hk