GCL New Energy

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

(Incorporated in Bermuda with limited liability)
(Stock Code: 451)

Bring Green Energy into our lives

Annual Report 2014

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. ZHU Gongshan *(Honorary Chairman)*
Mr. TANG Cheng *(Chairman)*
Mr. ZHANG Guoxin *(President)*
Ms. HU Xiaoyan
Mr. YIP Sum Yin

Non-executive Directors

Mr. ZHU Yufeng *(Vice Chairman)*
Ms. SUN Wei
Mr. SHA Hongqiu

Independent Non-executive Directors

Mr. WANG Bohua
Mr. XU Songda
Mr. WANG Yanguo
Mr. LEE Conway Kong Wai

BOARD COMMITTEES

Audit Committee

Mr. LEE Conway Kong Wai *(Chairman)*
Mr. WANG Bohua
Mr. XU Songda

Remuneration Committee

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

Nomination Committee

Mr. TANG Cheng *(Chairman)*
Mr. ZHU Yufeng
Mr. WANG Bohua
Mr. XU Songda
Mr. WANG Yanguo

Strategic Planning Committee

Mr. Zhu Gongshan *(Chairman)*
Mr. TANG Cheng
Ms. HU Xiaoyan
Mr. ZHU Yufeng
Ms. SUN Wei
Mr. WANG Bohua
Mr. XU Songda

Risk Management Committee

Ms. HU Xiaoyan *(Chairman)*
Mr. TANG Cheng
Mr. ZHANG Guoxin
Ms. SUN Wei
Mr. SHA Hongqiu

Company Secretary

Mr. CHENG Man Wah

Authorised Representatives

Mr. TANG Cheng
Mr. CHENG Man Wah

Registered Office

Canon's Court, 22 Victoria Street
Hamilton HM 12, Bermuda

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Corporate Information

Principal Place of Business in Hong Kong

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

Auditor

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
Central, Hong Kong

Principal Bankers

Bank of China Limited
Agricultural Bank of China Limited
The Hongkong and Shanghai Banking Corporation Limited
Xiamen International Bank
Bank of Beijing Finance Leasing Company Limited
China Development Bank

Share Registrars and Transfer Offices

Principal Share Registrar and Transfer Agent

Appleby Management (Bermuda) Ltd.
Canon's Court, 22 Victoria Street
Hamilton HM12, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

SHARE INFORMATION

Stock Code:	451
Board Lot Size:	2,000
Issued Shares as at 31 December 2014:	13,871,793,048 Shares

Website

www.gclnewenergy.com

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2014 Event Highlights

9 May Completion of the Share Subscription and Placement

May 2014

On 9 May 2014, the Company successfully completed the Subscription and Placement, raised fund of approximately HK$1.64 billion (equivalent to approximately US$211 million), and the name of the Company was formally changed to GCL New Energy Holdings Limited ("GCL New Energy"). The Company was successfully acquired by GCL-Poly Energy Holdings Limited ("GCL-Poly").

In the morning on **19 May 2014**, SNEC PV Power Expo, a conference organised by Asian Photovoltaic Industry Association, was held in Kerry Hotel, Pudong, Shanghai. The introductory speech was delivered by Mr. Zhu Gongshan, co-chairman of Asian Photovoltaic Industry Association and Chairman of GCL Group, to the people-in-charge and technical experts of relevant photovoltaic associations in the US, Europe, Australia, Singapore, the PRC, Taiwan and Korea, among other regions, who attended the conference.

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June 2014

The Board of GCL New Energy was awarded the Outstanding Ecological Awareness Leader Award — GCL New Energy Holdings Limited received on **5 June 2014** in Hong Kong the "Green China — 2014 Outstanding Ecological Awareness Leader Award" jointly awarded by United Nations Environment Programme Fund and the environmental organizations in the PRC, Hong Kong and Taiwan.

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November 2014

On 6 November 2014, GCL New Energy was awarded the 2014 "BJX Cup" CREC Annual Top 10 Most Popular Photovoltaic EPC Companies on the "November Night of Technology" Networking Dinner and "BJX Cup" Annual Award Ceremony CREC 2014 held in Grand Juna Hotel, Wuxi.

2014 Event Highlights

November 2014

On 12 November 2014, the first distributed photovoltaic power project invested and constructed by GCL New Energy was connected to the grid in all fundamental aspects. Located in Xiaoshan, Zhejiang and with a total installed capacity of 17.5 MW, the project is the first distributed grid project in the region in 2014. Meanwhile, the project promoted energy conservation and emissions reduction in the region through optimizing the local traditional energy structure, and injected new momentum into Hangzhou in creating national green urban constructions with low-carbon footprint.

On 13 November 2014, GCL New Energy (00451.HK) was admitted into MSCI Global Small Cap Indexes — being one of the constituent stocks on the MSCI Hong Kong Index, signaling further recognition by the international capital market, and an enhanced reputation of the Company in the international capital market.

On 18 November 2014, The Fourth Arab-China Energy Cooperation Conference opened in Riyadh, Saudi Arabia, which was attended by government officials from the PRC and 22 member states of the Arab League as well as representatives of international and regional energy institutes and entrepreneurial guests from both countries.

On 27 November 2014, in an effort to hedge risks related to the operation of power stations so as to better safeguard the interests of investors and shareholders (the "Shareholders") of the Company, GCL New Energy launched recently in the PRC "Comprehensive Operation Insurance against Generation Losses in Photovoltaic Stations" in cooperation with Chang Cheng Insurance Brokers Limited (China) and Yongcheng Property and Casualty Insurance Company.

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December 2014

On 27 December 2014, Jiangsu Suqian Luneng distributed photovoltaic power project achieved on-grid connection. Being the first on-grid connection project of GCL New Energy in Jiangsu Province, the project is also the first distributed on-grid generation project in Suqian City in 2014. This helps us to advance towards our vision of "bring green energy into our lives".

On 30 December 2014, our 50MW photovoltaic power station project in Niu Village, Yu County, Shanxi went on-grid and began power generation.

On 30 December 2014, the fishery-photovoltaic power project under Jiangsu Baoying Xingyuan Photovoltaic Company (江蘇寶應鑫源光伏發電公司), the third photovoltaic station project in the electric grid of GCL New Energy for the Reporting Period, successfully achieved on-grid connection in first trial.

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2014 Event Highlights

December 2014

On 31 December 2014, a 130MW building-integrated photovoltaic project in the city of Hohhot in the Inner Mongolia Autonomous Region and Inner Mongolia Xiangdao, the largest agro-solar complementary project in the PRC, achieved on-grid connection successfully, making a good start for GCL New Energy's exploration of the new building model of photovoltaic compounds.

On 31 December 2014, both Hami Yaohui 60MW ground-mounted photovoltaic project and Hami Ourui 20MW ground-mounted photovoltaic project in Xinjiang achieved on-grid connection.

On 31 December 2014, Shanxi Changzhi Licheng 30MW photovoltaic power project, a key project in Shanxi Province, went on-grid successfully in first trial, becoming GCL New Energy's second photovoltaic power station project that went on-grid in North China.

January 2015

On 17 January 2015, Shanxi Linfen Guyuan 30MW photovoltaic power project achieved on-grid connection.

On 18 January 2015, Jiangsu Haian project (Yingqiu Industrial Zone) was successfully switched on and began transmitting power, marking the success of on-grid connection for our Jiangsu Haide New Energy Haian 22MW distributed photovoltaic power project.

On 21 January 2015, the succession ceremony for GCL New Energy's acquisition of Qinghai Delingha Gonghe 100MW project was held successfully, marking the official takeover of Delingha Phase III Gonghe 70MW by GCL New Energy and the start of operation of Gonghe 30MW Project Phase I photovoltaic power station in Qinghai Province.

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2014 Event Highlights

January 2015

On 21 January 2015, the Subscriptions and Placement completed by GCL New Energy on 9 May 2014 obtained the "2014 Deal of the Year" as rated by Acquisition International Magazine, a British press.

February 2015

On 4 February 2014, GCL New Energy (0451.HK) was awarded "Most Outstanding Investment Holding Company — Hong Kong" and "Innovation & Excellence in Green Energy Technology — Hong Kong" in the Corporate LiveWire 2015 Innovation & Excellent Awards, by Corporate LiveWire (UK) for its excellent performance in the investment, construction and operation of photovoltaic power stations.

Chairman's Statement

Dear all Shareholders,

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

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

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

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

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

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

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

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

Prospects

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

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

Chairman's Statement

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

Acknowledgements

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

Tang Cheng
Chairman

Hong Kong, 25 March 2015

THE LEADER OF GLOBAL NEW ENERGY INDUSTRY

The new energy industry is booming and 2014 marks the dawn of China's "distributed energy" future. With the power of technology and an innovative business model, GCL New Energy will take on the responsibility of leading China's energy reform.

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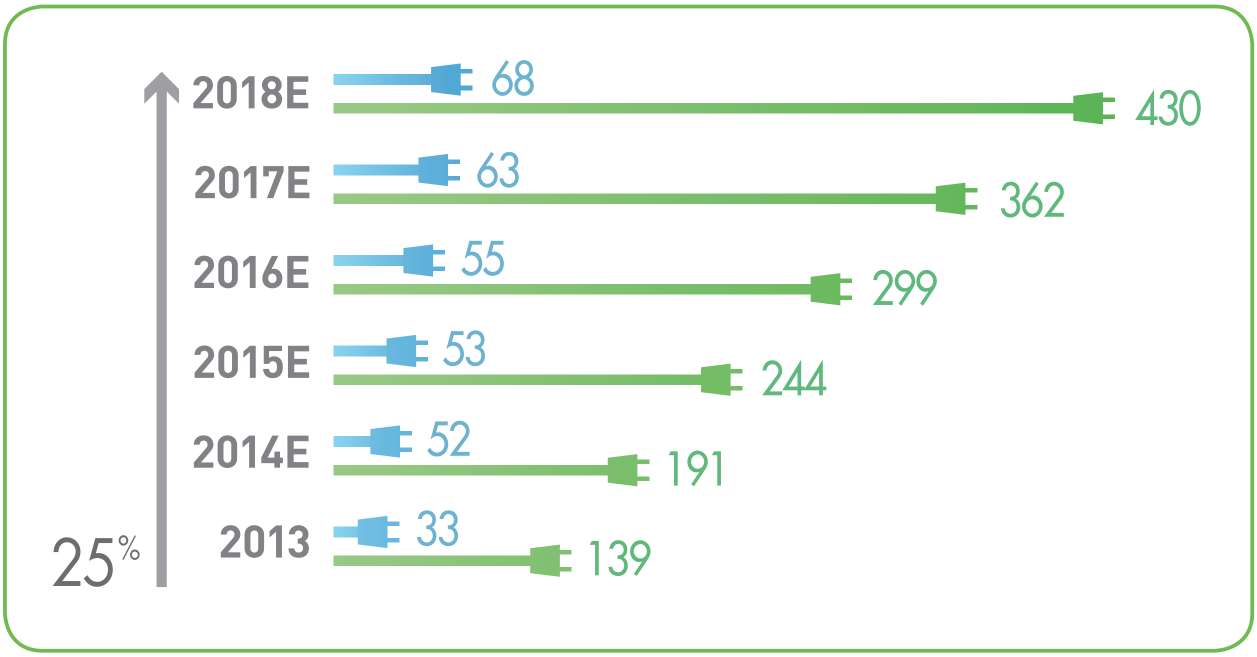
GLOBAL INSTALLED PHOTOVOLTAIC CAPACITY 2013–2018

COMPOUND ANNUAL GROWTH RATE OF GLOBAL INSTALLED CAPACITY

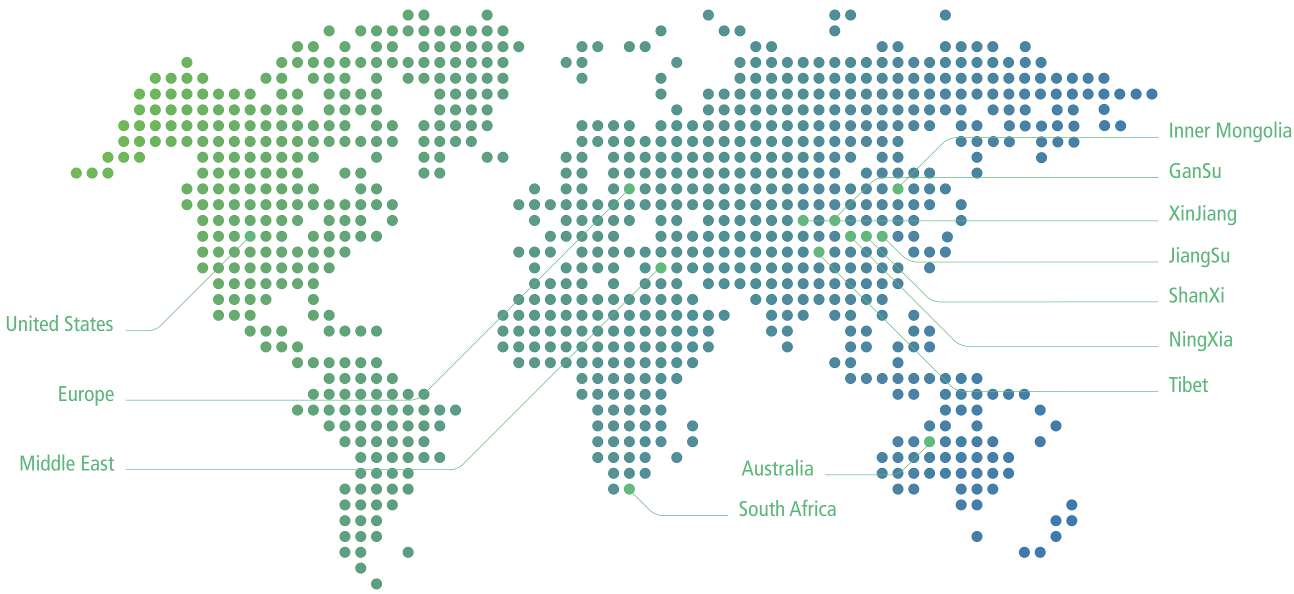
SOURCE: European Photovoltaic Industry Association
UNIT: Gigawatt ("GW")



ANNUAL NEWLY INSTALLED CAPACITY
ACCUMULATED INSTALLED CAPACITY

The Industry

GCL NEW ENERGY'S STRATEGY MAP



Major Grid-connected Projects

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Major Grid-connected Projects

	Major Grid-connected solar plants Projects	Business Type	On-grid Connection date	Total On-grid Installed Capacity (MW)
1	Zhangjiang Hangzhou Xiaoshan Distributive Project	Rooftop distributed	November 2014	17.5
2	Shanxi Yangquan Yu County Photovoltaic Project	Ground-mounted	December 2014	50
3	Jiangsu Huaian Jinhu Project	Fishery-photovoltaic power	December 2014	100
4	Xinjiang Hami Yaohui Photovoltaic Project	Ground-mounted	December 2014	60
5	Shanxi Changzhi Licheng Photovoltaic Project	Ground-mounted	December 2014	30
6	Inner Mongolia Hohhot Xiangdao Project	Hoop house	December 2014	130
7	Qinghai Delingha Gonghe Project	Ground-mounted	December 2014	100

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Management Discussion and Analysis

Overview

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

Use of Proceeds

The Company raised approximately HK$1,635 million in net proceeds by subscription and placement of new ordinary shares on 9 May 2014 for increasing the liquidity of the Shares as well as to strengthen the financial position of the Group to prepare itself for future diversification of its business into renewable energy sector and/or for future development of the Company Group as and when investment opportunities arise. The net Subscription Price of the subscription and placement is approximately HK$3.99 per Subscription Share. Further details have been set out in the circular and announcement dated 31 March 2014 and 9 May 2014 issued by the Company. As at 31 December 2014, the above amount has been utilised as follows:

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

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

The Company then signed the Top-Up Placing Agreement and Top-Up Subscription Agreement on 8 October 2014 broadening the shareholders base and the capital base of the Company. An aggregate of 291,000,000 Top-Up Placing Shares (which have been adjusted to 1,164,000,000 ordinary Shares after sub-division of Shares effective on 19 November 2014) have been successfully placed to not less than six placees who are third parties independent of the Company and connected persons (within the meaning of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) of the Company, at the Top-Up Placing Price of HK$2.55 per Top-Up Placing Share, represented a discount of approximately 19.3% to the closing price of HK$3.16 per Share as quoted on the Stock Exchange. The net price of the Top-Up Subscription is approximately HK$2.53 per Share. The net proceeds from the Top-Up Subscription was approximately HK$735 million and will be used for the investment, construction and development of photovoltaic power stations and general working capital. The top-up placement and top-up subscription of new shares completed on 13 October 2014 and 16 October 2014, respectively. As at 31 December 2014, an aggregate amount of HK$510 million has been utilised as follows:

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

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

Business Review

Solar Energy Business

On 9 May 2014, at a Subscription Price of HK$4.00 per Subscription Share (represented a discount of approximately 47.1% to the closing price of HK$7.56 per Share as quoted on the Stock Exchange on 29 October 2013) for each of the subscription of 360,000,000 ordinary Shares and placement of 50,000,000 ordinary Shares, conversion of convertible redeemable bond and the change of company name were completed. With the funds raised by subscription and placement of new shares, we diversify our scope of business into renewable business, which includes the development, construction, operation and management of solar energy.

During the Reporting Period, through intensive acquisitions and developments, the Group successfully expanded into solar energy business and developed a significant amount of solar farm projects throughout different regions of the PRC. As at 31 December 2014, we completed the construction and obtained the approval for on-grid connection for the following projects: Jinhu Zhenhui 100MW ground-mounted solar farm project Xiangdao 130MW ground-mounted solar farm project in Inner Mongolia Autonomous Region, Yu County 50MW and Licheng 30MW

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ground-mounted solar farm projects in Shanxi province, Hami Yaohui 60MW and Hami Ourui 20MW ground-mounted solar farm projects in Xinjiang province; and Shuqimeng 17.5MW rooftop distributed solar farm project in Zhejiang province. In addition, the Group completed the acquisition of Delingha 100MW ground-mounted solar farm project in Qinghai province by end of December, which can immediately contribute revenue to the Group as the Delingha solar farm project was already grid-connected.

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

Printed Circuit Board Business

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

Save as disclosed in notes 19, 21 and 37 to the consolidated financial statements, there were no other significant investments during the Reporting period, or plans for material investments as at the date of this report, nor were there other material acquisitions and disposals of subsidiaries during the Reporting Period.

Employees and Remuneration Policies

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

Financial Review

Segment Information

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

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

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

Revenue

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

Gross Margin

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

Other Income

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

Distribution and Marketing Costs

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

Administrative Expenses

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

Share-based Payment Expenses

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

Gain/(loss) relating to the Convertible Redeemable Bond

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

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

Finance Costs

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

Income Tax Expense

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

Loss Attributable to Owners of the Company

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

Dividend

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

Property, Plant and Equipment

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

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

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

Trade and Other Payables

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

Liquidity and Financial Resources

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

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

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

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

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

Indebtedness

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

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

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

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

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

	31 December 2014 HK$ million	31 March 2014 HK$ million
Renminbi ("RMB")	3,253.1	319.0
Hong Kong dollars ("HK$")	26.0	30.2
United States dollars ("US$")	15.5	6.0
	3,294.6	355.2

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

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

Key Financial Ratios of the Group

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

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

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Foreign Currency Risk

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

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

Pledge of Assets

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

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

Contingent Liabilities

Save as disclosed in notes 34 and 35 to the consolidated financial statements, the Group did not have any other significant contingent liabilities as at 31 December 2014.

Capital Commitments

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

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

Events After the Reporting Period

(a) Agreements for engineering, procurement and construction service

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

(b) Solar module purchase agreement

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

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

On 2 March 2015, the Group, 昆明綠電科技有限公司 (the "Vendor") and 元謀綠電新能源開發有限公司 (the "Target Company") entered into a cooperation agreement, pursuant to which the parties agreed to cooperate in relation to phase one of the development of a photovoltaic power station project with a capacity of 50MW in Hewai of Yuanmou County, the PRC (the "Yuanmou Project Phase I"). The Yuanmou Project Phase I is part of a 100MW photovoltaic power station project in Hewai of Yuanmou County, the PRC (the "Yuanmou Project"), which is solely owned by the Target Company. Please refer to note 39 to the consolidated financial statements.

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

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

* *English name for identification only*

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Our Directors

Executive Directors

Mr. ZHU Gongshan ("Mr. Zhu"), aged 57, is the executive Director and the honorary chairman of the Board appointed on 9 May 2014. Mr. Zhu also serves as the chairman of the strategic planning committee (the "Strategic Planning Committee") of the Company. Mr. Zhu is the founder of the GCL-Poly (stock code: 3800). Mr. Zhu has been an executive director of GCL-Poly since July 2006 and is the chairman, chief executive officer and a member of the strategic planning committee of GCL-Poly.

Mr. Zhu is currently a member of the 12th National Committee of the Chinese People's Political Consultative Conference, the co-chairman of Asian Photovoltaic Industry Association, the vice chairman of China Fortune Foundation Limited, the vice chairman of the Cogeneration Professional Committee of the Chinese Society for Electrical Engineering* (中國電機工程學會熱電專業委員會), the vice chairman of China Overseas Chinese Entrepreneurs Association, the vice chairman of China Industrial Overseas Development & Planning Association, the honorable chairman of the 4th board of directors of Nanjing University, the honorary president of Hong Kong Baptist University Foundation, the vice chairman of Jiangsu Chinese Overseas Friendship Association* (江蘇省海外聯誼會), the vice director-general of Jiangsu Foundation for the Wellbeing of the Youth, the honorary chairman of Jiangsu Residents Association in Hong Kong, the honorary chairman of Jiangsu Yancheng Residents Association in Hong Kong, the chairman of Hong Kong Yancheng Chamber of Commerce Limited, the honorary chairman of Jiangsu Chamber of Commerce in Guangdong, the honorary chairman of Xuzhou Chamber of Commerce in Shenzhen, the vice president of Chinese Renewable Energy Industries Association, a member of the China Renewable Energy Entrepreneur Club, the vice director of The Prince's Charities Foundation, a member of American Council on Renewable Energy and the permanent honorable chairman of Africa Food Fund* (非洲糧食基金). Mr. Zhu is also conferred as the honorary citizen of Texas of United States, honorary citizen of Taicang, Jiangsu Province of the PRC, honorary citizen of Xuzhou, Jiangsu Province of the PRC, honorary citizen of Xilinheote, Inner Mongolia of the PRC and in 2012, awarded the China Securities Golden Bauhinia — Most Influential Leader Award. Mr. Zhu majored in electrical automation and holds a degree of Doctor of Philosophy in Business Administration.

Mr. Zhu is the father of Mr. Zhu Yufeng, the non-executive Director and Vice Chairman. As at 31 December 2014, Mr. Zhu and his family (including his son, Mr. Zhu Yufeng) are the beneficiaries of a trust, which is a substantial shareholder of GCL-Poly, the substantial shareholder of the Company. Mr. Zhu was deemed to have interests in 5,018,843,327 shares of GCL-Poly held through trust within the meaning of Part XV of the SFO.

Mr. TANG Cheng ("Mr. Tang"), aged 52, is the executive Director and the chairman of the Board appointed on 9 May 2014. Mr. Tang is a director of several subsidiaries of the Company. Mr. Tang also serves as the chairman of the nomination committee (the "Nomination Committee") of the Company and a member of the Strategic Planning Committee and risk management committee (the "Risk Management Committee") of the Company. Mr. Tang is currently one of the authorised representatives of the Company for the purpose of Rule 3.05 of the Listing Rules. Mr. Tang was the vice chairman of Golden Concord Holdings Limited ("Golden Concord") since April 2014 and concurrently served as the chairman of 協鑫新能源控股有限公司 (GCL New Energy Holdings Limited*), a company incorporated in the PRC, since January 2014. Mr. Tang has extensive experience in the management and operation of power plants. Mr. Tang was the general manager of several large-scale power plants from July 2001 to March 2006. From August 2003 to April 2010, Mr. Tang served as an executive director and executive vice president of China Resources Power Holdings Company Limited (stock code: 836), a company listed on the main board of the Stock Exchange. Mr. Tang served as the president of Golden Concord from June 2010 to April 2014. Mr. Tang obtained a Master degree in Business Administration from China Europe International Business School in March 2002.

Mr. ZHANG Guoxin ("Mr. Zhang"), aged 52, is the executive Director and the president appointed on 25 September 2014. Mr. Zhang is a director of several subsidiaries of the Company. Mr. Zhang is also a member of the Risk Management Committee. Mr. Zhang has extensive experiences in the industries of electricity, property and finance. Mr. Zhang was the director and general manager of Guodian Nanjing Automation Co., Ltd., a company

Our Directors

listed on the Shanghai Stock Exchange (stock code: 600268) during the period from October 2007 to December 2011. From December 2012 to February 2014, Mr. Zhang had been a deputy general manager of China Water Affairs Group Limited as well as an executive general manager of China Water Property Group Limited.

Mr. Zhang was awarded the title of model worker* (勞動模範稱號) by the People's Government of Jiangsu Province in 2011, an honorary certificate of Outstanding Entrepreneur of the country's electricity industry* (全國電力行業優秀企業家榮譽證書) by China Electricity Council in 2009 and "1 May Labor Medal"* (五一勞動獎章) by Union of Jiangsu Province* (江蘇省總工會) in 2008.

Mr. Zhang obtained a doctoral degree in Corporate Management from Sichuan University in 2012, a qualification certificate of senior economist* (正高級經濟師之資格認證) issued by the Human Resources and Social Security Department of Jiangsu Province* (江蘇省人力資源和社會保障廳) in 2011, a master degree of Business Administration of Senior Management from Shanghai Jiao Tong University in 2008 and a master degree of Economics from Renmin University of China in 1996.

Ms. HU Xiaoyan ("Mr. Hu"), aged 43, is the executive Director appointed on 9 May 2014. Ms. Hu is a director of several subsidiaries of the Company. Ms. Hu also serves as the chairman of the Risk Management Committee and a member of the Strategic Planning Committee. Ms. Hu joined GCL-Poly in September 2007 and is currently serving as the vice president of GCL-Poly, responsible for strategic investment, operation management, asset management and risk control. Ms. Hu has extensive experience in corporate finance, internal audit, internal control, risk management, strategic investment and corporate governance. Ms. Hu obtained a Master degree in Business Administration from the China Europe International Business School in September 2008.

Mr. YIP Sum Yin ("Mr. Yip"), aged 65, is the executive Director and also the director of several subsidiaries of the Company. Mr. Yip had been chairman of the Board ("Chairman") since 1992 and resigned as Chairman effective from 9 May 2014. Mr. Yip is one of the co-founders of the Company, which was founded in 1982. Mr. Yip graduated from National Taiwan Ocean University (formerly known as Taiwan Provincial College of Marine and Oceanic Technology) with a Bachelor of Science degree in Electronic Engineering. Mr. Yip obtained a degree of Doctor of Commerce from the University of West Alabama in August 2007. Mr. Yip has over 40 years of experience in the electronics industry. Mr. Yip is responsible for the Group's business activities which are involved in the manufacturing and selling of printed circuit boards.

Mr. Yip is the spouse of Ms. Yu Hung Min, a former executive Director, and father of Mr. Yip Wing Fung, a former executive Director and brother of Mr. Yip How Yin, Maurice, the former chief executive officer of the Group.

* *English name for identification only*

Non-executive Directors

Mr. Zhu Yufeng, aged 33, is the non-executive Director and vice chairman of the Board appointed on 9 February 2015. Mr. Zhu Yufeng is also a member of the remuneration committee (the "Remuneration Committee") of the Company, the Nomination Committee and the Strategic Planning Committee. Mr. Zhu Yufeng graduated from George Brown College (Business Administration Faculty) in 2005. Mr. Zhu Yufeng currently is a senior executive president of Golden Concord and was also an executive president during the period from 13 May 2012 to 3 December 2014. Since 21 September 2009, Mr. Zhu Yufeng became an executive director of GCL-Poly. Mr. Zhu Yufeng is also a member of the remuneration committee of GCL-Poly. Mr. Zhu Yufeng has years of experience in internal control, human resources, administration and project tender of power business.

Mr. Zhu Yufeng is the son of Mr. Zhu, the executive Director and honorary chairman. As at 31 December 2014, Mr. Zhu Yufeng and his family (including his father, Mr. Zhu) are the beneficiaries of a trust, which is a substantial shareholder of GCL-Poly, the substantial shareholder of the Company. Mr. Zhu Yufeng was deemed to have interests in 5,018,843,327 shares of GCL-Poly held through trust and 2,500,000 share options in GCL-Poly within the meaning of Part XV of the SFO.

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Our Directors

Ms. SUN Wei ("Ms. Sun"), aged 43, is the non-executive Director appointed on 9 May 2014. Ms. Sun is also a member of the Remuneration Committee, the Strategic Planning Committee and the Risk Management Committee. Ms. Sun was an executive director of GCL-Poly from October 2007 to 23 January 2015. Ms. Sun currently continues to serve GCL-Poly as the honorary chairman of the Finance and Strategy Function of GCL-Poly. Ms. Sun is now the vice chairman of Golden Concord. Ms. Sun is currently the vice director of China Hong Kong Economic Trading International Association, a non-executive director of Asia Energy Logistics Group Limited (stock code: 351), a company listed on the main board of the Stock Exchange, and a non-independent director and a member of the nomination committee of GCL System Integration Technology Co., Ltd. (formerly known as "Shanghai Chaori Solar Energy Science & Technology Co., Ltd."), a company listed on the Shenzhen Stock Exchange (stock code: 002506). Ms. Sun has over 15 years of experience in power plant investment and management. Ms. Sun obtained a degree of Doctor of Philosophy in Business Administration in 2005.

Mr. SHA Hongqiu ("Mr. Sha"), aged 56, is the non-executive Director appointed on 9 February 2015. Mr. Sha is a member of the Risk Management Committee. Since November 2006, Mr. Sha was an executive director and president of GCL-Poly. Since November 2012, Mr. Sha continued to serve as an executive president of GCL-Poly after resigning as an executive director of GCL-Poly. Mr. Sha is currently responsible for the overall operation and management of GCL-Poly's power business. Mr. Sha has been awarded various titles, including the Outstanding Entrepreneur of Xuzhou* (徐州市優秀企業家) in 2000 and the Outstanding Enterprise Manager of Taicang* (太倉市優秀企業管理人才) in 2005. Mr. Sha graduated from the China University of Mining and Technology in 1986, majoring in enterprise management. Mr. Sha is a Senior Economist. He has over 15 years of experience in the operation and management of power plant.

* *English name for identification only*

Independent Non-executive Directors

Mr. WANG Bohua ("Mr. Wang"), aged 62, is the independent non-executive Director appointed on 9 May 2014. Mr. Wang is a member of the audit committee (the "Audit Committee") of the Company, the Remuneration Committee, the Nomination Committee and the Strategic Planning Committee. Mr. Wang was as an independent director of Shengyi Technology Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600183) since December 2012 and retired since April 2015. Mr. Wang served as the deputy inspector of the Department of Electronics and Information Products Administration of the PRC Ministry of Information Industry (中華人民共和國信息產業部電子信息產品管理司) (now the PRC Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)) from July 2007 to July 2012. Mr. Wang served as a member of the Professional Appraisal Group for the Science and Technology Progress Award of the PRC Ministry of Electronics Industry (中華人民共和國電子工業部科技進步獎) in December 1995. Mr. Wang was an expert for the review and appraisal of the 2002 National Key New Products (2002年度國家重點新產品) administered by the Department of Technological Progress and Equipment of the State Economic and Trade Commission (國家經濟貿易委員會技術進步與裝備司) in May 2002. Mr. Wang was elected as the vice president of the Fifth Council of China Electronic Production Equipment Industry Association (中國電子專用設備工業協會) in October 2004. In November 2004, he further served as a member and deputy director of the Eighth Committee of the CIE Electronic Components Society (中國電子學會元件分會) and the member of the Sixth Council of the Chinese Vacuum Society (中國真空學會). Mr. Wang was awarded qualification as a senior engineer by the PRC Ministry of Electronics Industry in September 1997.

Mr. XU Songda ("Mr. Xu"), aged 71, is the independent non-executive Director appointed on 9 May 2014. Mr. Xu is a member of the Audit Committee, the Nomination Committee and the Strategic Planning Committee. From August 1969 to 1983, Mr. Xu worked at Nanjing Power Plant (南京熱電廠), serving successively as its youth league secretary, deputy director and director. Mr. Xu then successively held the positions of the deputy director of Electric Power Industry Bureau of Jiangsu Province (江蘇省電力工業局), the deputy general manager, the deputy party secretary and other positions at Jiangsu Provincial Power Company (江蘇省電力公司) during 1983 to 2004. Mr. Xu graduated from the East China Institute of Water Conservancy (華東水利學院) (now Hehai University) in August 1969 with a Bachelor's degree in agricultural water conservation. Mr. Xu was granted the qualification of a senior

Our Directors

engineer by the jury of senior positions in engineering at Electric Power Industry Bureau of Jiangsu Province (江蘇省電力工業局工程系列高級職務評審委員會) in December 1996. Mr. Xu was also granted the qualification of a senior engineer (professor level) by East China Power Group Corporation on 31 December 1997.

Mr. LEE Conway Kong Wai ("Mr. Lee"), aged 60, is the independent non-executive Director appointed on 9 May 2014. Mr. Lee also serves as the chairman of the Audit Committee and the Remuneration Committee. Mr. Lee served as a partner of Ernst & Young. Mr. Lee has been a member of the Chinese People's Political Consultative Conference of Hunan Province in the PRC since 2007. Mr. Lee currently also serves as an independent non-executive director of Chaowei Power Holdings Limited (stock code: 951), West China Cement Limited (stock code: 2233), China Modern Dairy Holdings Ltd. (stock code: 1117), GOME Electrical Appliances Holding Limited (stock code: 493), Tibet 5100 Water Resources Holdings Ltd. (stock code: 1115), CITIC Securities Company Limited (stock code: 6030), NVC Lighting Holding Limited (stock code: 2222), Yashili International Holdings Ltd (stock code: 1230), China Rundong Auto Group Limited (stock code: 1365) and WH Group Limited (stock code: 288), all being companies listed on the main board of the Stock Exchange, since June 2010, July 2010, October 2010, March 2011, March 2011, November 2011, November 2012, November 2013, July 2014 and August 2014, respectively. Mr. Lee also serves as a non-executive director and deputy chairman of Merry Garden Holdings Limited (stock code: 1237) which is listed on the main board of the Stock Exchange since July 2014. Mr. Lee also served as an independent non-executive director of Sino Vanadium Inc. (a company previously listed on the TSX Venture Exchange in Canada) (stock code: SVX) and China Taiping Insurance Holdings Company Limited (a company listed on the main board of the Stock Exchange) (stock code: 966) from September 2009 to December 2011 and from October 2009 to August 2013 respectively. Mr. Lee received a Bachelor's degree in arts from the Kingston University (formerly known as the Kingston Polytechnic) in London, the United Kingdom in July 1980 and obtained his postgraduate diploma in business from the Curtin University of Technology in Australia in February 1988. Mr. Lee became a member of the Institute of Chartered Accountants in England and Wales in October 2007, the Institute of Chartered Accountants in Australia and New Zealand in December 1996, the Association of Chartered Certified Accountants in September 1983, the Hong Kong Institute of Certified Public Accountants in March 1984 and the Macau Society of Registered Accountants in July 1995.

Mr. WANG Yanguo, aged 52, is the independent non-executive Director appointed on 9 February 2015. Mr. Wang Yanguo is a member of the Remuneration Committee and the Nomination Committee. Mr. Wang Yanguo graduated from the School of Economics of Peking University with a PhD degree, Master's degree and Bachelor's degree in Economics in 1999, 1988 and 1985 respectively. Mr. Wang Yanguo previously served as a teaching assistant, a lecturer and an associate professor at the School of Economics of Peking University during the period from 1988 to 1996. Mr. Wang Yanguo has extensive experience in securities and finance industries. Mr. Wang Yanguo currently is the chairman of the board of Essence International Financial Holdings Limited and the member of the Listed Companies Merger and Reorganisation Vetting Committee of the China Securities Regulatory Commission ("CSRC"). Mr. Wang Yanguo was the vice chairman of Essence Securities Co., Ltd. during the period from July 2013 to May 2014 and was the president from June 2006 to July 2013. Mr. Wang Yanguo was the president of Changjiang BNP Paribas Peregrine from 2005 to 2006 and was the president of Soochow Securities Co., Ltd, a company listed on the Shanghai Stock Exchange (stock code: 601555) from March 2002 to July 2005. Mr. Wang Yanguo also served for CSRC from April 1996 to March 2002 as the deputy division head of Department of Dispatch, division head of Department of Fund, deputy director of Nanjing Office and deputy director of Shanghai Securities Regulatory Office.

* *English name for identification only*

Senior Management

At the date of this report, the senior management of the Group comprises the executive Directors above, namely, Mr. ZHU Gongshan, Mr. TANG Cheng, Mr. ZHANG Guoxin, Ms. HU Xiaoyan and Mr. YIP Sum Yin.

Details of the interests of the Directors in the Company are disclosed in the section headed "Interests of Directors and chief executive equity or debt securities". Save as disclosed herein, the Directors do not have any other relationships with any Directors, senior management or substantial or controlling Shareholders.

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Corporate Governance Report

The Company is committed to promoting high standards of corporate governance through its continuous effort in improving its corporate governance practices and process. The Board believes that sound and reasonable corporate governance practices are essential for sustainable development and growth, and safeguarding the interests and assets of the Group and enhancement of Shareholders' value.

Compliance with Corporate Governance Code

Throughout the nine months period ended 31 December 2014 (the "Reporting Period"), the Company complied with all the code provisions set out in the Appendix 14 Corporate Governance Code and Corporate Governance Report (the "CG Code") of the Listing Rules, except for the deviations as explained in this report.

The Board

The overall management of the Company's business is vested in the Board, which assumes the responsibility for leadership and control of the Company and the Directors are collectively responsible for promoting the long term success of the Group by directing and supervising the Company's affairs and overseeing the achievement of strategic plans to enhance shareholders' value. They are aware of their duties to act in good faith and in the best interests of the Company. The Directors are expected to make decisions objectively in the interests of the Company.

Generally, the Board is responsible for all major aspects of the affairs of the Company, including:

- formulating long and short term strategies and reviewing of its financial performance, results and the effectiveness of the risk management and internal control systems;
- approving and authorising material transactions, including acquisition, investment, disposal of assets or setting dividend policies and capital expenditure;
- approving the appointment, removal or reappointment of Board members and auditor for election and/or re-election in general meetings;
- performing corporate governance functions in accordance with the CG Code, including formulating corporate governance policies, and reviewing and monitoring the corporate governance practices of the Group; and
- communicating with key stakeholders, including shareholders and regulatory bodies.

The Board is responsible for maintaining proper accounting records so as to enable the Directors to monitor and disclose with reasonable accuracy the financial position of the Group. The Board updates Shareholders on the operations and financial position of the Group through interim and annual results announcements as well as the publication of timely reports and announcements or other matters as prescribed by the relevant laws, rules and regulations.

The Company currently has twelve Directors: three non-executive Directors, namely Mr. Zhu Yufeng, Ms. Sun Wei and Mr. Sha Hongqiu and four independent non-executive Directors, namely Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo and Mr. Lee Conway Kong Wai. The non-executive Directors advise the Company on strategic and critical matters. The Board considers that each non-executive Director brings his/her own senior level of experience and expertise to the constructive functioning of the Board. To this end, regular informal meetings are held between the executive Directors and non-executive Directors. The Chairman held meetings with the non-executive Directors at least annually without the executive Directors present, to evaluate the functioning of the Board.

Corporate Governance Report

Chairman, Vice Chairman and President

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

The distinct and separate roles of the Chairman, Mr. Tang Cheng and the President of the Company, Mr. Zhang Guoxin are acknowledged since 25 September 2014 with a clear and well established division of responsibilities. Following the appointment of Mr. Zhu Yufeng as the non-executive Director and Vice Chairman effective from 9 February 2015, the division of responsibilities has been further established. Their respective responsibilities are clearly defined and segregated to ensure a balance of power and authority, and reinforce their independence and accountability. Mr. Zhu Yufeng is primary responsible for ensuring effective implementation of the Company's strategies by the management, Mr. Tang will continue to provide leadership to the Board, and Mr. Zhang will continue to responsible for the operation of the business and performance of the Group.

Appointment, Re-election and Removal of the Directors

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

Save as the above deviation, each of the Directors has been appointed for a specific term of 3 years, subject to the provisions on Directors' retirement as set out in the Bye-laws. All Directors appointed by the Board shall hold office only until the next general meeting of the Company (in the case of filling a casual vacancy) or until the next annual general meeting (the "AGM") of the Company (in the case of an addition to the Board), and every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every 3 years.

Pursuant to bye-law 83(2) of the Bye-laws, each of Mr. Zhang Guoxin, Mr. Zhu Yufeng, Mr. Sha Hongqiu and Mr. Wang Yanguo, shall hold office until the AGM and, being eligible, will offer themselves for re-election at the AGM.

In accordance with bye-law 84(2) of the Bye-laws, Mr. Tang Cheng, Ms. Hu Xiaoyan and Ms. Sun Wei shall retire from office by rotation at the AGM. All the said Directors, being eligible, will offer themselves for re-election at the AGM.

Directors' insurance

The Company has arranged appropriate insurance cover for the Directors in connection with the discharge of their responsibilities, and the Directors are also provided with access to independent professional advice, where necessary, in carrying out their obligations as Directors at the expense of the Company.

Confirmation of Independency

Each independent non-executive Director has made written annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines as set out in the Rule 3.13 of the Listing Rules, and considers all of its independent non-executive Directors to be independent of management and free of any relationship that could materially interfere with the exercise of their judgment.

Pursuant to Rule 3.10A of the Listing Rules, the Company must appoint independent non-executive Directors representing at least one-third of the Board. Following the passing away of Mr. Han Qing-hua on 30 January 2015, there remains three independent non-executive Directors. The number of independent non-executive Directors cannot represents at least one-third of the Board and the vacancy for chairman of the Remuneration Committee resulted in the non-fulfilment under the Rule 3.25 of the Listing Rules. The Company took remedial steps and following the appointment of Mr. Wang Yanguo as an independent non-executive Director on 9 February 2015, the Company was in compliance with the requirement under Rule 3.10A of the Listing Rules.

Compliance with Model Code

The Board adopted the model code with terms no less exacting than the required standard as set out in Appendix 10 of the Listing Rules as its own model code of conduct regarding Directors' securities transactions (the "Model Code"). Having made specific enquiry, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Reporting Period.

The Board Committees

(1) Remuneration Committee

The Remuneration Committee reviews and approves the remunerations of Directors. To minimise any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion. The Remuneration Committee was set up on 15 September 2005 with written terms of references to oversee the remuneration policy and structure for all Directors and senior management. The Remuneration Committee is currently chaired by Mr. Lee Conway Kong Wai, being an independence non-executive Director, and with four members, including Mr. Zhu Yufeng, Ms. Sun Wei, Mr. Wang Bohua and Mr. Wang Yanguo, comprising a majority of independent non-executive Directors. The Remuneration Committee held 4 meetings and passed 1 written resolutions during the Reporting Period. The Company Secretary acts as the secretary to the Remuneration Committee. The roles of the Remuneration Committee are to recommend to the Board the policy and structure for the remuneration of the executive Directors and senior management and to determine, with delegated responsibility, their specific remuneration packages, assessing and approving performance-based remuneration of executive Directors with reference to the corporate goals and objectives, and to make recommendations to the Board on the remuneration of non-executive Directors. They are provided with sufficient resources by the Company to discharge its duties. No individual Director is involved in deciding his or her own remuneration.

The remuneration packages of individual executive Directors and senior management, comprising a basic salary and a performance related bonus for their contributions, were determined, with delegated responsibility in according to the code provision B.1.2(c)(i). Details of Directors' remuneration are set out in note 10 to the financial statements in this annual report.

The Company has conditionally adopted the 2014 Share Option Scheme (as defined below). The purpose of the share option scheme is to enable the Board, at its discretion, to grant options to selected eligible participants to motivate them and to optimise their performance and efficiency for the benefit of the Group.

The senior management remuneration during the periods within the following bands:

	Number of individuals Reporting Period	 Prior Reporting Period
HK$Nil to HK$2,000,000	5	3
HK$2,000,001 to HK$4,000,000	1	2
Over HK$4,000,001	4	0

(2) Nomination Committee

The Nomination Committee was set up on 9 May 2014 with written terms of reference to review the structure, size and composition (including but not limited to the gender, skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

Code provision A.5.1 of the CG Code requires that the Company should establish a nomination committee which is chaired by the chairman of the Board or an independent non-executive Director and comprises a majority of independent non-executive Directors, and code provision A.5.2 of the CG Code requires that the nomination committee should be established with specific written terms of reference which deal clearly with its authority and duties.

The Company has not set up a Nomination Committee until 9 May 2014. Pursuant to the Bye-laws, any Director appointed by the Board either to fill a casual vacancy or as an addition to the Board shall retire and be eligible for re-election at the first general meeting or next following annual general meeting respectively after appointment. Executive Directors identify potential new Directors and recommend to the Board for decision. In considering the nomination of a new Director, the Board will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of independent non-executive Directors, the Board follows the requirements set out in the Listing Rules.

Mr. Han Qing-hua, an independent non-executive Director and a member of the Nomination Committee passed away on 30 January 2015 following illness and resulted in the deviation from the code provisions A.5.1 and Rule 3.25 of the Listing Rules. To fill the vacancy, the Company appointed Mr. Wang Yanguo, an independent non-executive Director as a member of the Nomination Committee on 9 February 2015.

The Nomination Committee is currently chaired by Mr. Tang Cheng, being the Chairman of the Board, and with four members, Mr. Zhu Yufeng, Mr. Wang Bohua, Mr. Xu Songda and Mr. Wang Yanguo, comprising a majority of independent non-executive Directors.

The Nomination Committee held 2 meetings during the Reporting Period. The Company Secretary acts as the secretary to the Nomination Committee. The roles and functions of the Nomination Committee include to identify individuals suitably qualified to become Board members, select or make recommendations to the Board on the selection of nomination individuals nominated for directorships, review the nomination policy and the progress on achieving the objectives set for implementing the policy, make recommendations to the Board on the appointment or reappointment of Directors, and succession planning for Directors, in particular the chairman of the Board and the President.

Board Diversity Policy

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board. The board diversity policy (the "Policy") adopted aims to set out the approach to achieve diversity on the Board. A summary of the Policy is set out below:

Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, ethnicity, age, length of service) will be disclosed in the Corporate Governance Report annually.

Monitoring and Reporting

The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

Review of this Policy

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

Disclosure of this Policy

A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the annual Corporate Governance Report.

(3) Audit Committee

The Audit Committee was set up on 1 April 1999 with written terms of reference. The Audit Committee comprises all independent non-executive Directors and is currently chaired by Mr. Lee Conway Kong Wai, and with two members, Mr. Wang Bohua and Mr. Xu Songda. The Audit Committee held 2 meetings and passed 1 written resolutions during the Reporting Period. The Company Secretary acts as the secretary to the Audit Committee. The Audit Committee performs, amongst others, the following roles and functions:

- ensure that co-operation is given by the Company's management to the external auditor where applicable;
- review the Group's half-yearly and annual results announcements and reports and the financial statements prior to their recommendations to the Board for approval;
- review the effectiveness of Group's financial reporting process and internal control system;
- review of transactions with connected persons (if any);
- considered and endorsed the proposed amendments to the Company's policy on connected transactions, with a recommendation to the Board for approval; and
- considered and approved the Company's policy on engaging non-audit services from external auditor and the revised whistle-blowing policy of the Company.

Corporate Governance Report

Accountability and Audit

The Board acknowledges its responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group. The Board is not aware of any material uncertainties relating to events or condition that might cast significant doubt upon the Company's ability to continue in business. Accordingly, the Board has prepared the financial statements of the Company on a going concern basis. The interim and annual results and reports were published within the time limits as required under the Listing Rules after the end of the relevant periods to provide stakeholders with transparent and timely financial information.

The Board also acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual and half-yearly reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to the regulators as well as to information required to be disclosed pursuant to statutory requirements.

The above statements, which should be read in conjunction with the independent auditor's report, are made with a view to distinguishing for Shareholders how the responsibilities of the Directors differ from those of the auditor in relation to the financial statements.

Having made appropriate enquiries and examined major areas which could give rise to significant financial exposures, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the Reporting Period, the Directors considered the Group has applied appropriate accounting policies consistently, made judgments and estimates that are prudent and reasonable in accordance with applicable accounting standards.

Auditor's Remuneration

During the Reporting Period, the remuneration, reviewed and approved by the Audit Committee on its statutory audit scope and non-audit services, paid or payable to the auditor in respect of audit and non-audit services provided by the auditor of the Group, Messrs. PricewaterhouseCoopers, were as follows:

Nature of services	**Nine months ended 31 December 2014 Amount HK$'000**	For the year ended 31 March 2014 Amount HK$'000
Audit services	**4,080**	1,830
Non-audit services	**4,056**	2,863

Internal Control

The Board is committed to implementing an effective and sound internal control system to safeguard the interest of the Shareholders and the Group's assets. The Board has conducted reviews of the effectiveness of the internal control system of the Group and performed necessary and appropriate actions to maintain the internal control system for the interests of the Shareholders. In particular, the Board's review has considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting functions, and their training programmes and budget. The Audit Committee also reviews the internal control system, ensuring its effectiveness. The Company will continue to use its best endeavours to enhance the existing internal control system.

Board and Board Committee Meetings

Practices and Conduct of Meetings

The Board meets regularly at least four times each year and more frequently as the needs of the business demand. Apart from the Board meetings, the Board would from time to time devote separate sessions to consider and review the Group's strategy and business activities.

The Board and committees meeting schedule and the agenda of each meeting are made available to Directors in advance.

Notices of regular Board meetings were served to all Directors at least 14 days before the meetings. For all other Board and Committees' meetings, reasonable notices were given.

Papers for Board meetings or Committees' meetings together with all relevant information are sent to all Directors or Committee members at least 3 days before each meeting to enable them to make informed decisions with adequate data. The Board and each Director also have direct and independent access to the management whenever necessary.

According to the current Board practice, any material transactions involving a conflict of interest with a substantial Shareholder or a Director will be considered and dealt with by the Board at a duly convened Board meeting. The Bye-laws also contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

Meetings Held and Attendance

As at 31 December 2014, the Board comprised six executive Directors, two non-executive Directors and four independent non-executive Directors. The Company has met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of whom is with appropriate professional qualifications or accounting or related financial management expertise throughout the Reporting Period.

The Board held 29 meetings and passed 5 written resolutions during the Reporting Period.

Corporate Governance Report

Biographical details of the Directors are shown on pages 25 to 28 and set out on the websites of the Company. On 6 March 2015, the latest List of Directors and their Role and Function was published both on the websites of the Company and the Stock Exchange. The Board is currently supported by the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee specific areas of the Company's affairs. Each of these Committees has been established with written terms of reference, which were approved by the Board, setting out the Committee's major duties and responsibilities. These terms of reference were published both on the websites of the Company and the Stock Exchange. The composition of the Board and the Committees, and the individual attendance records of each Director at the Board and Committees' meetings during the Reporting Period are set out below:

	Meetings attended/Meetings held					
Name of Directors	**Board meeting**	**Audit Committee meeting**	**Remuneration Committee meeting**	**Nomination Committee meeting**	**Annual general meeting**	**Special general meeting**
Executive Directors						
Mr. ZHU Gongshan *(note 3)*	10/22	N/A	N/A	N/A	0/1	0/3
Mr. TANG Cheng *(note 3)*	20/22	N/A	N/A	2/2	0/1	2/3
Mr. ZHANG Guoxin *(note 6)*	9/11	N/A	N/A	N/A	N/A	0/2
Mr. GU Xin *(note 3)*	17/22	N/A	N/A	N/A	1/1	1/3
Ms. HU Xiaoyan *(note 3)*	18/22	N/A	N/A	N/A	0/1	2/3
Mr. YIP Sum Yin	24/29	N/A	0/1	N/A	1/1	4/4
Ms. YU Hung Min *(note 1)*	7/7	N/A	N/A	N/A	N/A	0/1
Mr. CHUNG Chi Shing *(note 1)*	5/7	N/A	N/A	N/A	N/A	1/1
Mr. MAO Lu *(note 1)*	0/7	N/A	N/A	N/A	N/A	1/1
Mr. YIP Wing Fung *(note 1)*	0/7	N/A	N/A	N/A	N/A	0/1
Non-executive Directors						
Ms. SUN Wei *(note 4)*	16/22	N/A	3/3	N/A	0/1	0/3
Mr. YU Baodong *(note 4)*	9/22	N/A	N/A	N/A	0/1	1/3
Independent Non-executive Directors						
Mr. WANG Bohua *(note 5)*	11/22	2/2	3/3	N/A	0/1	0/3
Mr. XU Songda *(note 5)*	15/22	2/2	N/A	2/2	1/1	0/3
Mr. HAN Qing-hua *(note 5)*	2/22	N/A	2/3	1/2	0/1	0/3
Mr. LEE Conway Kong Wai *(note 5)*	16/22	2/2	N/A	N/A	0/1	2/3
Mr. LAM Kwok Cheong *(note 2)*	3/7	0/0	1/1	N/A	N/A	1/1
Mr. LAI Wing Leung, Peter *(note 2)*	3/7	0/0	1/1	N/A	N/A	1/1
Ms. LEE Mei Ling *(note 2)*	3/7	0/0	1/1	N/A	N/A	1/1

Notes:

1. Ms. Yu Hung Min, Mr. Chung Chi Shing, Mr. Mao Lu and Mr. Yip Wing Fung resigned as the executive Directors on 9 May 2014. Their attendances were shown with reference to the number of the meetings held during the Reporting Period before their cessation as the Directors.

2. Mr. Lam Kwok Cheong, Mr. Lai Wing Leung, Peter and Ms. Lee Mei Ling resigned as the independent non-executive Directors on 9 May 2014. Their attendances were shown with reference to the number of the meetings held during the Reporting Period before their cessation as the Directors and chairman/members of the Audit Committee and Remuneration Committee.

3. Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Gu Xin and Ms. Hu Xiaoyan were appointed as the executive Directors on 9 May 2014. Their attendances were shown with reference to the number of the meetings held during the Reporting Period after their appointment as the Directors and the chairman of the Nomination Committee.

4. Ms. Sun Wei and Mr. Yu Baodong were appointed as the non-executive Directors on 9 May 2014. Their attendances were shown with reference to the number of the meetings held during the Reporting Period after their appointment as the Directors and the member of the Remuneration Committee.

5. Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai were appointed as the independent non-executive Directors on 9 May 2014. Their attendances were shown with reference to the number of the meetings held during the Reporting Period after their appointment as the Directors and the chairman/members of the Audit Committee, Remuneration Committee and Nomination Committee.

6. Mr. Zhang Guoxin was appointed as the executive Directors on 25 September 2014. His attendances were shown with reference to the number of the meetings held during the Reporting Period after his appointment as the Director.

Code provision A.6.7 of the CG Code requires that independent non-executive Directors and other non-executive Directors shall attend general meetings and develop a balanced understanding of the views of Shareholders.

Ms. Yu Hung Min and Mr. Yip Wing Fung were unable to attend the special general meeting of the Company (the "SGM") held on 23 April 2014 as they had other important business engagement.

Ms. Sun Wei, Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai were unable to attend the SGM held on 27 June 2014 as they had other important business engagement.

Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai were unable to attend the annual general meeting (the "AGM 2014") of the Company held on 18 August 2014 as they had other important business engagement.

Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Xu Songda and Mr. Han Qing-hua, were unable to attend the SGM held on 15 October 2014 as they had other important business engagement.

Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua and Mr. Han Qing-hua, were unable to attend the SGM held on 18 November 2014 as they had other important business engagement.

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

Induction and Continuous Development

Upon their appointment, Directors are advised on the legal and other duties and obligations they have as directors of a listed company. Each newly appointed Director receives a comprehensive induction package designed to enhance his/her knowledge and understanding of the Group's culture and operations. The package usually includes a briefing or an introduction to the Group's structure, businesses strategies, recent developments and governance practices. Discussion sessions with key management personnel are also held.

Through the course of their directorship, Directors are updated on any developments or changes affecting the Company and their obligations to it at regular Board meetings.

The Company provided continuous professional training and Directors received regular updates and presentations on changes and developments to the Group's business and to the legislative and regulatory environments in which the Group operates from time to time. In addition, all Directors were requested to provide the Company with the records of the other training they received. All Directors are also encouraged to attend relevant training courses at the Company's expense. During the Reporting Period, the Company has applied and paid for training session held by external professional party for Directors.

The Directors acknowledge the need for continuous professional development so that they can continue contributing to the Company, and the Company provides support whenever relevant and necessary.

Company Secretary

The appointment and removal of the company secretary (the "Company Secretary") of the Company is subject to approval by the Board in accordance with the Bye-laws. The Company Secretary is an employee of the Company and responsible for facilitating the Board's processes and communications among Board members, with the Shareholders and with the management of the Company. Draft and final versions of minutes are disseminated to Directors for comment and filed for record purposes respectively within a reasonable time after each meeting. All Directors have access to the minutes of the Board and committee meetings of the Company.

Index and Market Recognition

GCL New Energy is currently a constituent member of the Morgan Stanley Capital International ('MSCI') Global Small Cap Indexes-MSCI Hong Kong Index with effective from November 2014, which indicated market recognition for the Company's achievements and growth potential in the industry and has enhanced the its reputation on the international capital market.

The Company has been well-recognised by the investment community. GCL New Energy was awarded with the "Deal of the Year 2014" by the Acquisition International Magazine in January 2015 for the diversification of our scope of business into renewable business and the official birth in May 2014 and as the acknowledgement by the market. GCL New Energy was also recognised in "Most Outstanding Investment Holding Company — Hong Kong" and "Innovation & Excellence in Green Energy Technology — Hong Kong" in the Corporate LiveWire 2015 Innovation & Excellent Awards, by Corporate Livewire (UK) in February 2015.

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Report of the Directors

The Directors present their report together with the audited consolidated financial statements of the Group for the nine months period from 1 April to 31 December 2014 (the "Reporting Period").

Principal Activities and Segment Information

For the Reporting Period, the principal activity of the Company is investment holding. The principal activities of the Group were the (i) development, construction, investment, operation and management of photovoltaic power station projects as well as providing energy storage, energy efficiency, intelligent micro-grid and energy distribution solutions to its customers and joint venture partners; and (ii) manufacturing and selling of printed circuit boards.

An analysis of the performance of the Group for the Reporting Period by segments is set out in note 5 to the financial statements.

Results and Appropriations

The results of the Group for the Reporting Period are set out in the consolidated income statement on page 53.

The Board does not recommend the payment of a final dividend for the Reporting Period.

Reserves

Details of movements in the reserves of the Group and of the Company during the Reporting Period are set out in the consolidated statement of changes in equity on pages 58 to 59 and note 26(b) to the financial statements.

As at 31 December 2014, the Company had no distributable reserves calculated in accordance with the Companies Act 1981 of Bermuda (as amended) (31 March 2014: Nil).

Donations

Charitable and other donations made by the Group during the Reporting Period amounted to approximately HK$3,073,000.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the Reporting Period are set out in note 17 to the financial statements.

Share Capital

Details of movements in the share capital of the Company during the Reporting Period are set out in note 25 to the financial statements.

Closure of Register of Members

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

Pre-emptive Rights

There is no provision for pre-emptive rights under the Bye-laws, or the laws of Bermuda which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

Summary Financial Information

A summary of the results and of the assets and liabilities of the Group for the last five financial period/years is set out on page 144. Readers of the summary financial information are strongly encouraged to read the Management Discussion and Analysis section set out in this annual report, which does not form part of the consolidated financial statements, for a reasonable appreciation of the Group's financial results and positions in the context of its activities.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the redeemable securities or listed securities of the Company during the Reporting Period.

Directors

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

Executive Directors	Non-executive Directors	Independent Non-executive Directors
Mr. ZHU Gongshan *(Honorary Chairman)*	Mr. ZHU Yufeng *(Vice Chairman) (appointed on 9 February 2015)*	Mr. WANG Bohua
Mr. TANG Cheng *(Chairman)*	Ms. SUN Wei	Mr. XU Songda
Mr. ZHANG Guoxin *(President) (appointed on 25 September 2014)*	Mr. SHA Hongqiu *(appointed on 9 February 2015)*	Mr. WANG Yanguo *(appointed on 9 February 2015)*
Ms. HU Xiaoyan	Mr. YU Baodong *(resigned on 9 February 2015)*	Mr. LEE Conway Kong Wai
Mr. YIP Sum Yin		Mr. HAN Qing-hua *(passed away on 30 January 2015)*
Mr. GU Xin *(resigned on 9 February 2015)*		Mr. LAM Kwok Cheong *(resigned on 9 May 2014)*
Ms. YU Hung Min *(resigned on 9 May 2014)*		Mr. LAI Wing Leung, Peter *(resigned on 9 May 2014)*
Mr. CHUNG Chi Shing *(resigned on 9 May 2014)*		Ms. LEE Mei Ling *(resigned on 9 May 2014)*
Mr. MAO Lu *(resigned on 9 May 2014)*		
Mr. YIP Wing Fung *(resigned on 9 May 2014)*		

At the forthcoming AGM to be held on 28 May 2015, Mr. TANG Cheng, Ms. HU Xiaoyan and Ms. SUN Wei will retire by rotation in accordance with bye-law 84(2) of the Bye-laws. These Directors, being eligible, will offer themselves for election at the AGM.

Mr. ZHANG Guoxin, Mr. ZHU Yufeng, Mr. SHA Hongqiu and Mr. WANG Yanguo were appointed Directors after the last AGM of the Company held on 18 August 2014. Pursuant to bye-law 83(2) of the Bye-laws, Mr. ZHANG Guoxin, Mr. ZHU Yufeng, Mr. SHA Hongqiu and Mr. WANG Yanguo shall hold office until the AGM and, being eligible, will offer themselves for re-election at the AGM.

The Company confirmed that it has received from each of the independent non-executive Directors the annual confirmation for his independence pursuant to the Listing Rules and still considers them to be independent as at the date of this annual report.

The Directors' biographical details are set out on pages 25 to 28.

Directors' Service Contracts

No Director proposed for re-election at the AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Share Option Schemes

(A) 2005 Share Option Scheme

On 23 February 2005, the Company adopted a share option scheme (the "2005 Share Option Scheme") under which the Directors may grant options to eligible persons, including employees and directors of the Group, to subscribe for Shares. The 2005 Share Option Scheme is valid for a period of 10 years from the date of its adoption which has expired on 22 February 2015.

The Company has not granted any option under the 2005 Share Option Scheme since its adoption and up to the Reporting Period.

(B) 2014 Share Option Scheme

The Company adopted a new share option scheme on 15 October 2014 (the "2014 Share Option Scheme"). The purpose of the 2014 Share Option Scheme is to motivate personnel to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such personnel who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives of the Company, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions. The 2014 Share Option Scheme shall be valid and effective for a period of 10 years from 15 October 2014, after which no further options will be granted or offered but the provisions of the 2014 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the 2014 Share Option Scheme.

Particulars of the 2014 Share Option Scheme are set out in note 26(c)(iv) to the consolidated financial statements.

During the Reporting Period, share options were granted to subscribe for 536,840,000 Shares. No option was exercised, cancelled or lapsed during the Reporting Period. The fair values of the share options granted during the Reporting Period are set out in note 26(c)(iv) to the consolidated financial statements.

Report of the Directors

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

			Number of options				
			Before Share Subdivision		After Share Subdivision		
Name or category of Participant	**Date of grant**	**Exercise period**	**Exercise Price HK$**	**Granted during the Reporting Period**	**Exercise Price HK$** *(note 1)*	**Granted during the Reporting Period** *(note 1)*	**Outstanding as at 31.12.2014**
Directors:							
Mr. TANG Cheng	23.10.2014	24.11.2014 to 22.10.2024	4.75	6,500,000	1.1875	26,000,000	26,000,000
Mr. ZHANG Guoxin	23.10.2014	24.11.2014 to 22.10.2024	4.75	6,000,000	1.1875	24,000,000	24,000,000
Ms. HU Xiaoyan	23.10.2014	24.11.2014 to 22.10.2024	4.75	4,000,000	1.1875	16,000,000	16,000,000
Mr. YIP Sum Yin	23.10.2014	24.11.2014 to 22.10.2024	4.75	3,000,000	1.1875	12,000,000	12,000,000
Ms. SUN Wei	23.10.2014	24.11.2014 to 22.10.2024	4.75	6,000,000	1.1875	24,000,000	24,000,000
Mr. WANG Bohua	23.10.2014	24.11.2014 to 22.10.2024	4.75	500,000	1.1875	2,000,000	2,000,000
Mr. XU Songda	23.10.2014	24.11.2014 to 22.10.2024	4.75	500,000	1.1875	2,000,000	2,000,000
Mr. LEE Conway Kong Wai	23.10.2014	24.11.2014 to 22.10.2024	4.75	500,000	1.1875	2,000,000	2,000,000
Mr. GU Xin *(resigned on 9 February 2015)*	23.10.2014	24.11.2014 to 22.10.2024	4.75	4,500,000	1.1875	18,000,000	18,000,000
Mr. YU Baodong *(resigned on 9 February 2015)*	23.10.2014	24.11.2014 to 22.10.2024	4.75	3,000,000	1.1875	12,000,000	12,000,000
Mr. HAN Qing-hua *(passed away on 30 January 2015)*	23.10.2014	24.11.2014 to 22.10.2024	4.75	500,000	1.1875	2,000,000	2,000,000
Sub-total				35,000,000		140,000,000	140,000,000
Other:							
Eligible persons (in aggregate)	23.10.2014	24.11.2014 to 22.10.2024	4.75	99,210,000	1.1875	396,840,000	396,840,000
Total				134,210,000		536,840,000	536,840,000

Note:

1. With effect from 19 November 2014, each of the existing issued and unissued share of HK$0.0166̇ each is divided into four subdivided shares of 1/240 of HK$ each (equivalent to HK$0.0041̇6̇) (the "Share Subdivision"). The number of options shown in the column number of options after the Share Subdivision above has been adjusted by taking into effect of the Share Subdivision. The number of issued Shares as at 31 December 2014 was 13,871,793,048.

The closing price of the Shares immediately before the date of grant of the share options on 23 October 2014 was HK$1.1850, after the Share Subdivision became effective.

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Interests of Directors and Chief Executive

As at 31 December 2014, so far as is known to the Directors, the interests of the Directors and chief executive in the Shares, underlying Shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

(A) Long Position in the Ordinary Shares

	Number of Shares *(note 1)*			
Name of Director	**Beneficiary of a trust**	**Number of underlying Shares**	**Total**	**Approximate percentage of issued Shares**
Mr. TANG Cheng	—	26,000,000	26,000,000	0.19%
Mr. ZHANG Guoxin	—	24,000,000	24,000,000	0.17%
Ms. HU Xiaoyan	—	16,000,000	16,000,000	0.12%
Mr. YIP Sum Yin	847,055,352 *(note 2)*	12,000,000	859,055,352	6.19%
Ms. SUN Wei	—	24,000,000	24,000,000	0.17%
Mr. WANG Bohua	—	2,000,000	2,000,000	0.01%
Mr. XU Songda	—	2,000,000	2,000,000	0.01%
Mr. LEE Conway Kong Wai	—	2,000,000	2,000,000	0.01%
Mr. GU Xin *(resigned on 9 February 2015)*	—	18,000,000	18,000,000	0.13%
Mr. YU Baodong *(resigned on 9 February 2015)*	—	12,000,000	12,000,000	0.09%
Mr. HAN Qing-hua *(passed away on 30 January 2015)*	—	2,000,000	2,000,000	0.01%

Notes:

1. The number of Shares shown in the column Number of Shares has been adjusted by taking into effect of the Share Subdivision.

2. 760,691,400 Shares of 1/240 of HK$ each (equivalent to HK0.0041\dot{6}$) of the Company were beneficially owned by Sum Tai Holdings Limited ("Sum Tai"), which is wholly owned by Aberdare Assets Limited ("Aberdare"). Aberdare is wholly owned by Mr. Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr. Yip Sum Yin, Ms. Yu Hung Min and their family (including Mr. Yip Wing Fung). 86,363,952 Shares were beneficially owned by Maroc Ventures Inc. ("Maroc"), which is wholly owned by Mr. Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr. Yip How Yin, Maurice and his family.

into our lives

(B) Associated Corporations

GCL-Poly Energy Holdings Limited ("GCL-Poly")

	Number of ordinary shares in GCL-Poly					
Name of Director	Beneficiary of a trust	Corporate interests	Personal interests	Number of underlying shares	Total interests	Approximate percentage of issued share capital
Mr. ZHU Gongshan	4,758,843,327 *(Note 1)*	—	—	260,000,000 *(Note 1)*	5,018,843,327	32.40%
Ms. SUN Wei	—	—	5,723,000	4,700,000 *(Note 2)*	10,423,000	0.07%
Mr. YU Baodong (resigned on 9 February 2015)	—	6,108,934 *(Note 3)*	1,112,000	4,700,000 *(Note 2)*	11,920,934	0.08%

Notes:

(1) An aggregate of 4,758,843,327 shares of GCL-Poly are collectively held by Highexcel Investments Limited and Happy Genius Holdings Limited, which are wholly-owned by Golden Concord Group Limited, which in turn is wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited is ultimately held under a discretionary trust by Credit Suisse Trust Limited as trustee for Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan). Happy Genius Holdings Limited had lent 260,000,000 shares of GCL-Poly to the convertible bond investor's associate on 29 November 2013, and therefore was also interested in a long position of 260,000,000 shares of GCL-Poly.

(2) These are share options granted by GCL-Poly to the Directors, pursuant to the pre-IPO share option scheme and the share option scheme, both adopted by the shareholders of GCL-Poly on 22 October 2007. Such granted share options can be exercised by the Directors at various intervals during the period from 1 April 2009 to 23 March 2024 at an exercise price of HK$4.10, HK$2.888 or HK$0.59.

(3) Mr. Yu Baodong is the ultimate beneficial owner of Bonus Billion Group Limited which owns 6,108,934 shares of GCL-Poly as at 31 December 2014.

Save as disclosed above and the non-beneficial interest in certain subsidiaries of the Company of a director in his capacity of a nominee of the Group, as at 31 December 2014, none of the Directors or any chief executive of the Company had an interest or short position in any Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the Company's share option scheme, at no time during the Reporting Period was the Company or its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company to acquire benefits by means of acquisition of Shares in, or debentures of the Company or any other body corporate.

Interests of Substantial Shareholders

As at 31 December 2014, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interest in the share capital of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long Position in the Shares

Name	Nature of interest	Number of shares: Before share subdivision	Number of shares: After share subdivision *(Note 3)*	Approximate percentage of shareholding
Sum Tai	Beneficial owner	190,172,850 *(Note 1)*	760,691,400	5.48%
Aberdare	Corporate interest	190,172,850 *(Note 1)*	760,691,400	5.48%
Mr. YIP How Yin, Maurice	Settlor and beneficiary of trust	211,763,838 *(Note 1)*	847,055,352	6.11%
Ms. YU Hung Min	Beneficiary of a trust	190,172,850 *(Note 1)*	760,691,400	5.48%
Mr. YIP Wing Fung	Beneficiary of a trust	190,172,850 *(Note 1)*	760,691,400	5.48%
Elite Time Global Limited	Beneficial owner	2,160,000,000 *(Note 2)*	8,640,000,000	62.28%
GCL-Poly	Corporate interest	2,160,000,000 *(Note 2)*	8,640,000,000	62.28%

Notes:

1. These Shares were beneficially owned by Sum Tai. Please refer to Note 1 of the section headed (A) long position in the Shares. Ms. Yu Hung Min and Mr. Yip Wing Fung are the wife and the son of Mr. Yip Sum Yin.

2. Elite Time Global Limited is wholly owned by GCL-Poly.

3. The number of Shares shown in the column "Number of Shares after Share Subdivision" above has been adjusted by taking into effect of the Share Subdivision.

Save as disclosed herein, as at 31 December 2014, according to the register of interests required to be kept by the Company under section 336 of the SFO, the Company is not aware of any other persons who had any interest or short position in the Shares or underlying Shares.

Directors' Interests in Competing Business

Each of the companies in the Concord Group (a general reference to the companies in which Mr. Zhu Gongshan, Mr. Zhu Yufeng and his family members have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at 31 December 2014, the Concord Group might have had or developed interests in business similar to those of the Group and there was a chance that such businesses might have competed with the businesses of the Group.

Report of the Directors

The Directors are fully aware of, and have been discharging, their fiduciary duty to the Company. The Company and the Directors would comply with the relevant requirements of the Bye-laws and the Listing Rules whenever a Director has any conflict of interest in the transaction(s) with the Company.

Save as disclosed herein, during the Reporting Period and up to the date of this report, none of the Directors are considered to have interests in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group required to be disclosed under the Listing Rules.

Connected Transactions

The Group entered into the following connected transactions within the meaning of Chapter 14A of the Listing Rules during the Reporting Period:

The Equity Transfer Agreement

On 12 November 2014, 蘇州協鑫新能源投資有限公司 (Suzhou GCL New Energy Investment Limited*) ("Suzhou GCL New Energy"), an indirectly wholly-owned subsidiary of the Company, entered into the equity transfer agreement (the "Equity Transfer Agreement") with 蘇州保利協鑫光伏電力投資有限公司 (Suzhou GCL-Poly Solar Energy Investment Ltd.*) ("Suzhou GCL-Poly"), an indirectly wholly-owned subsidiary of GCL-Poly, pursuant to which Suzhou GCL New Energy will purchase 100% equity interest in 朔州市協鑫光伏電力有限公司 (Shuozhou GCL Solar Energy Limited*) ("Shuozhou GCL"), 酒泉協鑫新能源有限公司 (Jiuquan GCL New Energy Limited*) ("Jiuquan GCL-Poly") and 黎城協鑫光伏電力有限公司 (Licheng GCL Solar Energy Limited*) ("Licheng GCL") and 50% equity interest in 伊犁協鑫能源有限公司 (Yili GCL New Energy Limited*) (the 'Yili GCL") from Suzhou GCL-Poly, subject to and in accordance with the terms and conditions of the Equity Transfer Agreement. The consideration to be paid by Suzhou GCL New Energy is RMB10,805,000 (equivalent to approximately HK$13,605,656). Shuozhou GCL, Jiuquan GCL, Licheng GCL and Yili GCL hold power plants of installed capacity of 50MW, 50MW, 30MW and 30MW, respectively.

Suzhou GCL New Energy is an indirectly wholly-owned subsidiary of the Company and Suzhou GCL-Poly is an indirectly wholly-owned subsidiary of GCL-Poly. GCL Poly is a substantial shareholder of the Company and a connected person of the Company as defined under Rule 14A.07 of the Listing Rules. As such, the transaction contemplated under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Details of the transaction have been set out in the announcement dated 12 November 2014 issued by the Company.

* *English name for identification only*

Continuing Connected Transactions

Details of the related party transactions of the Group during the Reporting Period are set out in note 38 to the consolidated financial statements.

Key Management Compensation

Payments of emoluments and bonus to the Directors pursuant to their respective service contracts with the Company were exempt connected transactions under Rules 14A.95 of the Listing Rules while payments of emoluments/consultancy fee to senior management do not constitute connected transactions under Chapter 14A of the Listing Rules.

Leases of Factories

The rental paid or payable for leases of factories to Mr. Yip Sum Yin/former Directors/related company during the Reporting Period constituted de minimis transactions under Chapter 14A of the Listing Rules and therefore was fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules.

Management Services Income

On 22 August 2014, 南京協鑫新能源發展有限公司 (Nanjing GCL New Energy Development Limited*) ("Nanjing GCL New Energy") and 蘇州保利協鑫光伏電力投資有限公司 (Suzhou GCL Poly Solar Power Investment Ltd.*) ("Suzhou GCL-Poly Group"), a subsidiary of GCL-Poly, entered into operation service agreement (the "Operation Service Agreement") for a term of three years commencing from 10 July 2014. Under the Operation Service Agreement, Nanjing GCL New Energy will provide operation and management services for the power plants of Suzhou GCL-Poly Group under the terms and conditions set out in the Operation Service Agreement.

Nanjing GCL New Energy has agreed to provide operation and management services to Suzhou GCL-Poly Group for an annual fee of RMB35,300,000 (equivalent to approximately HK$44,400,340), receivable monthly in arrears for the period of three years commencing from 10 July 2014. The maximum aggregate annual values of the continuing connected transactions, as calculated with reference to the fees receivable under the Operation Service Agreement, will be RMB16,924,658 (equivalent to approximately HK$21,287,835) for the period from 10 July 2014 to 31 December 2014, RMB35,300,000 (equivalent to approximately HK$44,400,340) for the year ending 31 December 2015, RMB35,300,000 (equivalent to approximately HK$44,400,340) for the year ending 31 December 2016, RMB18,375,342 (equivalent to approximately HK$23,112,505) for the period from 1 January 2017 to 9 July 2017.

The operation and management services include capital management, technology training, management consulting and other management services including budgeting, assets management, cost management, financial management, human resources and information management.

The fees receivable under the Operation Service Agreement were determined by arm's length negotiations between the parties and taking into account the installed capacity of the power plants, costs and risks of management. The existing installed capacity of the power plants is 353MW and the charging rate is RMB0.10 per watt.

Details of the transaction have been set out in the announcement dated 22 August 2014 issued by the Company.

The amount paid or payable to the Group for the provision of construction services under the Operation Service Agreement for the Reporting Period was approximately HK$19,974,000. The independent non-executive Directors have reviewed such transactions for the Reporting Period and confirmed that such transactions have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms; and (iii) in accordance with the terms of the Operation Service Agreement that are fair and reasonable and in the interests of the Shareholders as a whole.

Messrs. PricewaterhouseCoopers, the auditor of the Company, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Messrs. PricewaterhouseCoopers has issued unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Company in accordance with Rule 14A.49 of the Listing Rules. A copy of the above auditor's letter has been provided to the Stock Exchange.

Office Service Fees

Payments of shared office services to Peaceful Power Limited pursuant to the service agreement with the Company were exempt continuing connected transactions under Rules 14A.98 of the Listing Rules.

Report of the Directors

Interests on loan from a fellow subsidiary

The interest on loan from 保利協鑫(蘇州)新能源有限公司 (GCL-Poly (Suzhou) New Energy Company Limited*), a fellow subsidiary of the Company during the Reporting Period constituted de minimis transactions under Chapter 14A of the Listing Rules and therefore was fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules.

* *English name for identification only*

Directors' Interests in Contracts of Significance

Save as disclosed above no contracts of significance in relation to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which the Director had a material interest, whether directly or indirectly, subsisted at the end or at any time during the Reporting Period and up to the date of this report.

Emolument Policy

The emolument policy of the Group to reward its employees is based on their performance, qualifications, competence and market comparables. Remuneration package generally comprises salary, contribution to pension schemes and bonuses relating to the profit of the relevant company and individual's performance. The remuneration package of the executive Directors and the senior management are also linked to the performance of the Group and the return to its shareholders. The remuneration policy of the executive Directors is reviewed by the Remuneration Committee of the Company.

The Company has adopted 2014 Share Option Scheme as an incentive to Directors and eligible employees, details of the schemes are set out under the section headed "Share Option Schemes" in this report and in note 26(c)(iv) to the consolidated financial statements.

Retirement Benefit Plans

Details of the Group's retirement benefit plans are shown in note 9 to the consolidated financial statements.

Remuneration of Directors and Senior Management

Details of the remuneration paid by the Group to the Directors of the Company and the senior management of the Group for the Reporting Period are set out in note 10 to the consolidated financial statements.

Arrangement to Purchase Shares or Debentures

Other than as disclosed above, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Management Contracts

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the Reporting Period.

Finance Costs Capitalised

Finance costs amounting to approximately HK$3,910,000 (31 March 2014: nil) were capitalised by the Group during the Reporting Period as set out in note 12 to the consolidated financial statements.

Major Customers and Suppliers

The percentages of purchases and sales for the period/year attributable to the Group's major suppliers and customers are as follows:

	Nine months ended 31 December 2014 %	For the year ended 31 March 2014 %
Purchases		
— the largest supplier	26	30
— the five largest suppliers combined	54	57
Sales		
— the largest customer	16	14
— the five largest customers combined	37	34

None of the Directors, their associates or shareholders (who to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in the major suppliers or customers noted above.

Sufficiency of Public Float

As at the date of this annual report, to the best knowledge of the Directors and based on the information publicly available to the Directors, the Company has maintained sufficient public float of the Shares.

Auditor

The financial statements have been audited by Messrs. PricewaterhouseCoopers, who retires and, being eligible, offers itself for re-appointment at the AGM. A resolution will be proposed at the AGM to re-appoint Messrs. PricewaterhouseCoopers as auditor of the Company.

By order of the Board

TANG Cheng
Chairman

Hong Kong, 25 March 2015

Communication with Shareholders

Access to Information

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

To ensure all the Shareholders have equal and timely access to important information of the Company, we make extensive use of several communication channels, including publication of financial reports (whether annual, interim and/or quarter), announcements, circulars, notice of meetings, proxy forms together with other filings as prescribed under the Listing Rules and key news and developments of the Group to our corporate website at www.gclnewenergy.com. The "Investor Relations" section offers a level of information disclosure in easily and readily accessible form and provides timely updates to the Shareholders.

In addition to accessing information on the corporate website, enquiries or request of information, to the extent it is publicly available, from the Shareholders and other report users are welcome by email, telephone or in writing to our Company Secretary at:

Address: Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Telephone: (852) 2295-3655
Facsimile: (852) 2668-3013
Email: gcl.ir@gclnewenergy.com

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

Tricor Abacus Limited
Address: Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong
Telephone: (852) 2980-1333
Facsimile: (852) 2810-8185

Constitutional Documents

The old Bye-laws were first adopted on the listing of the Company on the Stock Exchange in 1992. Since then, there have been various amendments in applicable laws and regulations including certain amendments to the Listing Rules, the CG Code and the Companies Act 1981 of Bermuda. Although the existing Bye-laws were amended on a piecemeal basis previously, substantial amendments to the existing Bye-laws are required to align and keep abreast with current provisions of the applicable laws and regulations. In addition, the English name of the Company has recently been changed from "SAME TIME HOLDINGS LIMITED" to "GCL New Energy Holdings Limited" and "協鑫新能源控股有限公司" has been adopted as the secondary name of the Company. Accordingly, the Board has adopt the new Bye-laws in substitution for and to the exclusion of the existing Bye-laws of the Company so as to bring the constitution of the Company in line with recent amendments made to the Listing Rules, the CG Code and the Companies Act 1981 of Bermuda, as well as to reflect the Company's change of English name and adoption of secondary name.

Shareholders approved adoption of new Bye-laws at the special general meeting (the "SGM") of the Company dated 27 June 2014. Details of the amendments were set out in the notice of the SGM and the accompanied circular to the Shareholders of the Company dated 6 June 2014. The latest version of the Bye-laws is available on the website of the Company at www.gclnewenergy.com.

Save as disclosed above, there was no change in the Company's constitutional documents except the terms of reference of the Nomination Committee had been adopted on 9 May 2014.

Independent Auditor's Report

pwc 羅兵咸永道

TO THE SHAREHOLDERS OF GCL NEW ENERGY HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of GCL New Energy Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 53 to 143, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 consolidated financial statements.

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

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Independent Auditor's Report

Opinion

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

Emphasis of matter

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

Other matters

This report, including the opinion, has been prepared for and only for 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 March 2015

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Consolidated Income Statement

For the period from 1 April 2014 to 31 December 2014

	Note	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000 (restated)
Revenue	5	**1,172,864**	1,579,782
Cost of sales		**(1,078,255)**	(1,448,936)
Gross profit		**94,609**	130,846
Other income	6	**82,947**	81,442
Distribution and marketing costs		**(16,900)**	(25,855)
Administrative expenses		**(184,771)**	(127,344)
Share-based payment expenses	26(c)(iv)	**(91,888)**	—
Other expenses, gains and losses, net		**(21,002)**	(9,141)
Operating (loss)/profit	7	**(137,005)**	49,948
Share of losses of joint ventures	21	**(684)**	—
Convertible redeemable bond			
— Change in fair value of embedded derivative	30	**—**	(166,724)
— Realised gain on embedded derivative upon conversion of convertible redeemable bond	30	**57,324**	—
Finance income	11	**1,760**	301
Finance costs	12	**(18,648)**	(30,262)
Loss before income tax		**(97,253)**	(146,737)
Income tax expense	13	**(15,503)**	(26,572)
Loss for the period/year		**(112,756)**	(173,309)
Loss attributable to:			
Owners of the Company		**(112,691)**	(173,309)
Non-controlling interests		**(65)**	—
		(112,756)	(173,309)
Basic and diluted loss per share attributable to owners of the Company	16	**(0.90 cents)**	(2.11 cents)

The notes on pages 61 to 143 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the period from 1 April 2014 to 31 December 2014

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

The notes on pages 61 to 143 are an integral part of these consolidated financial statements.

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Consolidated Statement of Financial Position

As at 31 December 2014

	Note	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)	At 1 April 2013 HK$'000 (restated)
ASSETS				
Non-current assets				
Property, plant and equipment	17	**6,679,552**	863,850	891,679
Land use rights	18	**8,618**	20,960	20,902
Interests in joint ventures	21	**53,313**	—	—
Amount due from a joint venture	38(f)	**27,296**	—	—
Deferred income tax assets	31	**12,769**	—	—
Deposits, prepayments and other non-current assets	20	**1,079,591**	9,473	12,388
		7,861,139	894,283	924,969
Current assets				
Inventories	22	**174,747**	205,306	193,118
Trade and other receivables	23	**572,204**	367,733	346,004
Amounts due from fellow subsidiaries	38(f)	**16,104**	—	—
Amount due from a joint venture	38(f)	**29,060**	—	—
Pledged bank deposits	24	**556,344**	5,074	10,930
Cash and cash equivalents	24	**758,449**	46,250	47,115
		2,106,908	624,363	597,167
Total assets		**9,968,047**	1,518,646	1,522,136
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	25	**57,799**	8,595	8,595
Reserves	26	**2,842,915**	212,099	364,607
		2,900,714	220,694	373,202
Non-controlling interests		**441**	—	—
Total equity		**2,901,155**	220,694	373,202

Consolidated Statement of Financial Position

As at 31 December 2014

	Note	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)	At 1 April 2013 HK$'000 (restated)
LIABILITIES				
Non-current liabilities				
Borrowings	29	**1,964,034**	70,473	101,787
Convertible redeemable bond	30	**—**	—	218,853
Deferred income tax liabilities	31	**14,336**	13,765	2,752
Deferred income	32	**8,590**	20,915	20,820
		1,986,960	105,153	344,212
Current liabilities				
Trade and other payables	28	**3,643,222**	479,040	459,657
Amounts due to fellow subsidiaries	38(f)	**56,882**	—	—
Loan from a fellow subsidiary	27	**950,691**	—	—
Borrowings	29	**379,951**	284,705	300,876
Convertible redeemable bond	30	**—**	388,720	—
Current income tax liabilities		**49,186**	40,334	44,189
		5,079,932	1,192,799	804,722
Total liabilities		**7,066,892**	1,297,952	1,148,934
Total equity and liabilities		**9,968,047**	1,518,646	1,522,136
Net current liabilities		**(2,973,024)**	(568,436)	(207,555)
Total assets less current liabilities		**4,888,115**	325,847	717,414

Bring green energy

TANG Cheng
Director

HU Xiaoyan
Director

The notes on pages 61 to 143 are an integral part of these consolidated financial statements.

Statement of Financial Position

As at 31 December 2014

	Note	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
ASSETS			
Non-current assets			
Interests in subsidiaries	19	**2,664,064**	356,888
Current assets			
Prepayments and other receivables	23	**898**	7,257
Cash and cash equivalents	24	**26,419**	141
		27,317	7,398
Total assets		**2,691,381**	364,286
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	25	**57,799**	8,595
Reserves	26	**2,620,298**	(65,941)
Total equity/(deficit)		**2,678,097**	(57,346)
LIABILITIES			
Current liabilities			
Accruals and other payables	28	**13,284**	12,912
Borrowing	29	**—**	20,000
Convertible redeemable bond	30	**—**	388,720
Total liabilities		**13,284**	421,632
Total equity and liabilities		**2,691,381**	364,286
Net current assets/(liabilities)		**14,033**	(414,234)
Total assets less current liabilities		**2,678,097**	(57,346)

TANG Cheng
Director

HU Xiaoyan
Director

The notes on pages 61 to 143 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the period from 1 April 2014 to 31 December 2014

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Contributed surplus (note 26(c)(i), (ii)) HK$'000	Legal reserve (note 26(c)(iii)) HK$'000	Revaluation reserve HK$'000	Exchange reserve HK$'000	Accumulated losses HK$'000	Total equity HK$'000
At 1 April 2013, as reported under HKFRS	8,595	252,637	14,802	18,680	57,544	103,999	(29,044)	427,213
Effect of difference *(note 2.3(c))*	—	—	—	—	(57,544)	312	3,221	(54,011)
At 1 April 2013, as restated under IFRS	8,595	252,637	14,802	18,680	—	104,311	(25,823)	373,202
Comprehensive income:								
Loss for the year	—	—	—	—	—	—	(173,309)	(173,309)
Other comprehensive income:								
Currency translation differences	—	—	—	—	—	20,801	—	20,801
Total other comprehensive income, net of tax	—	—	—	—	—	20,801	—	20,801
Total comprehensive expenses for the year	—	—	—	—	—	20,801	(173,309)	(152,508)
Transactions with owners:								
Transfer to legal reserve	—	—	—	7,361	—	—	(7,361)	—
Release upon deregistration of a subsidiary	—	—	—	(48)	—	—	48	—
Total transactions with owners, recognised directly in equity	—	—	—	7,313	—	—	(7,313)	—
At 31 March 2014	8,595	252,637	14,802	25,993	—	125,112	(206,445)	220,694

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Consolidated Statement of Changes in Equity

For the period from 1 April 2014 to 31 December 2014

	Attributable to owners of the Company										
	Share capital HK$'000	Share premium HK$'000	Contributed surplus (note 26(c)(i), (ii)) HK$'000	Legal reserve (note 26(c)(iii)) HK$'000	Revaluation reserve HK$'000	Exchange reserve HK$'000	Share-based payment reserve (note 26 (c)(iv)) HK$'000	Accumulated losses HK$'000	Total HK$'000	Non-Controlling interest HK$'000	Total equity HK$'000
At 1 April 2014, as reported under HKFRS	8,595	252,637	14,802	25,993	52,113	125,686	—	(211,074)	268,752	—	268,752
Effect of difference *(note 2.3(c))*	—	—	—	—	(52,113)	(574)	—	4,629	(48,058)	—	(48,058)
At 1 April 2014, as restated under IFRS	8,595	252,637	14,802	25,993	—	125,112	—	(206,445)	220,694	—	220,694
Comprehensive income:											
Loss for the period	—	—	—	—	—	—	—	(112,691)	(112,691)	(65)	(112,756)
Other comprehensive income:											
Currency translation differences	—	—	—	—	—	7,267	—	—	7,267	2	7,269
Total other comprehensive income, net of tax	—	—	—	—	—	7,267	—	—	7,267	2	7,269
Total comprehensive expenses for the period	—	—	—	—	—	7,267	—	(112,691)	(105,424)	(63)	(105,487)
Transactions with owners:											
Subscription of new shares *(note 25(a))*	36,000	1,395,157	—	—	—	—	—	—	1,431,157	—	1,431,157
Placement of new shares *(note 25(b))*	5,000	190,000	—	—	—	—	—	—	195,000	—	195,000
Shares issued upon conversion of convertible redeemable bond *(note 25(c))*	3,354	328,362	—	—	—	—	—	—	331,716	—	331,716
Top-up placing of existing shares and top-up subscription for new shares *(note 25(f))*	4,850	730,833	—	—	—	—	—	—	735,683	—	735,683
Capital contributions from non-controlling interest	—	—	—	—	—	—	—	—	—	504	504
Transfer to legal reserve	—	—	—	5,334	—	—	—	(5,334)	—	—	—
Share option scheme:											
— Value of services *(note 26 (c)(iv))*	—	—	—	—	—	—	91,888	—	91,888	—	91,888
Total transactions with owners, recognised directly in equity	49,204	2,644,352	—	5,334	—	—	91,888	(5,334)	2,785,444	504	2,785,948
At 31 December 2014	57,799	2,896,989	14,802	31,327	—	132,379	91,888	(324,470)	2,900,714	441	2,901,155

The notes on pages 61 to 143 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the period from 1 April 2014 to 31 December 2014

	Note	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Cash flows from operating activities			
Cash (used in)/generated from operations	33(a)	**(482,539)**	173,423
Interest received		**1,760**	301
Interest paid on bank loans		**(18,286)**	(24,120)
Interest element of finance leases		**(2,723)**	(2,412)
Interest on loan from a fellow subsidiary		**(1,229)**	—
Interest paid on convertible redeemable bond		**—**	(587)
Income tax paid		**(15,146)**	(25,009)
Net cash (used in)/generated from operating activities		**(518,163)**	121,596
Cash flows from investing activities			
(Increase)/decrease in pledged bank deposits		**(551,182)**	5,856
Payments for construction and purchase of property, plant and equipment		**(2,155,278)**	(85,905)
Increase in deposits for capital expenditures		**(472,191)**	—
Increase in deposits, prepayments and other non-current assets		**(16,088)**	—
Acquisition of subsidiaries, net of cash acquired	37	**(41,584)**	—
Capital injection to joint venture	21	**(9,507)**	—
Proceeds from disposal of property, plant and equipment		**—**	12,706
Net cash used in investing activities		**(3,245,830)**	(67,343)
Cash flows from financing activities			
Net proceeds from issue of shares through placement	25(b)	**195,000**	—
Net proceeds from issue of shares through subscription	25(a)	**1,431,157**	—
Net proceeds from issue of shares through top-up placing of existing shares and top-up subscription for new shares	25(f)	**735,683**	—
Proceeds from loan from a fellow subsidiary		**945,339**	—
Proceeds from shareholder's loan		**—**	20,000
Proceeds from bank loans		**1,379,634**	235,989
Repayment of bank loans		**(248,802)**	(301,946)
Proceeds from inception of finance leases		**58,275**	20,768
Repayment of principal element of finance leases		**(24,296)**	(32,198)
Capital contributions from non-controlling interests		**504**	—
Net cash generated from/(used in) financing activities		**4,472,494**	(57,387)
Net increase/(decrease) in cash and cash equivalents		**708,501**	(3,134)
Cash and cash equivalents at the beginning of the period/year		**46,250**	47,115
Effect of foreign exchange rate changes		**3,698**	2,269
Cash and cash equivalents at the end of the period/year		**758,449**	46,250
Analysis of cash and cash equivalents:			
Cash and cash equivalents	24	**758,449**	46,250

The notes on pages 61 to 143 are an integral part of these consolidated financial statements.

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Notes to the Consolidated Financial Statements

1 General information

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

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

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

Key events:

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

On 9 May 2014, GCL-Poly Energy Holdings Limited ("GCL-Poly") completed the subscription of 360,000,000 new shares issued by the Company as set out in note 25 below, and became the controlling shareholder of the Company. On the same date, the principal place of business of the Company was changed from 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong to Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

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

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

During the current period, the Company increased its issued share capital through several share subscriptions and placing of ordinary shares. Details are given in note 25.

During the current period, the Group had expanded its business into the development, construction, operation and management of solar farms, and completed the acquisition of several companies operating in this business. Details are given in note 37.

2 Basis of preparation

2.1 Adoption of IFRS

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

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

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

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

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

2 Basis of preparation *(continued)*

2.2 Going concern

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

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

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

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

(i) Subsequent to 31 December 2014, the Group successfully obtained new borrowings with an aggregate amount of approximately HK$1,285 million (equivalent to RMB1,014 million) (note 29(a)) from banks in both Hong Kong and the People's Republic of China (the "PRC"), of which approximately HK$905 million were with repayment terms of more than twelve months provided that the covenants under the borrowing agreements are satisfied. In addition, the Group also obtained a loan from a fellow subsidiary of approximately HK$309 million (equivalent to RMB244 million) with a repayment period of 3 months (note 27).

2 Basis of preparation *(continued)*

2.2 Going concern *(continued)*

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

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

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

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

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

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

2 Basis of preparation *(continued)*

2.2 Going concern *(continued)*

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

2.3 Principal accounting policies

(a) New and amended standards adopted by the Group

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

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

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

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

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

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

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

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

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

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

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

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

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

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

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

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

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

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

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

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

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

(d) Subsidiaries

i. Consolidation

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(d) Subsidiaries (continued)

i. Consolidation (continued)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. 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 Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRS.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

ii. Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(e) Joint arrangements

The Group has applied IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

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

(f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that make strategic decisions.

(g) Translation of foreign currencies

i. Functional and presentation currency

Items included in the financial statements of each of the entities of the Group 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 ("HK$"), which is the Company's functional and the Group's presentation currency.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(g) *Translation of foreign currencies (continued)*

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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.

iii. 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 statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

— 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 exchange rates prevailing on the dates of the transactions); and

— all resulting exchange differences are recognised in other comprehensive income.

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. Currency translation differences arising are recognised in other comprehensive income.

(h) *Property, plant and equipment*

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

Subsequent costs are included in the carrying amount of the asset 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. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Buildings	2–4% per annum
Power generators and equipment	Higher of 4% per annum or % calculated based on license period
Plant and machinery	10–25% per annum
Leasehold improvements	20–25% per annum
Furniture, fixtures and equipment	20–25% per annum
Motor vehicles	25–30% per annum

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(h) Property, plant and equipment (continued)

Construction-in-progress represents plant under construction which is carried at cost less any accumulated impairment losses. Construction-in-progress includes construction expenditure incurred and other direct costs attributable to the construction. On completion, the construction-in-progress is transferred to appropriate categories of property, plant and equipment. No depreciation is provided for construction-in-progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 (note 2.3(l)).

(i) Land use rights

Land in the PRC is state-owned or collectively-owned and no individual land ownership right exists. The Group has acquired the rights to use certain pieces of land in the PRC. The premiums paid for land use rights are treated as prepayments for operating leases, recorded as land use rights, and are amortised over the land use right periods using the straight-line method.

(j) Intangible assets

i. Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(k) Leases

i. Operating lease (as the lessee to operating leases)

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 expensed in the income statement on a straight-line basis over the period of the lease.

ii. Finance lease

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance lease are capitalised at the lease's commencement at the lower of 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 of the finance lease balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance lease is recognised in 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 financial leases are depreciated over the shorter of the useful life of the assets and the lease term.

iii. Sale and leaseback transactions — where the Group is the lessee

A sale and leaseback transaction involves the sale of an asset by the Group and the leasing of the same asset back to the Group. The lease payments and the sale price are usually interdependent as they are negotiated as a package. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved and the economic and commercial substance of the whole arrangement.

Sale and leaseback arrangements that result in the Group retaining the majority of the risks and rewards of ownership of assets are accounted for as finance leases. Any excess/(deficit) of sales proceeds over the carrying amount is deferred and amortised over the lease term.

(l) Impairment of non-financial assets

Assets that have an indefinite useful life or have yet been available for use are not subject to amortisation and are tested annually for impairment. Assets 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 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(m) Financial assets

i. Classification

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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 the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets.

ii. Recognition and measurement

Regular way 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 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. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

iii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(n) Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(n) *Impairment of financial assets (continued)*

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(o) *Inventories*

Inventories comprise finished goods, work in progress and raw materials and are stated at the lower of cost and net realisable value. Cost calculated on the weighted average basis comprises materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(p) *Trade and other receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

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.

(q) *Cash and cash equivalents*

In the cash flow statement, 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.

(r) *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 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(s) Convertible redeemable bond

Convertible redeemable bond issued by the Company that contains both a liability and embedded derivative is classified separately into these respective items on initial recognition. Conversion right that will be settled other than by the exchange of a fixed amount of cash or other financial assets for a fixed number of the Company's shares is conversion right derivative. Redemption right at the option of holders which is not closely related to the host contract is also embedded derivative and is accounted for together with the conversion right as a single derivative (collectively referred as the "embedded derivative"). At the date of issue of the convertible redeemable bond, the embedded derivative is recognised at fair value, the host liability is recognised at the residual amount after deducting the fair value of embedded derivative from the fair value of the convertible redeemable bond as a whole.

In subsequent periods, the liability component of the convertible redeemable bond is carried at amortised cost using the effective interest method. The embedded derivative is measured at fair value with changes in fair value recognised in the income statement.

If the bond is converted before maturity date, the respective conversion right derivative in the convertible redeemable bond, together with the carrying value of the liability component at the time of conversion, are transferred to share capital and share premium as consideration for the shares issued.

(t) Provisions

Provisions 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.

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.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax 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.

(u) Current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(u) Current and deferred income tax (continued)

i. Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, 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 substantively enacted by the end of the reporting period 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.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and joint arrangements, except for deferred income tax liability 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.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

iii. Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(v) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

(w) 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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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 end of the reporting period.

(x) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenses in the period in which they are incurred.

(y) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

i. Revenue from the manufacturing and sales of products and by-products is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has been passed.

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2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(y) Revenue recognition (continued)

ii. Revenue arising from the sale of electricity is recognised in the accounting period when electricity is generated and transmitted.

iii. Management services income in respect of operation and management services to the solar farms are recognised in the period during which the services are provided.

iv. Interest income is recognised on a time-proportion basis using the effective interest method.

(z) Employee benefits

i. Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

ii. Bonus plans

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

iii. Retirement benefit obligations

The Group operates a number of defined contribution retirement schemes in Hong Kong and the PRC. The contributions of the Group to the defined contribution retirement schemes are recognised in the period to which they relate and are reduced by contributions forfeited by those employees who leave the schemes before vesting fully in the contributions. The contributions of the Group to the mandatory provident fund scheme (“MPF Scheme”) and other defined contribution retirement schemes are recognised in the period to which they relate. The assets of these schemes are held separately from those of the Group in independently administered funds.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(z) Employee benefits (continued)

iv. Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(aa) Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan under which the Group issues equity instruments (share options) in exchange for services received from grantees of such equity instruments. The fair value of the services received is determined by reference to the fair value at the grant date of the equity instruments granted, and is recognised as an expense on a straight-line basis over the vesting period (the period over which all of the specified vesting conditions are to be satisfied), with a corresponding increase in equity as share-based payment reserve.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The cash subscribed for the shares issued when the equity instruments are exercised is credited to share capital (nominal value) and share premium, net of any directly attributable transaction costs.

In the separate financial statements of the Company, the grant of equity instruments by the Company to the grantees who provide services to the Group's subsidiaries is treated as capital contribution to those subsidiaries. The fair value of the services received from grantees, determined by reference to the fair value at the grant date of the equity instruments granted, is recognised as an increase in investments in the subsidiaries on a straight-line basis over the vesting period, with a corresponding credit to equity.

(ab) Dividend distribution

Dividend distribution to the shareholders of the Company is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders in the case of final dividends and by the Directors for other dividends.

2 Basis of preparation *(continued)*

2.3 Principal accounting policies *(continued)*

(ac) Government grants and subsidies

Government grants and subsidies are financial assistance from local municipal government in the PRC in the form of transfer of resources to an enterprise to encourage business development in the local municipality and are recognised at their fair value where there are reasonable assurance that the grants and subsidies will be received and the Group will comply with all attached conditions.

Grants relating to the construction of plant are included in non-current liabilities as deferred income and are credited to the income statement on a straight-line basis over the expected useful lives of the related assets.

(ad) Financial guarantee

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

The Company and the Group account for the financial guarantee contracts under IFRS 4 "Insurance Contracts" and do not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at the end of each reporting period by comparing its net liability regarding the financial guarantee with the amount that would be required if the financial guarantee would result in a present legal or constructive obligation. If the respective liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the income statement immediately.

3 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

(i) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

3 Financial risk management *(continued)*

(a) Financial risk factors *(continued)*

(i) Market risk (continued)

Foreign exchange risk (continued)

At 31 December 2014, if the HK$ had weakened/strengthened by 3% (year ended 31 March 2014: 3%) against the RMB with all other variables held constant, the post-tax loss for the period/year would have been approximately HK$13,292,000 (year ended 31 March 2014: HK$25,714,000) lower/higher, mainly as a result of foreign exchange gains/losses on translation of RMB-denominated net assets.

Cash flow and fair value interest rate risk

The Group has no significant interest-bearing assets (other than bank deposits) and interest income from bank deposits is not significant. As such, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. The Group's borrowings are issued at variable rates (except for the shareholder's loan) which expose the Group to cash flow interest rate risk. The Group currently does not have a hedging policy on interest rate exposure. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

If interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, the post-tax loss (year ended 31 March 2014: post-tax loss) for the period/year would have been approximately HK$7,849,000 (year ended 31 March 2014: HK$1,160,000) higher/lower mainly as a result of higher/lower interest expenses on floating rate borrowings.

(ii) Credit risk

The Group has some concentration of credit risk in respect of sales of products with 37% (year ended 31 March 2014: 34%) of total sales for the period/year being attributable to its top five customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. In addition, collection of receivables is monitored on an ongoing basis.

The credit risk for deposits, prepayments and other non-current assets are closely monitored by management.

The credit risk for bank deposits and bank balances is minimal as such amounts are placed with banks with good credit ratings.

(iii) Liquidity risk

The Group's objective when managing liquidity is to maintain a balance between cash resources on hand and the flexibility through the use of bank loans and finance leases. It meets its day to day working capital requirements, capital expenditure and other financing obligations principally through cash inflow from operating activities, facilities obtained from banks, loans from shareholder and fellow subsidiary and other fund raising activities in the capital market.

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3 Financial risk management *(continued)*

(a) Financial risk factors *(continued)*

(iii) Liquidity risk (continued)

The Group successfully renewed banking facilities that fell due during the current period. In addition, management maintains continuous communication with the Group's principal banks on the renewal of existing banking facilities that will fall due in the coming twelve months and the grant of additional banking facilities. The Directors have reviewed the Group's bank loans and banking facilities available to the Group and are of the opinion that the bank loans and banking facilities would be renewed when their current terms expire. The Directors have evaluated all the relevant facts available to them and are of the opinion that there are good track records or relationship with the relevant banks which enhance the Group's ability to renew the current bank loans upon expiry. Up to the date of approval of these financial statements, the Directors are not aware of any intention of the Group's principal banks to withdraw their banking facilities granted or request early repayment of the utilised facilities within the next twelve months from the end of the reporting period. Details of the Group's available banking facilities, the utilisation and the net book amount of assets pledged for such facilities as at 31 December 2014 are set out in note 34 below.

In addition, to manage the liquidity risk, the Group adopts measures as described in note 2.2 that are expected to generate adequate financing and operating cash flows for the Group. The Directors believe that the Group will be able to generate sufficient cash flows to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Group				
	On demand or less than 3 month	**Between 3 months and 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 December 2014					
Trade and other payables	**3,584,845**	**29,552**	**—**	**—**	**—**
Amount due to fellow subsidiaries	**—**	**56,882**	**—**	**—**	**—**
Loan from a fellow subsidiary	**962,856**	**—**	**—**	**—**	**—**
Shareholder's loan	**—**	**20,000**	**—**	**—**	**—**
Bank loans	**69,040**	**375,209**	**1,244,408**	**317,722**	**1,027,331**
Obligations under finance leases	**9,802**	**29,406**	**29,592**	**9,922**	**—**
Total	**4,626,543**	**511,049**	**1,274,000**	**327,644**	**1,027,331**
At 31 March 2014					
Trade and other payables	433,317	45,723	—	—	—
Shareholder's loan	—	20,000	—	—	—
Bank loans	70,304	185,269	52,362	—	—
Obligations under finance leases	8,223	11,828	16,848	5,122	—
Convertible redeemable bond	59,287	—	—	—	—
Total	571,131	262,820	69,210	5,122	—

3 Financial risk management *(continued)*

(a) Financial risk factors *(continued)*

(iii) Liquidity risk (continued)

	Company				
	On demand or less than 3 month	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 December 2014					
Accruals and other payables	**13,284**	—	—	—	—
At 31 March 2014					
Accruals and other payables	12,912	—	—	—	—
Shareholder's loan	—	20,000	—	—	—
Convertible redeemable bond	59,287	—	—	—	—
Total	72,199	20,000	—	—	—

(b) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Except for the compliance of certain bank covenant requirements for maintaining the Group's banking facilities, the Group is not subject to any externally imposed capital requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net borrowings divided by total equity. Net borrowings are calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less pledged bank deposits and cash and cash equivalents. Total equity represents as "equity", as shown in the consolidated statement of financial position.

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3 Financial risk management *(continued)*

(b) Capital management *(continued)*

The gearing ratios at 31 December 2014 and 31 March 2014 were as follows:

	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)
Total borrowings	**3,294,676**	355,178
Liability component of convertible redeemable bond	**—**	58,320
	3,294,676	413,498
Less: Pledged bank deposits	**(556,344)**	(5,074)
Cash and cash equivalents	**(758,449)**	(46,250)
Net borrowings	**1,979,883**	362,174
Total equity	**2,901,155**	220,694
Gearing ratio	**68%**	164%

(c) Fair value estimation

Inputs to valuation techniques used to measure the Group's embedded derivative carried at fair value of HK$330,400,000 as at 31 March 2014 had been categorised as level 3 within the fair value hierarchy which is defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

3 Financial risk management *(continued)*

(c) Fair value estimation *(continued)*

The following table gives information about fair value measurements of the embedded derivative using significant unobservable inputs (level 3) at 9 May 2014 (i.e. the date of conversion of convertible redeemable bond):

Description	Fair value at conversion date (HK$'000)	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Embedded derivative	273,076	Binomial model	Share price volatility	45%	The higher the volatility the higher the fair value
			Dividend yield	0%	The higher the dividend yields the lower the fair value

There were no changes in valuation techniques during the period.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the current period, the fair value measurement for buildings was removed from the fair value hierarchy due to the adoption of cost model as disclosed in note 2.3(c).

The realised gain on embedded derivatives upon conversion of convertible redeemable bond included in profit or loss for the current period amounted to HK$57,324,000 (year ended 31 March 2014: unrealised losses in fair value of HK$166,724,000). Please refer to note 30 for the movements in, valuation process of and valuation technique used in the embedded derivative included in Level 3 fair value hierarchy for period from 1 April 2014 to 9 May 2014 (date of conversion) and the year ended 31 March 2014.

The carrying amounts less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, including trade and other receivables, pledged bank deposits, cash and cash equivalents, trade and other payables, current borrowings, amounts due from/to fellow subsidiaries and loan from a fellow subsidiary approximate their fair values. The fair value of long-term borrowings equals their carrying amounts as the discounting impact is not significant. The fair value of the amount due from joint venture equals its carrying amounts, taking into account the discounting impact at the date of acquisition.

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Fund availability

In order to fund the daily operation and the future expansion of the business of the Group, significant amounts of capital in the form of borrowing or equity, or a combination of both, is considered to be necessary in future. Management considers such funding for the future operation and expansion will be available as and when required. The basis of preparing these consolidated financial statements under the going concern assumption has been discussed in note 2.2.

(b) Impairment of investments in subsidiaries

Investments in subsidiaries are reviewed for impairment in accordance with the accounting policy set out in note 2.3(l) whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs of disposal. These calculations require the use of judgments and estimates.

(c) Useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives, and related depreciation expense 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 functions. Management will increase the depreciation expense where useful lives are less than previously estimated lives. It will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in future periods.

(d) Impairment of property, plant and equipment

The Group has made substantial investments in property, plant and equipment for the solar energy business and manufacturing of printed circuit boards. Changes in technology on plant and machinery or products to be manufactured may cause a change in the estimated useful lives or value of these assets.

The Group evaluates whether there is any event or change in circumstances which indicates that the carrying amounts of property, plant and equipment may not be recoverable. Whenever such events or changes in circumstances occur, these assets are reviewed for impairment in accordance with the accounting policy set out in note 2.3(l).

4 Critical accounting estimates and judgments *(continued)*

(e) Estimated impairment of goodwill

The Group conducts reviews for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs of disposal. These calculations require the use of judgments and estimates. Management judgment is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations.

During the current period, the Group recognised an immediate goodwill impairment of approximately HK$7,959,000 arising from the acquisition of Delingha as defined in note 37(q) below.

(f) Acquisition accounting

Accounting for acquisitions require the Group to allocate the cost of acquisition to specific assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. In connection with the acquisition of Delingha as defined in note 37(q), the Group undertook a process to identify all assets and liabilities acquired, including acquired intangible assets.

Judgments made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset's useful lives, could materially impact the calculation of goodwill and depreciation and amortisation charges in subsequent periods. Estimated fair values are based on information available near the acquisition date and on expectations and assumptions that were deemed reasonable by management.

Determining the estimated useful lives of tangible and intangible assets acquired where applicable also requires judgment.

(g) Income taxes

The Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the financial period in which such determination is made.

Recognition of deferred income tax asset, which principally relates to tax losses of certain subsidiaries, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

4 Critical accounting estimates and judgments *(continued)*

(h) Trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. The assessment is based on the credit history of its customers and other debtors and the current market condition and requires the use of judgments and estimates. Management reassesses the provision at the end of each reporting period.

(i) Estimated provision for inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

(j) Estimated fair value of embedded derivative

The fair value of the embedded derivative is determined based on the Directors' estimation in light of the latest information obtained relating to the convertible redeemable bond and with reference to independent valuer's assessment. Any new development in the convertible redeemable bond or the market conditions and changes in assumptions and estimation selected by management and independent valuer in assessing the fair value of the embedded derivative, including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of the conversion right and redemption rights of the convertible redeemable bond by the bond holder and the Company, could affect the fair value of such embedded derivative and as a result affect the Group's financial position and results of operations.

(k) Joint arrangements

The Group holds 60% and 50% of the voting rights of its joint arrangements with Shineng and Yili GCL as defined in note 21, respectively. The Group has joint control over these arrangements as under the contractual agreements, unanimous consent is required from all parties to the agreements for all relevant activities.

The Group's joint arrangements are structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, these arrangements are classified as joint ventures.

(l) Fair value of share-based compensation expenses

As mentioned in note 26, the Group granted share options in exchange for services received from grantees. The Directors have used the binominal model to determine the fair value of the options granted, which is to be expensed over the vesting period. Significant judgment on parameters, such as risk-free rate, dividend yield, expected volatility and expected life of options, is required to be made by the Directors in applying the binomial model.

The grant of equity instruments is conditional upon satisfying service vesting conditions. Judgment is required to take into account the vesting conditions and adjust the number of equity instruments included in the measurement of share-based compensation expenses.

4 Critical accounting estimates and judgments *(continued)*

(m) Accounting treatment of the Group's entities with non-controlling interest

The Group's management determines the recognition of non-controlling interest at the date of acquisition. Non-controlling interest is recognised to the extent the risks and rewards of ownership of those shares remain with the minority shareholders. In the events that the risks and rewards of ownership are determined to reside with the Group, a financial liability is recognised to derecognise against the non-controlling interest balance. The Group's evaluation on whether the risk and rewards of ownership transfer to the Group or remain with the minority shareholders is judgmental and requires consideration of all relevant contract terms and economic substances of the entities.

(n) Contingent consideration payable

The valuation of the Group's contingent consideration payable in connection with the Group's acquisition of business or assets is based on occurrence of certain events. These fair value measurements require, among other things, significant estimation of occurrence of events and significant judgment on time value of money. Contingent consideration payable shall be re-measured at its fair value resulting from events or factors emerge after the acquisition date, with any resulting gain or loss recognised in the income statement within 'other expenses, gains and losses, net'.

Judgment is applied to determine key assumptions adopted in the estimate of occurrence of events. Changes to key assumptions may impact the future payable amount.

5 Revenue and segment information

(a) Application of IFRS 8 "Operating segments"

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that make strategic decisions.

In previous years, the Group was principally engaged in the manufacturing and selling of printed circuit boards ("PCB business"). There was only one reportable segment for the Group for the year ended 31 March 2014. During the current period, the Group is expanding into the development, construction, operation and management of solar farms ("Solar energy business") which is qualified as another reportable segment.

The Executive Directors assess the performance of the operating segments based on a measure of segment results. This measurement basis excludes finance income, finance costs, share-based payment expenses (including staff costs, Directors' emoluments and consultancy expenses), realised gain on embedded derivatives upon conversion of convertible redeemable bond and impairment of goodwill from loss before income tax.

5 Revenue and segment information *(continued)*

(a) Application of IFRS 8 "Operating segments" *(continued)*

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

Period from 1 April 2014 to 31 December 2014

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

5 Revenue and segment information *(continued)*

(a) Application of IFRS 8 "Operating segments" *(continued)*

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

At 31 December 2014

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

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

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

(b) Geographical information

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

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

(c) Information about major customers

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

6 Other income

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Sale of manufacturing by-products	35,610	56,637
Management services income *(note 38(c))*	19,974	—
Government grants previously recognised as deferred income *(note (a))*	11,893	—
Amortisation of deferred income on government grants *(note (a))*	350	466
Other government subsidies *(note (b))*	12,635	11,915
Reversal of provision for clawing back of value added tax and customs duties on imported equipment and inventories relating to electronic products business upon deregistration of the relevant subsidiary	—	9,057
Write-off of other payables	—	211
Sundries	2,485	3,156
	82,947	81,442

Note:

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

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

7 Operating (loss)/profit

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000 (restated)
Operating (loss)/profit was stated after charging/(crediting) the following:		
Cost of inventories sold	**628,138**	842,446
Staff costs (including Directors' and chief executive's emoluments but excluding share-based payment expenses)	**274,484**	273,277
Share-based payment expenses *(note 26(c)(iv))*		
— Directors and employees	**72,183**	—
— consultancy services	**19,705**	—
Depreciation		
— Owned property, plant and equipment	**93,691**	115,481
— Leased property, plant and equipment	**7,773**	14,957
Amortisation of land use rights	**366**	488
Write-off of land use rights *(note 18) (note)*	**11,893**	—
Impairment of goodwill *(note 37(q)) (note)*	**7,959**	—
Auditor's remuneration		
— audit services	**4,080**	1,830
— non-audit services	**4,056**	2,863
Bad debts written off *(note)*	**2,728**	7,982
Deposits and other receivables written off *(note)*	**—**	2,644
Reversal of other receivables previously written off *(note)*	**(1,812)**	(3,158)
Gains on disposal of property, plant and equipment *(note)*	**—**	(5,668)
Net exchange (gains)/losses	**(3,401)**	24,814
Operating lease rental in respect of properties	**10,801**	6,325

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

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8 Staff costs*

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Wages, salaries, bonus and other allowances	236,145	234,537
Employee expenses related to the share option scheme *(note 26(c)(iv))*	44,603	—
Pension costs — defined contribution plans	22,949	30,231
	303,697	264,768

* Exclude Directors' and chief executive's emoluments

9 Defined contribution pension schemes

For the MPF Scheme in Hong Kong, the contributions of the Group are at 5% of the employees' relevant income as defined in the Mandatory Provident Fund Schemes Ordinance up to a maximum of HK$1,250 per employee per month. The employees contribute a corresponding amount to the MPF Scheme if their relevant income is more than HK$6,500 per month. The MPF contributions are fully and immediately vested in the employees as accrued benefits once they are paid.

The Group also operates a defined contribution pension scheme in Hong Kong which is an exempted scheme ("the Exempted Scheme") under the Mandatory Provident Fund Schemes Ordinance and provides retirement benefits to its employees in Hong Kong who joined the Group prior to 1 December 2000. These employees can elect to join the MPF Scheme or to remain as a member of the Exempted Scheme. The assets of the Exempted Scheme are held under provident funds managed by an independent administrator. Under the Exempted Scheme, both the employers and employees are required to contribute 5% of the employees' basic salaries on a monthly basis. Where there are employees who leave the Exempted Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. There were no unutilised forfeited contributions as at 31 December 2014 and 31 March 2014 nor forfeited contributions utilised by the Group to reduce existing level of contributions for the current period and the year ended 31 March 2014.

The Group also contributes to retirement plans for its employees in the PRC at a percentage of their salaries in compliance with the requirements of the respective municipal governments in the PRC. The municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group in the PRC.

In addition, the Group established a defined contribution pension scheme in July 2013 for employees in a subsidiary incorporated in the PRC who elect to join the scheme. The scheme is funded through payments by the Group at a percentage of their salaries to the funds administered by an independent trustee. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. There were no unutilised forfeited contributions as at 31 December 2014 and 31 March 2014 nor forfeited contributions utilised by the Group to reduce existing level of contributions for the current period and the year ended 31 March 2014.

10 Directors' and senior management's emoluments

(a) Directors' and chief executive's emoluments

For the period from 1 April 2014 to 31 December 2014:

Name of Director	Fees HK$'000	Salaries and other benefits # HK$'000	Bonuses HK$'000	Share-based payment HK$'000	Employer's contributions to pension schemes HK$'000	Total HK$'000
Executive Directors						
Mr ZHU Gongshan *(note 1)*	—	645	—	—	—	645
Mr TANG Cheng *(note 1)*	—	2,582	1,900	5,122	—	9,604
Mr ZHANG Guoxin *(note 6)*	—	—	750	4,728	—	5,478
Mr GU Xin *(note 1/note 9)*	—	1,452	1,325	3,546	—	6,323
Madam HU Xiaoyan *(note 1)*	—	968	1,500	3,152	—	5,620
Mr YIP Sum Yin	—	1,620	—	2,364	9	3,993
Madam YU Hung Min *(note 2)*	—	195	—	—	1	196
Mr CHUNG Chi Shing *(note 2)*	—	101	—	—	1	102
Mr MAO Lu *(note 2)*	—	101	—	—	2	103
Mr YIP Wing Fung *(note 2)*	—	101	—	—	1	102
Non-executive Directors						
Madam SUN Wei *(note 3)*	323	—	—	4,728	—	5,051
Mr YU Baodong *(note 3/note 10)*	323	—	—	2,364	—	2,687
Independent Non-executive Directors						
Mr WANG Bohua *(note 4)*	161	—	—	394	—	555
Mr XU Songda *(note 4)*	161	—	—	394	—	555
Mr HAN Qing-hua *(note 4/note 8)*	161	—	—	394	—	555
Mr LEE Conway Kong Wai *(note 4)*	194	—	—	394	—	588
Mr LAI Wing Leung, Peter *(note 5)*	250	—	—	—	—	250
Mr LAM Kwok Cheong *(note 5)*	250	—	—	—	—	250
Madam LEE Mei Ling *(note 5)*	250	—	—	—	—	250
Chief Executive Officer						
Mr YIP How Yin, Maurice *(note 7)*	—	63	—	—	—	63
Total	2,073	7,828	5,475	27,580	14	42,970

Notes:

1. Mr ZHU Gongshan, Mr TANG Cheng, Mr GU Xin and Madam HU Xiaoyan were appointed as executive directors on 9 May 2014.

2. Madam YU Hung Min, Mr CHUNG Chi Shing, Mr MAO Lu and Mr YIP Wing Fung resigned as executive directors on 9 May 2014.

3. Madam SUN Wei and Mr Yu Baodong were appointed as non-executive directors on 9 May 2014.

4. Mr WANG Bohua, Mr XU Songda, Mr HAN Qing-hua and Mr LEE Conway Kong Wai were appointed as independent non-executive directors on 9 May 2014.

10 Directors' and senior management's emoluments *(continued)*

(a) Directors' and chief executive's emoluments *(continued)*

Notes: (continued)

5. Mr LAI Wing Leung, Peter, Mr LAM Kwok Cheong and Madam LEE Mei Ling resigned as independent non-executive directors on 9 May 2014.

6. Mr ZHANG Guoxin was appointed as executive director and president on 25 September 2014.

7. Mr. YIP How Yin, Maurice resigned as the chief executive officer on 9 May 2014.

8. Mr HAN Qing-hua passed away on 30 January 2015.

9. Mr GU Xin resigned as executive director on 9 February 2015.

10. Mr Yu Baodong resigned as non-executive director on 9 February 2015.

For the year ended 31 March 2014:

Name of Director	Fees	Salaries and other benefits #	Employer's contributions to pension schemes	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Executive Directors				
Mr YIP Sum Yin	—	2,529	15	2,544
Madam YU Hung Min	—	2,091	15	2,106
Mr CHUNG Chi Shing	—	960	15	975
Mr MAO Lu	—	960	15	975
Mr YIP Wing Fung	—	960	15	975
Independent Non-executive Directors				
Mr LAI Wing Leung, Peter	110	—	—	110
Mr LAM Kwok Cheong	110	—	—	110
Madam LEE Mei Ling	110	—	—	110
Chief Executive Officer				
Mr YIP How Yin, Maurice	—	604	—	604
Total	330	8,104	75	8,509

Other benefits include salaries tax.

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10 Directors' and senior management's emoluments *(continued)*

(b) Five highest paid individuals

The five highest paid individuals include five (year ended 31 March 2014: four) Directors whose emoluments amounted to HK$32,076,000 (year ended 31 March 2014: HK$6,600,000) are included in Directors' emoluments as presented above.

The emoluments payable to the remaining individual for the year ended 31 March 2014 were HK$1,054,000.

During the current period, the Group did not pay to the Directors or the five highest paid individuals any inducement to join or upon joining the Group, or a compensation for loss of office (year ended 31 March 2014: nil). No Directors waived or agreed to waive any emoluments during the current period (year ended 31 March 2014: nil).

11 Finance income

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Bank interest income	**1,760**	301

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12 Finance costs

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Interest on bank loans wholly repayable within five years	**18,286**	24,120
Interest element of finance leases	**2,723**	2,412
Interest on convertible redeemable bond	**320**	3,730
Interest on loan from a fellow subsidiary *(note 38(e))*	**1,229**	—
	22,558	30,262
Less: interest capitalised	**(3,910)**	—
	18,648	30,262

Interest capitalised was borrowing costs that were directly attributable to the construction of qualifying assets. The average interest rate used to capitalise such borrowing costs was 4.4% per annum for the current period (year ended 31 March 2014: not applicable).

13 Income tax expense

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

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

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

13 Income tax expense *(continued)*

Tax on profit of the Group differs from the theoretical amount that would arise using the tax rate of Hong Kong, as follows:

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000 (restated)
Loss before income tax	**(97,253)**	(146,737)
Calculated at a tax rate of 16.5% (31 March 2014: 16.5%)	**(16,047)**	(24,212)
Income not subject to tax	**(10,318)**	(1,524)
Expenses not deductible for tax purposes	**23,100**	31,799
Temporary differences not recognised	**(2)**	(884)
Utilisation of tax losses previously not recognised	**(1,867)**	(2,170)
Tax losses not recognised	**15,499**	6,241
Under/(over)-provision for prior years	**1,131**	(757)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**3,431**	5,057
PRC withholding tax *(note 31)*	**576**	13,022
Income tax expense	**15,503**	26,572

14 Loss attributable to owners of the Company

The loss attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of HK$50,001,000 (year ended 31 March 2014: loss of HK$182,490,000).

15 Dividend

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

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16 Loss per share

Basic

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

The weighted average number of ordinary shares in issue during the period/year was adjusted for the issue of shares through share subscriptions on 9 May 2014 (see note 25(a)) and 16 October 2014 (see note 25(f)), the issue of shares through placements on 9 May 2014 (see note 25(b)) and 13 October 2014 (see note 25(f)), the issue of shares upon conversion of convertible redeemable bond on 9 May 2014 (see (note 25(c)), and the shares subdivisions on 30 June 2014 (see note 25(d)) and 19 November 2014 (see note 25(g)).

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

Diluted

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

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

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17 Property, plant and equipment — Group

	Buildings HK$'000	Plant and machinery HK$'000	Leasehold improvements, furniture, fixtures and equipment HK$'000	Motor vehicles HK$'000	Construction in progress HK$'000	Total HK$'000
At 1 April 2013 (restated)						
Cost or valuation,						
as reported under HKFRS	283,307	1,378,748	126,814	7,990	—	1,796,859
Effect of difference *(note 2.3(c))*	(34,281)	—	—	—	—	(34,281)
Cost, as reported under IFRS	249,026	1,378,748	126,814	7,990	—	1,762,578
Accumulated depreciation and impairment						
losses, as reported under HKFRS	—	(731,862)	(100,407)	(6,579)	—	(838,848)
Effect of difference *(note 2.3(c))*	(32,051)	—	—	—	—	(32,051)
Accumulated depreciation and impairment						
losses, as reported under IFRS	(32,051)	(731,862)	(100,407)	(6,579)	—	(870,899)
Net book amount	216,975	646,886	26,407	1,411	—	891,679
Year ended 31 March 2014 (restated)						
Opening net book amount:						
— As reported under HKFRS	283,307	646,886	26,407	1,411	—	958,011
— Effect of difference						
(note 2.3(c))	(66,332)	—	—	—	—	(66,332)
— As reported under IFRS	216,975	646,886	26,407	1,411	—	891,679
Exchange differences	5,377	17,083	384	28	7	22,879
Additions	—	81,335	3,055	1,517	861	86,768
Disposals	(6,762)	(152)	—	(124)	—	(7,038)
Depreciation *(note 7)*	(5,085)	(119,083)	(5,433)	(837)	—	(130,438)
Closing net book amount	210,505	626,069	24,413	1,995	868	863,850
At 31 March 2014 (restated)						
Cost or valuation, as reported under HKFRS	272,655	1,489,642	131,524	9,131	868	1,903,820
Effect of difference *(note 2.3(c))*	(33,392)	—	—	—	—	(33,392)
Cost, as reported under IFRS	239,263	1,489,642	131,524	9,485	868	1,870,428
Accumulated depreciation and impairment						
losses, as reported under HKFRS	—	(863,573)	(107,111)	(7,136)	—	(977,820)
Effect of difference *(note 2.3(c))*	(28,758)	—	—	—	—	(28,758)
Accumulated depreciation and impairment						
losses, as reported under IFRS	(28,758)	(863,573)	(107,111)	(7,136)	—	(1,006,578)
Net book amount	210,505	626,069	24,413	1,995	868	863,850

17 Property, plant and equipment — Group *(continued)*

	Buildings HK$'000	Power generators and equipment HK$'000	Plant and machinery HK$'000	Leasehold improvements, furniture, fixtures and equipment HK$'000	Motor vehicles HK$'000	Construction in progress HK$'000	Total HK$'000
Period from 1 April 2014 to 31 December 2014							
Opening net book amount:							
— As reported under HKFRS	272,655	—	626,069	24,413	1,995	868	926,000
— Effect of difference *(note 2.3(c))*	(62,150)	—	—	—	—	—	(62,150)
As reported under IFRS	210,505	—	626,069	24,413	1,995	868	863,850
Exchange differences	(155)	—	(633)	(11)	9	27,696	26,906
Additions	—	—	53,690	7,853	9,294	4,871,516	4,942,353
Acquisition of subsidiaries	10,963	837,843	—	274	1,373	97,454	947,907
Transfer	—	789,745	—	—	—	(789,745)	—
Depreciation *(note 7)*	(3,590)	—	(93,048)	(4,042)	(784)	—	(101,464)
Closing net book amount	217,723	1,627,588	586,078	28,487	11,887	4,207,789	6,679,552
At 31 December 2014							
Cost	250,074	1,627,588	1,542,811	139,654	19,842	4,207,789	7,787,758
Accumulated depreciation and impairment losses	(32,351)	—	(956,733)	(111,167)	(7,955)	—	(1,108,206)
Net book amount	217,723	1,627,588	586,078	28,487	11,887	4,207,789	6,679,552

Notes:

(a) At 31 December 2014, the net book amount of property, plant and equipment pledged to banks to secure bank loans of the Group amounted to HK$1,743,845,000 (31 March 2014: HK$326,024,000) (note 34).

(b) At 31 December 2014, the net book amount of property, plant and equipment held by the Group under finance leases amounted to HK$106,788,000 (31 March 2014: HK$81,190,000).

(c) At 31 December 2014 and 31 March 2014, all buildings were held under leases of between 10 and 50 years in the PRC.

(d) Depreciation expense of HK$96,365,000 (year ended 31 March 2014: HK$123,479,000) and HK$5,099,000 (year ended 31 March 2014: HK$6,959,000) were charged to cost of sales and administrative expenses, respectively.

(e) At 31 December 2014, the Group was in the process of obtaining the property ownership certificates in respect of property interests held under medium term land use rights in the PRC with a carrying amount of approximately HK$2,462,000 (31 March 2014: HK$2,560,000). In the opinion of the Directors, the absence of the property ownership certificates to these property interests does not impair their carrying value to the Group as the Group paid the full purchase consideration of these property interests and the probability of being evicted on the ground of an absence of property ownership certificates is remote.

18 Land use rights — Group

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
At the beginning of the period/year	**20,960**	20,902
Exchange differences	**(83)**	546
Write-off *(note)*	**(11,893)**	—
Amortisation *(note 7)*	**(366)**	(488)
At the end of the period/year	**8,618**	20,960

Note:

During the current period, the Group received a notice from the local municipal government in the PRC which forfeited the Group's land use rights of certain portion of a piece of land in Jiangxi, the PRC. The relevant land use rights with a net book amount of HK$11,893,000 were written off (note 6(a)).

The lease terms of all land use rights situated in the PRC ranged from 10 to 50 years.

As at 31 December 2014, the net book amount of land use rights pledged to banks to secure bank loans of the Group amounted to HK$8,019,000 (31 March 2014: HK$20,343,000) (note 34).

19 Interests in subsidiaries

	Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Unlisted investments, at cost	**94,897**	57,165
Amounts due from subsidiaries *(note a)*	**2,569,167**	299,723
	2,664,064	356,888

Notes:

(a) The amounts due from subsidiaries were unsecured, interest-free and were regarded as equity in nature by the Company. Accordingly, the amounts were classified as equity instruments, which were carried at cost and not subsequently remeasured.

(b) All subsidiaries established in the PRC have financial accounting year end dated 31 December in accordance with the local statutory requirements, which was not coterminous with that of the Group before the Group changed its financial year end date from 31 March to 31 December during the current period. The consolidated financial statements for the year ended 31 March 2014 of the Group were prepared based on the management accounts of these subsidiaries prepared under IFRS for the twelve months ended 31 March 2014.

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

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Deposits for EPC contracts and constructions	499,162	—
Refundable value-added tax	425,491	—
Deposits for acquisitions of solar farm projects	96,367	—
Prepaid rent for lands	27,326	—
Deposits for finance leases	12,039	4,643
Others	19,206	4,830
	1,079,591	9,473

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

21 Interests in joint ventures — Group

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
At the beginning of the period/year	—	—
Acquisition of Shineng *(note (a))*	41,166	—
Acquisition of Yili GCL *(note (b))*	3,327	—
Capital injection to Yili GCL *(note (b))*	9,507	—
Share of loss for the period/year	(684)	—
Exchange differences	(3)	—
At the end of the period/year	53,313	—

21 Interests in joint ventures — Group *(continued)*

As at 31 December 2014, the Group had interests in joint ventures incorporated and operates in the PRC as follows:

Name of company	Proportion of nominal value of paid-in capital held by the Group at 31 December 2014	Principal activities
海南州世能光伏發電有限公司 Hainanzhou Shineng Photovoltaic Power Co., Ltd.* ("Shineng") *(note a)*	60%	Operation of solar farm
伊犁協鑫能源有限公司 Yili GCL New Energy Limited* ("Yili GCL") *(note b)*	50%	Operation of solar farm

* English name for identification only

Notes:

(a) On 31 December 2014, the Group acquired 100% equity interests in Delingha (as defined in note 37(q) below) which in turn held 60% equity interests in Shineng. Pursuant to the articles of association of Shineng, two-third of the votes is required to control the financing and operating policies of Shineng. The Directors consider that the Group can exercise joint control over Shineng and it is therefore classified as a joint venture of the Group.

(b) On 12 November 2014, the Group entered into an agreement with GCL-Poly, pursuant to which the Group purchased 50% equity interest in Yili GCL from GCL-Poly at a consideration of approximately HK$3,327,000 (equivalent to RMB2,625,000). The acquisition was completed on 30 November 2014.

In December 2014, the Group and the other joint venturer agreed to increase Yili GCL's paid up capital from approximately HK$2,535,000 (equivalent to RMB2,000,000) to approximately HK$62,365,000 (equivalent to RMB49,200,000) in proportion to the percentage of the respective equity interest held by the joint venturers.

Summarised financial information of the joint ventures

Set out below is the aggregate financial information of joint ventures that are not individually material. All joint ventures are accounted for using the equity method in these consolidated financial statements.

21 Interests in joint ventures — Group *(continued)*

Summarised statement of comprehensive income

	For the year ended 31 December 2014 HK$'000
Revenue	**51,650**
Profit or loss from operations and total comprehensive income	**674**

Summarised balance sheet

	At 31 December 2014 HK$'000
Total current assets	**94,729**
Total current liabilities	**(84,753)**
Total non-current assets	**407,479**
Total non-current liabilities	**(274,772)**

22 Inventories — Group

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Raw materials	**46,392**	54,754
Work-in-progress	**43,520**	50,861
Finished goods	**84,835**	99,691
	174,747	205,306

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK$628,138,000 (31 March 2014: HK$842,446,000).

23 Trade and other receivables — Group and Company

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	**At 31 December 2014 HK$'000**	At 31 March 2014 HK$'000
Trade receivables *(note b)*	**429,602**	310,077	**—**	—
Deposits, prepayments and other receivables *(note c)*	**142,602**	57,656	**898**	7,257
	572,204	367,733	**898**	7,257

(a) The carrying amounts of trade and other receivables, which approximate their fair values, are denominated in the following currencies:

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	**At 31 December 2014 HK$'000**	At 31 March 2014 HK$'000
United States dollar ("US$")	**200,219**	200,153	**—**	—
RMB	**369,084**	144,473	**—**	—
HK$	**2,417**	21,812	**898**	7,257
EURO	**484**	1,295	**—**	—
	572,204	367,733	**898**	7,257

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23 Trade and other receivables — Group and Company *(continued)*

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

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

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

At 31 December 2014, trade receivables of HK$84,217,000 (31 March 2014: HK$102,610,000) were past due but not impaired. These trade receivables relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables by due date is as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Up to 3 months	**80,840**	98,746
3 to 6 months	**1,834**	3,061
Over 6 months	**1,543**	803
	84,217	102,610

No provision for impairment of trade receivables was made for the current period (year ended 31 March 2014: nil). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

During the current period, bad debts of HK$2,728,000 (year ended 31 March 2014: HK$7,982,000) were written off. The amount was charged to 'other expenses, gains and losses, net' in the consolidated income statement.

(c) At 31 December 2014, included in deposits, prepayments and other receivables was an amount of HK$78,485,000 (31 March 2014: HK$22,899,000) which represented refundable value-added tax expected to be realised within 12 months from the reporting date.

Other receivables and deposits did not contain past due or impaired assets.

23 Trade and other receivables — Group and Company *(continued)*

(d) The Group and the Company did not hold any collateral as security.

The maximum exposure to credit risk at the reporting date was the carrying amount of each class of receivables mentioned above.

24 Cash and cash equivalents and pledged bank deposits — Group and Company

The Group's pledged bank deposits amounting to HK$556,344,000 (31 March 2014: HK$5,074,000) as at 31 December 2014 represent deposits pledged to banks to secure banking facilities granted to the Group as set out in note 34. The pledged bank deposits will be released upon maturity. The deposits were denominated in RMB and earned interest at fixed rates ranging from 0.385% to 3.05% (31 March 2014: 3.05%) per annum.

Cash and cash equivalents were denominated in the following currencies:

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	**At 31 December 2014 HK$'000**	At 31 March 2014 HK$'000
US$	**25,155**	17,260	**—**	—
RMB	**503,419**	22,323	**—**	—
HK$	**229,858**	6,650	**26,419**	141
Others	**17**	17	**—**	—
	758,449	46,250	**26,419**	141

At 31 December 2014, included in the pledged bank deposits and the cash and cash equivalents of an aggregate amount of approximately HK$1,069,766,000 (31 March 2014: HK$27,500,000) were deposited in the PRC. The remittance of funds out of the PRC is subject to rules and regulations of foreign exchange control promulgated by the PRC government.

The carrying amounts represented the maximum exposure to credit risk.

25 Share capital

	Number of shares	Amount HK$'000
Authorised:		
At 1 April 2013, 31 March 2014 and 1 April 2014 (Ordinary shares of HK$0.10 each)	700,000,000	70,000
Shares subdivision *(note (d))*	3,500,000,000	—
Increase in share capital *(note (e))*	4,800,000,000	80,000
Shares subdivision *(note (g))*	27,000,000,000	—
At 31 December 2014 (Ordinary shares of HK0.0041\dot{6}$ each)	36,000,000,000	150,000

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

Notes:

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

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

(c) On 9 May 2014, the convertible redeemable bond issued by the Company with details set out in note 30 below was fully converted into 33,542,857 shares of the Company (the "Conversion").

(d) With effect from 30 June 2014, each of the existing issued and unissued shares of HK$0.10 each in the share capital of the Company was subdivided into six subdivided shares of HK0.0166\dot{6}$ each (each a "Subdivided Share") ("First Share Subdivision"), after passing of an ordinary resolution at the special general meeting of the Company held on 27 June 2014 and the Stock Exchange granting the listing of, and permission to deal in, the subdivided shares (the "Share Subdivision"). Upon the Share Subdivision becoming effective, the authorised capital of the Company was HK$70,000,000 divided into 4,200,000,000 Subdivided Shares of HK0.0166\dot{6}$ each, of which 3,176,948,262 Subdivided Shares were in issue and fully paid or credited as fully paid.

25 Share capital *(continued)*

Notes: (continued)

(e) On 18 August 2014, shareholders of the Company approved the increase of the authorised share capital of the Company from HK$70,000,000, divided into 4,200,000,000 shares of HK$0.0166̇ each, to HK$150,000,000, divided into 9,000,000,000 shares of HK$0.0166̇ each.

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

(g) With effect from 19 November 2014, each of the existing issued and unissued shares of HK$0.0166̇ each in the share capital of the Company was subdivided into four Subdivided Shares of one-two hundred-fortieth (1/240) of a Hong Kong dollar (equivalent to HK$0.00416̇) each ("Second Share Subdivision"), after passing of an ordinary resolution at the special general meeting of the Company held on 18 November 2014 and the Stock Exchange granting the listing of, and permission to deal in, the subdivided shares. Upon the Share Subdivision becoming effective, the authorised capital of the Company was HK$150,000,000, divided into 36,000,000,000 Subdivided Shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar (equivalent to HK$0.00416̇) each, of which 13,871,793,048 Subdivided Shares were in issue and fully paid or credited as fully paid.

26 Reserves

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

(b) Company

	Share premium HK$'000	Contributed surplus HK$'000	Share-based payment reserves HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2013	252,637	51,918	—	(188,006)	116,549
Loss for the year	—	—	—	(182,490)	(182,490)
At 31 March 2014	252,637	51,918	—	(370,496)	(65,941)
At 1 April 2014	252,637	51,918	—	(370,496)	(65,941)
Subscription of new shares *(note 25(a))*	1,395,157	—	—	—	1,395,157
Placement of new shares *(note 25(b))*	190,000	—	—	—	190,000
Shares issued upon conversion of convertible redeemable bond *(note 25(c))*	328,362	—	—	—	328,362
Top-Up Placing of existing shares and Top-Up Subscription for new shares *(note 25(f))*	730,833	—	—	—	730,833
Share based payment *(note 26 (c)(iv))*	—	—	91,888	—	91,888
Loss for the period	—	—	—	(50,001)	(50,001)
At 31 December 2014	**2,896,989**	**51,918**	**91,888**	**(420,497)**	**2,620,298**

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26 Reserves *(continued)*

(c) Nature and purpose of reserves

(i) The contributed surplus of the Company represents:

— the difference in value at 4 March 1992 between the nominal value of the Company's shares issued in exchange for all the issued ordinary shares of Same Time International (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired on that date amounted to HK$37,115,000;

— the amount of HK$15,941,000 credited to the contributed surplus as a result of the capital reduction and consolidation of shares of the Company on 16 September 2003; and

— the Company made a distribution in respect of 2008 final dividend amounting to HK$1,138,000 out of contributed surplus during the year ended 31 March 2009.

(ii) The contributed surplus of the Company is distributable under the Companies Act 1981 of Bermuda, as amended. However, the Company shall not declare or pay a dividend, or make a distribution out of contributed surplus, if:

— the Company is, or would after the payment be, unable to pay its liabilities as they become due; or

— the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

(iii) The legal reserve represents the amount set aside from the retained profits by certain subsidiaries incorporated in the PRC (year ended 31 March 2014: Macao and the PRC) and is not distributable as dividend.

The Macao Commercial Code #377 requires that a company set aside a minimum of 25% of the Company's profit after tax to the legal reserve until the balance of the reserve reaches a level equivalent to 50% of the Company's capital. The legal reserve for the subsidiary incorporated in Macau had been released upon the approval of its deregistration.

In accordance with the relevant regulations and their articles of association, the Company's subsidiaries incorporated in the PRC are required to allocate at least 10% of their after-tax profit according to the PRC accounting standards and regulations to legal reserve until such reserve has reached 50% of registered capital. This reserve can only be used for specific purposes and it is not distributable or transferable to the loans, advances, cash dividends. Appropriation to the legal reserve for the period from 1 April 2014 to 31 December 2014 amounted to HK$5,334,000 (year ended 31 March 2014: HK$7,361,000).

26 Reserves *(continued)*

(c) Nature and purpose of reserves *(continued)*

(iv) Equity-settled share option scheme

The Company adopted a new share option scheme on 15 October 2014 ("New Share Option Scheme"). On 23 October 2014, the Company granted 134,210,000 share options at exercise price of HK$4.75 per share option, subject to acceptance by the grantees, to subscribe for an aggregate of 134,210,000 shares under the New Share Option Scheme, and of which 35,000,000 share options were granted to the Directors. These share options are subject to a vesting scale in five even tranches on 24 November 2014 and the first, second, third and fourth anniversary dates of the grant date, respectively. The share options granted are exercisable during the period after the respective vesting dates to the last day of the ten-year period after the grant date.

As a result of the share subdivision disclosed in note 25(g) above, the exercise price per share option granted and the number of subdivided shares falling to be issued upon exercise of the options granted had been adjusted to HK$1.1875 per share option and 536,840,000 share options, respectively.

At 31 December 2014, the number of shares falling to be issued in respect of the share options which had been granted under the New Share Option Scheme and remained outstanding was 536,840,000 (31 March 2014: nil) shares, representing 3.9% (31 March 2014: nil) of the issued share capital of the Company at that date.

Movements of share options granted during the period are as follows:

			Number of share options During the period		
	Date of grant	Outstanding at 1 April 2014	Granted (a)	Second Share Subdivision (b)	Outstanding at 31 December 2014 (c)
Directors	23.10.2014	—	35,000,000	105,000,000	140,000,000
Employees and others	23.10.2014	—	99,210,000	297,630,000	396,840,000
		—	134,210,000	402,630,000	536,840,000
Exercisable at the end of the period		—	—	—	107,368,000
Weighted average exercise price (HK$)		—	4.75	—	1.1875

Notes:

(a) The number of shares and average exercise price were presented as before the effect of the Second Share Subdivision.

(b) It represented the adjustment for the effect of the Second Share Subdivision.

(c) The number of shares and average exercise price were presented as after the effect of the Second Share Subdivision.

26 Reserves *(continued)*

(c) Nature and purpose of reserves *(continued)*

(iv) Equity-settled share option scheme (continued)

The fair value of the share options was measured at the date of grant on 23 October 2014 is HK$0.643 per option, which is calculated based on the weighted average fair value of share options for each tranche of options to be vested from the grant date. The fair value of each share option to be vested in 0.09 year, 1 year, 2 years, 3 years and 4 years from the grant date were HK$0.599, HK$0.621, HK$0.650, HK$0.668 and HK$0.677, respectively.

The following inputs were used to derive the fair value of the share options, using the Binomial model:

Spot price (closing price at grant date, adjusted by the effect of the Second Share Subdivision)	HK$1.188
Exercise price	HK$1.1875
Expected volatility	74%
Dividend yield	1.02%
Risk-free interest rate	1.741%
Option life	10 years

Expected volatility was determined by using the volatility of the stock return of the Company and comparable listed companies as at the valuation date. The expected life used in the model had been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The variables and assumptions used in estimating the fair value of the share options were the Director's best estimates. Change in subjective input assumptions can materially affect the fair value.

During the current period, an amount of share-based payment expenses of HK$91,888,000 (year ended 31 March 2014: nil) was recognised in profit or loss.

At each reporting date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to the share-based payment reserve.

27 Loan from a fellow subsidiary

The loan from a fellow subsidiary was unsecured, interest-bearing at fixed rate of 5.6% per annum with a term of three months. The balance was denominated in RMB.

In addition, the Group also obtained an additional loan from a fellow subsidiary of approximately HK$309 million (equivalent to approximately RMB244 million) with a repayment period of 3 months during the period subsequent to the reporting date.

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28 Trade and other payables — Group and Company

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Trade payables	318,213	333,153	—	—
Payables for the purchase of plant and machinery and construction of solar farms	2,831,683	48,518	—	—
Payables to vendors of solar farms	317,177	—		
Other payables	46,105	23,119	—	409
Receipts in advance	30,263	14,850	—	—
Accrued expenses				
— Staff costs	70,194	35,863	6,262	—
— Professional fees	12,111	12,503	7,022	12,503
— Utilities	5,785	5,481	—	—
— Others	11,691	5,553	—	—
	3,643,222	479,040	13,284	12,912

The carrying amounts of the trade and other payables, which approximate their fair values, were denominated in the following currencies:

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
US$	21,351	10,000	—	—
RMB	3,560,302	402,422	—	—
HK$	61,532	37,068	13,284	12,912
Others	37	29,550	—	—
	3,643,222	479,040	13,284	12,912

28 Trade and other payables — Group and Company *(continued)*

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

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

29 Borrowings — Group and Company

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

The loans were carried at amortised cost.

29 Borrowings — Group and Company *(continued)*

(a) Bank loans

The maturities of the bank loans of the Group as at 31 December 2014 are as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Within one year	**322,051**	245,272
In the second year	**1,175,646**	50,738
In the third to fifth years	**154,646**	—
Over five years	**598,301**	—
	2,250,644	296,010

Details of assets pledged to banks to secure bank loans are set out in note 34.

At 31 December 2014, the Group's bank loans of approximately HK$697,173,000 (31 March 2014: nil) were guaranteed by a fellow subsidiary.

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

(b) Finance lease obligations

At 31 December 2014, the finance lease liabilities of the Group were repayable as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Within one year	**39,208**	20,051
In the second year	**29,592**	16,848
In the third to fifth years	**9,922**	5,122
	78,722	42,021
Future finance charges on finance lease liabilities	**(5,381)**	(2,853)
Present value of finance lease liabilities	**73,341**	39,168

29 Borrowings — Group and Company *(continued)*

(b) Finance lease obligations *(continued)*

The present value of finance lease liabilities was as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Within one year	**37,900**	19,433
In the second year	**26,874**	15,338
In the third to fifth years	**8,567**	4,397
	73,341	39,168

(c) The carrying amounts of the borrowings were denominated in the following currencies:

	Group		Company	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000	**At 31 December 2014 HK$'000**	At 31 March 2014 HK$'000
US$	**15,509**	7,528	**—**	—
RMB	**2,302,525**	317,440	**—**	—
HK$	**25,951**	30,210	**—**	20,000
	2,343,985	355,178	**—**	20,000

(d) The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period were as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
6 months or less	**82,758**	185,778
6–12 months	**1,027,732**	139,530
1–5 years	**1,213,495**	9,870
	2,323,985	335,178

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29 Borrowings — Group and Company *(continued)*

(d) (continued)

The effective interest rates of the bank loans and the obligations under finance leases of the Group at 31 December 2014 were ranging from 2.59% to 7.84% per annum and 5.25% to 7.2% per annum, respectively (31 March 2014: ranging from 3.40% to 7.84% per annum and 5.25% to 8.00% per annum, respectively). The carrying amounts of the balances approximated their fair values.

(e) The shareholder's loan was unsecured, interest-free and repayable in July 2015. On 9 May 2014, the Company entered into an agreement with the shareholder to reassign the loan to a subsidiary of the Company.

30 Convertible redeemable bond

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

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

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

- The conversion price was adjusted to HK$1.75 per share in accordance with the terms on conversion price adjustment after the Company issued 13,650,000 new shares on 25 June 2012.
- On 17 January 2012, the Company redeemed HK$24,300,000 of the principal amount of the convertible redeemable bond at 105% of the relevant principal amount.
- On 13 September 2012, convertible redeemable bond with a principal amount of HK$7,000,000 was converted into 4,000,000 ordinary shares of the Company at the price of HK$1.75 per share.
- On 9 May 2014, the remaining outstanding convertible redeemable bond with a principal amount of HK$58,640,000 was converted into 33,542,857 ordinary shares of HK$0.1 each of the Company at the price of HK$1.75 per share.

30 Convertible redeemable bond *(continued)*

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

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

The movement of liability component is as follows:

	HK$'000
Liability component as at 1 April 2013	55,177
Interest expense for the year *(note 12)*	3,730
Less: interest payment during the year	(587)
Liability component as at 31 March 2014	58,320
Interest expense for the period *(note 12)*	320
Conversion into ordinary shares	(58,640)
Liability component as at 31 December 2014	—

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

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

30 Convertible redeemable bond *(continued)*

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

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

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

31 Deferred income tax — Group

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The movements in the net deferred income tax (assets)/liabilities are as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)
At the beginning of the period/year		
— As reported under HKFRS	**27,857**	15,073
— Effect of difference *(note 2.3(c))*	**(14,092)**	(12,321)
— As reported under IFRS	**13,765**	2,752
(Credited)/charged to consolidated income statement *(note 13)*	**(8,417)**	10,887
Acquisition of subsidiaries *(note 37(q))*	**(3,725)**	—
Exchange differences	**(56)**	126
At the end of the period/year	**1,567**	13,765

31 Deferred income tax — Group *(continued)*

The movements in deferred income tax liabilities and assets (prior to offsetting of balances within the same taxation jurisdiction) during the period/year are as follows:

Deferred income tax liabilities

	Revaluation of properties HK$'000	Accelerated tax depreciation HK$'000	Group Withholding tax HK$'000	Others HK$'000	Total HK$'000
At 1 April 2013, as reported under HKFRS	12,321	2,195	—	2,497	17,013
Effect of difference *(note 2.3(c))*	(12,321)	—	—	—	(12,321)
At 1 April 2013, as reported under IFRS	—	2,195	—	2,497	4,692
(Credited)/charged to consolidated income statement	—	(1,568)	13,022	(2,545)	8,909
Exchange differences	—	19	97	48	164
At 31 March 2014	—	646	13,119	—	13,765

	Revaluation of properties HK$'000	**Accelerated tax depreciation HK$'000**	**Group Withholding tax HK$'000**	**Others HK$'000**	**Total HK$'000**
At 1 April 2014, as reported under HKFRS	**14,092**	**646**	**13,119**	**—**	**27,857**
Effect of difference *(note 2.3(c))*	**(14,092)**	**—**	**—**	**—**	**(14,092)**
At 1 April 2014, as reported under IFRS	**—**	**646**	**13,119**	**—**	**13,765**
Charged to consolidated income statement	**—**	**—**	**576**	**—**	**576**
Exchange differences	**—**	**—**	**(5)**	**—**	**(5)**
At 31 December 2014	**—**	**646**	**13,690**	**—**	**14,336**

31 Deferred income tax — Group *(continued)*

Deferred income tax assets

	Group			
	Fair value losses HK$'000	Unrealised profits HK$'000	Others HK$'000	Total HK$'000
At 1 April 2013	—	—	(1,940)	(1,940)
Charged to consolidated income statement	—	—	1,978	1,978
Exchange differences	—	—	(38)	(38)
At 31 March 2014	—	—	—	—
At 1 April 2014	**—**	**—**	**—**	**—**
Credited to consolidated income statement	**—**	**(8,993)**	**—**	**(8,993)**
Acquisition of subsidiaries *(note 37(q))*	**(2,826)**	**—**	**(899)**	**(3,725)**
Exchange differences	**—**	**(51)**	**—**	**(51)**
At 31 December 2014	**(2,826)**	**(9,044)**	**(899)**	**(12,769)**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000 (restated)
Deferred tax assets:		
Deferred tax asset to be recovered after more than 12 months	**12,256**	—
Deferred tax asset to be recovered within 12 months	**513**	—
	12,769	—
Deferred tax liabilities:		
Deferred tax liability to be settled after more than 12 months	**13,690**	2,283
Deferred tax liability to be settled within 12 months	**646**	11,482
	14,336	13,765

31 Deferred income tax — Group *(continued)*

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. As at 31 March 2013, the undistributed profits of the relevant subsidiaries of the Group in the PRC were approximately HK$185,455,000 and the corresponding deferred tax liabilities had not been recognised as the Company was able to control the timing of the reversal of the temporary difference and it was probable that the temporary difference would not reverse in the foreseeable future. As a result of the change of management intentions during the year ended 31 March 2014, the undistributed profits of the relevant subsidiaries will be remitted outside China in future. Accordingly, the Group commenced to make provision for deferred income tax liabilities with respect to withholding tax on such undistributed profits since the year ended 31 March 2014.

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group had unrecognised tax losses of approximately HK$158,129,000 (31 March 2014: HK$166,658,000) as at 31 December 2014 carried forward to offset against future taxable income. Unrecognised tax losses of approximately HK$33,231,000 (31 March 2014: HK$53,115,000) will expire from 2017 to 2022 (31 March 2014: from 2017 to 2019). Other tax losses have no expiry date.

32 Deferred income — Group

The deferred income represented government grants received for the construction of a production plant in Jiangxi in the PRC, which were amortised over the expected useful life of the plant upon the commencement of the operation.

33 Notes to the consolidated cash flow statement

(a) Reconciliation of loss before income tax to cash (used in)/generated from operations:

	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000 (restated)
Loss before income tax	(97,253)	(146,737)
Amortisation of land use rights	366	488
Amortisation of deferred income on government grants	(350)	(466)
Bad debts written off	2,728	7,982
Deposits and other receivables written off	—	2,644
Reversal of other receivables previously written off	(1,812)	(3,158)
Write-off of other payables	—	211
Write-off of land use rights	11,893	—
Government grants previously recognised as deferred income	(11,893)	—
Impairment of goodwill	7,959	—
Depreciation of property, plant and equipment	101,464	130,438
Gain on disposal of property, plant and equipment	—	(5,668)
Interest income	(1,760)	(301)
Finance costs	18,648	30,262
Loss from change in fair value of embedded derivative	—	166,724
Realised gain on embedded derivative upon conversion of convertible redeemable bond	(57,324)	—
Share-based payment expenses	91,888	—
Share of losses of joint ventures	684	—
Operating profit before working capital changes	65,238	182,419
Increase in deposits, prepayment and other non-current assets	(452,817)	—
Decrease/(increase) in inventories	30,559	(12,188)
Decrease/(increase) in trade and other receivables	10,390	(18,033)
Increase in amounts due from related parties	(16,013)	—
(Decrease)/increase in trade and other payables	(162,762)	21,225
Increase in amounts due to related parties	42,866	—
Cash (used in)/generated from operations	(482,539)	173,423

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33 Notes to the consolidated cash flow statement *(continued)*

(a) Reconciliation of loss before income tax to cash (used in)/generated from operations: *(continued)*

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	Year ended 31 March 2014 HK$'000
Net book amount *(note 17)*	7,038
Gains on disposal of property, plant and equipment	5,668
Proceeds from disposal of property, plant and equipment	12,706

Non-cash transactions

The principal non-cash transaction is the conversion of the convertible redeemable bond into ordinary shares with details set out in note 30.

34 Banking facilities

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

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

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Property, plant and equipment *(note 17(a))*	**1,743,845**	326,024
Land use rights *(note 18)*	**8,019**	20,343
Pledged bank deposits *(note 24)*	**556,344**	5,074
	2,308,208	351,441

At 31 December 2014, certain bank loans of the Group amounting to approximately HK$697,173,000 were guaranteed by a fellow subsidiary (note 29(a)).

35 Corporate guarantees

As at 31 December 2014, the Company provided financial guarantees to the extent of HK$221,441,000 (31 March 2014: HK$263,901,000) in respect of banking facilities and finance lease obligations granted to certain of its subsidiaries of which HK$132,710,000 (31 March 2014: HK$224,782,000) were utilised.

36 Commitments

(a) Capital commitments

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

The Company had no capital commitments as at 31 December 2014 (31 March 2014: nil).

36 Commitments *(continued)*

(b) Commitments under operating leases

(i) The future aggregate minimum lease payments under non-cancellable operating leases in respect of properties are as follows:

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Not later than one year	**15,939**	6,726
Later than one year and not later than five years	**42,167**	3,049
Later than five year	**209,450**	—
	267,556	9,775

(ii) The Company had no operating lease commitments as at 31 December 2014 (31 March 2014: nil).

37 Acquisition of subsidiaries

For the period from 1 April 2014 to 31 December 2014, the Group acquired the controlling equity interests in several companies at a total consideration of approximately HK$906,253,000 (equivalent to RMB715,431,000). Most of these companies, as in note (a) to note (p) did not operate any business prior to the respective dates of acquisitions. Therefore, the Group considers the nature of these acquisitions as acquisitions of assets in substance and the considerations should be attributable to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items. In terms of the acquisition of 德令哈協合光伏發電有限公司 ("Delingha"), mentioned in note (q), the operation of Delingha had commenced for years prior to the date of acquisition, which was therefore considered as a business combination under IFRS 3 and accounted for using purchase method.

(a) Acquisition of 金湖正輝太陽能電力有限公司 ("Jinhu Zhenghui")

On 26 August 2014, the Group entered into a subscription agreement with 江蘇正輝太陽能電力有限公司 ("Jiangsu Zhenghui") pursuant to which (i) the Group and Jiangsu Zhenghui agreed to increase the share capital of Jinhu Zhenghui from approximately HK$10,094,000 (equivalent to RMB8,000,000) to approximately HK$202,645,000 (equivalent to RMB160,600,000) and (ii) the Group agreed to subscribe new shares equivalent to 95.02% of the equity interest in Jinhu Zhenghui. The total capital commitment to be made by the Group is approximately HK$192,556,000 (equivalent to RMB152,600,000). As at 31 December 2014, the Group injected approximately HK$107,256,000 (equivalent to RMB85,000,000) of capital with outstanding investment commitment of approximately HK$85,300,000 (equivalent to RMB67,600,000). The acquisition was completed on 4 September 2014. Jinhu Zhenghui owns a 100MW solar farm project under development.

37 Acquisition of subsidiaries *(continued)*

(a) Acquisition of 金湖正輝太陽能電力有限公司 ("Jinhu Zhenghui") *(continued)*

Pursuant to the above subscription agreement, the Group has an obligation to purchase the remaining 4.98% equity interest in Jinhu Zhenghui at approximately HK$10,094,000 (equivalent to RMB8,000,000) within one year and two months after the completion of the development project and grid connection testing. Accordingly, other payable of approximately HK$10,094,000 had been recognised as at 31 December 2014 in this regard.

(b) Acquisition of 正藍旗國電光伏發電有限公司 ("Zheng Lan Qi")

On 22 September 2014, the Group acquired 93.75% equity interest in Zheng Lan Qi at a consideration of approximately HK$18,927,000 (equivalent to RMB15,000,000). Zheng Lan Qi owns a 50MW solar farm project under development.

Pursuant to the acquisition agreement, the Group has an obligation to purchase the remaining 6.25% equity interest in Zheng Lan Qi at approximately HK$1,261,000 (equivalent to RMB1,000,000) after grid connection and generation of electricity. Accordingly, other payable of HK$1,261,000 had been recognised as at 31 December 2014 in this regard.

(c) Acquisition of 浙江舒奇蒙能源科技股份有限公司 ("Zhejiang Shuqimeng")

On 29 September 2014, the Group acquired 91.00% equity interest in Zhejiang Shuqimeng at a consideration of approximately HK$11,483,000 (equivalent to RMB9,100,000). Zhejiang Shuqimeng owns a 17.5MW solar farm project under development.

Following the transfer of the equity interest, both the Group and the vendor further injected capital to Zhejiang Shuqimeng by increasing its total registered capital from approximately HK$12,676,000 (equivalent to RMB10,000,000) to approximately HK$36,003,000 (equivalent to RMB28,403,000) at the same time maintaining their respective ownership of 91.00% (attributable to the Group) and 9.00% (attributable to the Seller) of the total equity interests in Zhejiang Shuqimeng.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 9.00% equity interest in Zhejiang Shuqimeng at approximately HK$3,240,000 (equivalent to RMB2,556,000) three years after the agreement date of 8 August 2014. Accordingly, other payable of HK$3,240,000 had been recognised as at 31 December 2014 in this regard.

(d) Acquisition of 哈密耀輝光伏電力有限公司 ("Hami Yaohui")

On 25 September 2014, the Group acquired 100% equity interest in Hami Yaohui at a consideration of approximately HK$12,618,000 (equivalent to RMB10,000,000). Hami Yaohui owns a 60MW solar farm project under development.

(e) Acquisition of 榆林市榆神工業區東投能源有限公司 ("YuShen")

On 25 September 2014, the Group acquired 100% equity interest in YuShen at a consideration of approximately HK$1,261,000 (equivalent to RMB1,000,000). YuShen is a 100MW solar farm project under development.

37 Acquisition of subsidiaries *(continued)*

(f) Acquisition of 內蒙古香島新能源發展有限公司 ("Inner Mongolia Xiangdao")

On 6 October 2014, the Group entered into an investment agreement with the seller, 內蒙古香島生態農業開發有限公司 ("Inner Mongolia Xiangdao Agricultural Development Company Limited"*, the "Seller"). Pursuant to and subject to the terms and conditions of the investment agreement, the seller agrees to sell to Suzhou GCL New Energy Investment 90.1% of the issued share capital of 內蒙古香島新能源開發有限公司 ("Inner Mongolia Xiangdao New Energy Development Company Limited"*, "Inner Mongolia Xiangdao") at a consideration of approximately HK$57,105,000 (equivalent to RMB45,050,000). The acquisition was completed on 22 October 2014.

Following the transfer of the equity interest, both the Group and the Seller further injected capital to Inner Mongolia Xiangdao by increasing its total registered capital from approximately HK$63,380,000 (equivalent to RMB50,000,000) to approximately HK$346,812,000 (equivalent to RMB273,600,000) at the same time maintaining their respective ownership of 90.10% (attributable to the Group) and 9.9% (attributable to the Seller) of the total equity interests in Inner Mongolia Xiangdao.

Pursuant to the investment agreement, the Group can acquire the remaining 9.90% equity interest in Inner Mongolia Xiangdao at approximately HK$34,334,000 (equivalent to RMB270,860,000). Accordingly, other payable of HK$34,334,000 had been recognised as at 31 December 2014 in this regard.

Inner Mongolia Xiangdao has two solar farm projects under development in the city of Hohhot in the Inner Mongolia Autonomous Region: (i) a 31MW photovoltaic power generation project and (ii) a 130MW building-integrated photovoltaic project.

(g) Acquisition of 橫山晶合太陽能發電有限公司 ("Hengshan")

On 28 August 2014, the Group entered into a subscription agreement with 西安黃河光伏科技有限公司 ("Huanghe Solar"). Pursuant to the agreement and subject to the terms and conditions of the agreement, the Group agreed to subscribe for 91.00% equity interest in Hengshan at a total consideration of approximately HK$103,815,000 (equivalent to RMB81,900,000). Huanghe Solar will own the remaining 9.00% of Hengshan following the completion of the agreement. The acquisition was completed on 5 November 2014. Hengshan has a 150 MW photovoltaic power generation project under development in Xian, the PRC.

Pursuant to the agreement, the Group has an obligation to acquire the remaining 9.00% equity interest in Hengshan at approximately HK$10,267,000 (equivalent to RMB8,100,000) one year after connecting to the grid. Accordingly, other payable of HK$10,267,000 had been recognised as at 31 December 2014 in this regard.

(h) Acquisition of 尚義元辰新能源開發有限公司 ("Shangyi")

On 13 November 2014, the Group acquired 95.00% equity interest in Shangyi at a consideration of approximately HK$2,408,000 (equivalent to RMB1,900,000). Shangyi owns a 50MW solar farm project under development.

Following the transfer of the equity interest above, Shangyi increased its total registered capital from approximately HK$2,535,000 (equivalent to RMB2,000,000) to approximately HK$103,106,000 (equivalent to RMB81,340,000) with same shareholding percentage.

37 Acquisition of subsidiaries *(continued)*

(i) Acquisition of 哈密歐瑞光伏發電有限公司 ("Ouri")

On 29 October 2014, the Group acquired 100% equity interest in Ouri at a consideration of approximately HK$12,676,000 (equivalent to RMB10,000,000). Ouri owns a 20MW solar farm project under development.

(j) Acquisition of 山西佳盛能源股份有限公司 ("Jiasheng")

On 17 November 2014, the Group acquired 93.33% equity interest in Jiasheng at a consideration of approximately HK$35,492,000 (equivalent to RMB28,000,000). Jiasheng owns a 20MW solar farm project under development.

Pursuant to the acquisition agreement, the Group can acquire the remaining 6.67% equity interest in Jiasheng at approximately HK$2,535,000 (equivalent to RMB2,000,000) after connecting to the grid. Accordingly, other payable of HK$2,535,000 had been recognised as at 31 December 2014 in this regard.

(k) Acquisition of 宿遷綠能電力有限公司 ("Suqian")

On 13 November 2014, the Group acquired 90.50% equity interest in Suqian at a consideration of approximately HK$2,294,000 (equivalent to RMB1,810,000). Suqian owns a 22MW solar farm project under development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 9.50% equity interest in Suqian at initial investment cost within three years from the date of acquisition agreement. Accordingly, other payable of approximately HK$241,000 (equivalent to RMB190,000) had been recognised as at 31 December 2014 in this regard.

(l) Acquisition of 寧夏盛景太陽能科技有限公司 ("Shengjing")

On 29 October 2014, the Group acquired 90.10% equity interest in Shengjing at a consideration of approximately HK$58,590,000 (equivalent to RMB46,221,000). Shengjing owns a 30MW solar farm project under development.

Pursuant to the acquisition agreement, the minority shareholders have an option to sell the remaining 9.90% equity interest in Shengjing at initial investment cost. Accordingly, other payable of approximately HK$6,438,000 (equivalent to RMB5,079,000) had been recognised as at 31 December 2014 in this regard.

(m) Acquisition of 盂縣晉陽新能源發電有限公司 ("Jinyang")

On 27 October 2014, the Group acquired 98.86% equity interest in Jinyang at a consideration of approximately HK$110,027,000 (equivalent to RMB86,800,000). Jinyang owns a 50MW solar farm project under development.

Pursuant to the acquisition agreement, the Group has an obligation to acquire the remaining 1.14% equity interest in Shengjing at initial investment cost. Accordingly, other payable of approximately HK$1,268,000 (equivalent to RMB1,000,000) had been recognised as at 31 December 2014 in this regard.

37 Acquisition of subsidiaries *(continued)*

(n) Acquisition of 海南天利科新能源項目投資有限公司 ("Tianlike")

On 11 October 2014, the Group acquired 76.47% equity interest in Tianlike at a consideration of approximately HK$41,678,000 (equivalent to RMB32,880,000). Tianlike owns a 25MW solar farm project under development.

Pursuant to the acquisition agreement, the Group can acquire the remaining 23.53% equity interest in Tianlike at initial investment cost within three years from the date of connecting the grid. Accordingly, other payable of approximately HK$12,828,000 (equivalent to RMB10,120,000) had been recognised as at 31 December 2014 in this regard.

(o) Acquisition of 海南意晟新能源有限公司 ("Yicheng")

On 12 October 2014, the Group acquired 76.74% equity interest in Yicheng at a consideration of approximately HK$41,830,000 (equivalent to RMB33,000,000). Yicheng owns a 25MW solar farm project under development. As at 31 December 2014, the Group paid consideration of approximately HK$20,281,000 (equivalent to RMB16,000,000) with outstanding payable of approximately HK$21,549,000 (equivalent to RMB17,000,000).

Pursuant to the acquisition agreement, the minority shareholders have an option to sell the remaining 23.26% equity interest in Yicheng at initial investment cost within three years from the date of connecting the grid. Accordingly, other payable of approximately HK$12,676,000 (equivalent to RMB10,000,000) had been recognised as at 31 December 2014 in this regard.

The relative fair values of assets acquired and liabilities assumed at the acquisition dates are analysed as follows:

	Jinhu Zhenghui HK$'000 (note (a))	Zheng Lan Qi HK$'000 (note (b))	Zhe jiang Shuqimeng HK$'000 (note (c))	Hami Yaohui HK$'000 (note (d))	YuShen HK$'000 (note (e))
Consideration paid/payable as at acquisition date	90,852	18,927	11,483	12,618	1,261
Assets and liabilities					
Property, plant and equipment	252	—	4,519	—	1,224
Non-current deposits and prepayments	909	—	2,000	230	7,659
Amounts due from former owners	7,851	—	5,930	—	—
Prepayments and other receivables	1,033	—	—	—	1,211
Receivables from shareholders	—	1,261	—	—	—
Cash and cash equivalents	90,901	18,927	169	12,630	—
Trade and other payables	—	—	—	(242)	(8,833)
Total identifiable net assets acquired	100,946	20,188	12,618	12,618	1,261
Consideration payable to former owner	(10,094)	(1,261)	(1,135)	—	—
	90,852	18,927	11,483	12,618	1,261
Cash consideration paid	90,852	18,927	11,483	12,618	1,261
Cash and cash equivalents acquired	90,901	18,927	169	12,630	—
Net cash inflow/(outflow)	49	—	(11,314)	12	(1,261)

37 Acquisition of subsidiaries *(continued)*

(o) Acquisition of 海南意晟新能源有限公司 ("Yicheng") *(continued)*

	Inner Mongolia Xiangdao HK$'000 (note (f))	Hengshan HK$'000 (note (g))	Shangyi HK$'000 (note (h))	Ouri HK$'000 (note (i))	Jiasheng HK$'000 (note (j))
Consideration paid/payable as at acquisition date	57,105	103,815	2,408	12,676	35,492
Assets and liabilities					
Property, plant and equipment	2,698	7,037	959	—	257
Non-current deposits and prepayments	60,680	—	—	—	—
Receivables from shareholders	—	9,634	127	—	2,491
Cash and cash equivalents	2	103,847	2,408	12,676	35,591
Trade and other payables	—	(6,436)	(959)	—	(312)
Total identifiable net assets acquired	63,380	114,082	2,535	12,676	38,027
Consideration payable to former owner	(6,275)	(10,267)	(127)	—	(2,535)
	57,105	103,815	2,408	12,676	35,492
Cash consideration paid	57,105	103,815	2,408	12,676	35,492
Cash and cash equivalents acquired	2	103,847	2,408	12,676	35,591
Net cash inflow/(outflow)	(57,103)	32	—	—	99

	Suqian HK$'000 (note (k))	Shengjing HK$'000 (note (l))	Jinyang HK$'000 (note (m))	Tianlike HK$'000 (note (n))	Yicheng HK$'000 (note (o))
Consideration paid/payable as at acquisition date	2,294	58,590	110,027	41,678	41,830
Assets and liabilities					
Property, plant and equipment	—	—	—	6,608	2,579
Non-current deposits and prepayments	—	1,268	—	6,219	9,913
Prepayments and other receivables	—	—	—	—	179
Receivables from a shareholder	241	5,158	—	—	21,549
Cash and cash equivalents	2,294	58,602	111,295	41,679	20,286
Total identifiable net assets acquired	2,535	65,028	111,295	54,506	54,506
Consideration payable to former owner	(241)	(6,438)	(1,268)	(12,828)	(34,225)
	2,294	58,590	110,027	41,678	20,281
Cash consideration paid	2,294	58,590	110,027	41,678	20,281
Cash and cash equivalents acquired	2,294	58,602	111,295	41,679	20,286
Net cash inflow	—	12	1,268	1	5

37 Acquisition of subsidiaries *(continued)*

(p) Acquisition of four solar farm projects under development from a fellow subsidiary

On 12 November 2014, the Group entered into an equity transfer agreement with 蘇州保利協鑫光伏電力投資有限公司 ("Suzhou GCL-Poly"), a subsidiary of GCL-Poly, pursuant to which the Group purchased 100% equity interest in 朔州市協鑫光伏電力有限公司 (Shuozhou GCL Solar Energy Limited*, or "Shuozhou GCL") , 酒泉協鑫新能源有限公司 (Jiuquan GCL New Energy Limited*, or "Jiuquan GCL"), 黎城協鑫光伏電力有限公司 (Licheng GCL Solar Energy Limited*, or "Licheng GCL") and 50% equity interest in Yili GCL from Suzhou GCL-Poly, subject to and in accordance with the terms and conditions of the equity transfer agreement. The consideration paid or payable by the Group was approximately HK$13,696,000 (equivalent to RMB10,805,000). Shuozhou GCL, Jiuquan GCL, Licheng GCL and Yili GCL hold solar farms of planned capacity of 50MW, 50MW, 30MW and 30MW, respectively.

The acquisitions were completed on 31 December 2014, 17 December 2014 and 19 November 2014. Except Yili GCL which was accounted for as a joint venture as disclosed in note 21, the relative fair values of assets acquired and liabilities assumed for the other three companies at the respective acquisition dates are analysed as follows:

	Shuozhou GCL HK$'000	Jiuquan GCL HK$'000	Licheng GCL HK$'000
Consideration paid/payable as at acquisition date	2,510	2,434	5,425
Assets and liabilities			
Property, plant and equipment	3,145	1	68,708
Non-current deposits and prepayments	—	—	19,340
Prepayments and other receivables	39	—	879
Cash and cash equivalents	423	2,435	10,042
Trade and other payables	(1,097)	(2)	(93,544)
Total identifiable net assets acquired	2,510	2,434	5,425
Consideration payable to former owner	(2,510)	(2,434)	(5,425)
	—	—	—
Cash consideration paid	—	—	—
Cash and cash equivalents acquired	423	2,435	10,042
Net cash inflow	423	2,435	10,042

(q) Acquisition of 德令哈協合光伏發電有限公司 ("Delingha")

On 3 December 2014, the Group, Yinhua Century Concord New Energy Investment Limited* (銀華協合新能源投資有限公司) ("Yinhua") and Century Concord Wind Power Investment Co., Ltd.*(協合風電投資有限公司) ("Century Concord") entered into a sale and purchase agreement pursuant to which the Group acquired 100% equity interest in Delingha at a consideration of approximately HK$294,828,000 (equivalent to RMB232,590,000) in cash.

37 Acquisition of subsidiaries *(continued)*

(q) Acquisition of 德令哈協合光伏發電有限公司 ("Delingha") *(continued)*

In addition, the Group conditionally agreed to acquire through Delingha, and Yinhua conditionally agreed to procure the other shareholders of Shineng to sell to Delingha, the 40% equity interest in Shineng that is owned by the Shineng other shareholders, for a consideration of not more than approximately HK$45,633,000 (equivalent to RMB36,000,000) in cash.

The acquisition of 100% equity interest in Delingha was completed on 31 December 2014. As at 31 December 2014, the acquisition of 40% equity interest in Shineng was yet to be completed and Shineng was accounted for as a joint venture of the Group as disclosed in note 21. The acquisition was accounted for using purchase method.

	HK$'000
Assets and liabilities	
Property, plant and equipment	849,920
Investment in a joint venture	41,166
Non-current deposits and prepayments	15,120
Amount due from a joint venture — non-current	27,296
Deferred income tax assets	3,725
Trade receivables	84,431
Prepayments and other receivables	73,555
Amount due from a joint venture — current	29,060
Cash and cash equivalents	77,096
Trade and other payables	(96,906)
Borrowings	(817,594)
Total identifiable net assets acquired	286,869
Consideration payable	294,828
Goodwill arising on acquisition	7,959
Less: impairment of goodwill	(7,959)
	—
Cash consideration paid as at 31 December 2014	63,380
Cash and cash equivalents acquired	77,096
Net cash inflow	13,716

Included in the cash consideration is an amount of approximately HK$31,550,000 (equivalent to RMB25,000,000) which would only be paid by the Group to Yinhua upon the occurrence of certain conditions. The Directors expect that such conditions will occur within 2015.

37 Acquisition of subsidiaries *(continued)*

(q) Acquisition of 德令哈協合光伏發電有限公司 ("Delingha") *(continued)*

Goodwill arising from the acquisition had been fully impaired with an impairment charge of HK$7,959,000 during the current period. The impairment charge represents the difference between the recoverable amount and carrying amount of this solar farm acquired which is considered as a cash generating unit ("CGU"). The recoverable amount of the CGU is determined based on the value-in-use calculation. The budgeted revenue and the annual growth rate are based on the past performance and its expectations of the market development. The discount rate of 8% used is pre-tax and reflects specific risks relating to the operation.

Impact of acquisition on the results of the Group

As Delingha was acquired on 31 December 2014, no profit or loss from Delingha was included in the loss for the period from 1 April 2014 to 31 December 2014 of the Group.

Had the acquisition of Delingha been effected at the beginning of the current period, the total amounts of revenue and the loss for the period attributable to owners of the Company for the current period would have been increased by HK$134,309,000 and decreased by HK$27,508,000 respectively. Such pro-forma financial information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the current period, nor is it intended to be a projection of future results.

In determining the above pro-forma financial information, depreciation and amortisation of the plant and equipment was calculated based on their recognised amounts at the date of the acquisition.

38 Related party transactions

At 31 March 2014, Mr Yip Sum Yin had a 36.88% beneficial interest in the Company as the single largest shareholder. After the completion of the Subscription, Placement and Conversion on 9 May 2014 as described in note 25 above, GCL-Poly and parties acting in concert with it together hold 67.99% of the total issued share capital of the Company and become the single largest controlling shareholder of the Company.

(a) Key management compensation

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Salaries and other short-term employee benefits	**32,152**	10,521
Pension costs — defined contribution plans	**14**	150
	32,166	10,671

Key management includes executive directors of the Company (year ended 31 March 2014: Directors, chief executive officer, financial controllers, general managers and company secretary).

38 Related party transactions *(continued)*

(b) Leases of factories

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Mr. Yip Sum Yin	**189**	252
Madam Yu Hung Min and Mr. Yip Wing Fung (the son of Mr. Yip Sum Yin and Madam Yu Hung Min)	**185**	246
Dyford Industries Limited ("Dyford")	**374**	498
	748	996

Leases of factories from the Directors and Dyford are based on terms mutually agreed between the Group and the respective related parties. Dyford is an entity controlled by Mr. Yip Sum Yin and Madam Yu Hung Min (the spouse of Mr. Yip Sum Yin).

(c) Management services income

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
蘇州保利協鑫光伏電力投資有限公司 (Suzhou GCL-Poly Solar Power Investment Ltd.*) ("Suzhou GCL-Poly")	**19,974**	—

* English name for identification only

南京協鑫新能源發展有限公司 (Nanjing GCL New Energy Development Limited*), an indirect wholly owned subsidiary of the Company, provided operation and management services to the solar farms of Suzhou GCL-Poly and its subsidiaries during the period from 1 April 2014 to 31 December 2014 under the terms and conditions set out in the relevant operation service agreement. Suzhou GCL-Poly is a subsidiary of GCL-Poly.

38 Related party transactions *(continued)*

(d) Office service fees

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
Peaceful Power Limited	**2,986**	—

Peaceful Power Limited provided office services to GCL New Energy Management Limited, an indirect wholly owned subsidiary of the Company, at prices mutually agreed by the two parties. Peaceful Power Limited is a subsidiary of GCL-Poly.

(e) Interest on loan from a fellow subsidiary

	Group	
	Period from 1 April 2014 to 31 December 2014 HK$'000	Year ended 31 March 2014 HK$'000
保利協鑫(蘇州)新能源有限公司 (GCL-Poly (Suzhou) New Energy Company Limited*) ("GCL-Poly (Suzhou)")	**1,229**	—

* English name for identification only

Loan from GCL-Poly (Suzhou) was unsecured, interest-bearing at fixed rate of 5.6% per annum with a term of three months. The loan balance was denominated in RMB.

38 Related party transactions *(continued)*

(f) Save as disclosed in note 27 for loan from a fellow subsidiary and note 29 with respect to the shareholder's loan, the Group had the following balances with related parties.

	Group	
	At 31 December 2014 HK$'000	At 31 March 2014 HK$'000
Receivables from related parties		
— A joint venture — non-current	**27,296**	—
— A joint venture — current	**29,060**	—
— Fellow subsidiaries	**16,104**	—
	72,460	—
Payables to fellow subsidiaries	**56,882**	—

The amounts due from a joint venture and amounts due from/to fellow subsidiaries were unsecured, interest-free and had no fixed terms of repayment. Certain portion of the amount due from a joint venture is expected to be realised after twelve months from the reporting date, which is classified as non-current assets.

(g) Acquisition of companies

On 12 November 2014, the Group entered into an equity transfer agreement with Suzhou GCL-Poly, a subsidiary of GCL-Poly Energy Holdings Limited, pursuant to which the Group purchased 100% equity interests in Shuozhou GCL, Jiuquan GCL, Licheng GCL and 50% equity interests in Yili GCL from Suzhou GCL-Poly. Please refer to notes 37(p) and 21 for details.

(h) Guarantees granted by a fellow subsidiary

At 31 December 2014, certain bank loans of the Group amounting to approximately HK$697,173,000 were guaranteed by a fellow subsidiary (note 29(a)).

39 Events after the reporting period

(a) Agreements for engineering, procurement and construction service

On 6 January 2015, the Group entered into agreements with two contractors which undertook to provide design, procurement and construction services of photovoltaic power plants with an aggregate capability of 200MW in Shangyi city in Hebei province, Yulin city in Shaanxi province and Zhenglanqi in Inner Mongolia Autonomous Region, the PRC. The aggregate consideration for the services under these agreements is approximately HK$1,491,559,000 (equivalent to RMB1,195,255,000).

(b) Solar module purchase agreement

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

39 Events after the reporting period *(continued)*

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

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

Pursuant to the Cooperation Agreement:

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

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

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

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

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

On 30 December 2014, the Group entered into equity purchase agreements with Zhongli Solar Technology and Changshu Zhongli Solar, pursuant to which the Group agreed to acquire two solar farm project companies (the "Target Companies") for a total consideration of approximately HK$18,698,000 (equivalent to RMB15,000,000). On the same date, two wholly owned subsidiaries of the Target Companies entered into EPC services agreements with Zhongli Solar Technology under which Zhongli Solar Technology was engaged to provide the engineering, procurement and construction services in relation to the photovoltaic solar power stations in Baotou City, Inner Mongolia Autonomous Region, the PRC and Gonghe county, Qinghai Province, PRC, respectively. The aggregate consideration under the various agreements (including the above equity purchase agreements) is approximately HK$1,020,260,000 (equivalent to RMB818,500,000). Up to the date of this report, the transactions have not been completed.

* English name for identification only

40 Particulars of subsidiaries

The following is a list of the principal subsidiaries as at 31 December 2014:

PCB business

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital/paid-in capital	Interest held At 31 December 2014 %	Interest held At 31 March 2014 %
Directly held:					
Same Time International (B.V.I.) Limited	British Virgin Islands ("BVI")	Investment holding	50,000 ordinary shares of US$1 each	**100**	100
Indirectly held:					
東莞紅板多層線路板有限公司 Dongguan Red Board Limited [1, 2]	PRC	Manufacture and sale of printed circuit boards	HK$250,000,000	**100**	100
紅板（江西）有限公司 Red Board (Jiangxi) Limited [1, 2]	PRC	Manufacture and sale of printed circuit boards	HK$373,969,000	**100**	100
Red Board Limited	Hong Kong	Sale of printed circuit boards	Ordinary shares — HK$4 Non-voting deferred shares — HK$5,000,000	**100**	100
Same Time Electronics (B.V.I.) Limited	BVI/PRC	Property holding	1 ordinary share of US$1	**100**	100

Solar energy business

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital/paid-in capital	Interest held At 31 December 2014 %	Interest held At 31 March 2014 %
協鑫新能源投資（中國）有限公司 GCL New Energy Investment (China) Co., Ltd.[1]	PRC	Investment holding	USD299,000,000	**100**	—
南京協鑫新能源發展有限公司 Nanjing GCL New Energy Development Co., Ltd.[1]	PRC	Investment holding	USD200,000,000	**100**	—
蘇州協鑫新能源投資有限公司 Suzhou GCL New Energy Investment Co., Ltd.[1]	PRC	Investment holding	RMB3,000,000,000	**100**	—
南京協鑫新能源科技有限公司 Nanjing GCL New Energy Technology Co., Ltd.[1]	PRC	Investment holding	RMB300,000,000	**100**	—
金湖正輝太陽能電力有限公司 Jinhu Zhenhui Photovoltaic Co., Ltd.[1]	PRC	Operation of solar farm	RMB160,600,000	**95.02**	—
哈密耀輝光伏電力有限公司 Hami Yaohui Photovoltaic Co., Ltd.[1]	PRC	Operation of solar farm	RMB118,600,000	**100**	—
榆林市榆神工業區東投能源有限公司 Yulin City Yushen Industrial Zone Dongtou Energy Co., Ltd.[1]	PRC	Operation of solar farm	RMB170,000,000	**100**	—
尚義元辰新能源開發有限公司 Shangyi Yuanchen New Energy Development Co., Ltd.[1]	PRC	Operation of solar farm	RMB81,340,000	**95**	—
寶應鑫源光伏發電有限公司 Baoying Xinyuan Photovoltaic Power Generation Co., Ltd.[1]	PRC	Operation of solar farm	RMB10,000,000	**100**	—
寧夏盛景太陽能科技有限公司 Ningxia Shengjing Solar Power Technology Co., Ltd.[1]	PRC	Operation of solar farm	RMB51,300,000	**90.1**	—

40 Particulars of subsidiaries *(continued)*

Solar energy business *(continued)*

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital/paid-in capital	Interest held	
				At 31 December 2014 %	At 31 March 2014 %
Indirectly held: (continued)					
盂縣晉陽新能源發電有限公司 Yu County Jinyang New Energy Power Generation Co., Ltd.[1]	PRC	Operation of solar farm	RMB87,800,000	**98.86**	—
內蒙古香島新能源發展有限公司 Inner Mongolia Xiangdao New Energy Development Co., Ltd.[1]	PRC	Operation of solar farm	RMB273,600,000	**90.1**	—
酒泉協鑫新能源有限公司 Jiuquan GCL New Energy Ltd.[1]	PRC	Operation of solar farm	RMB2,000,000	**100**	—
朔州市協鑫光伏電力有限公司 Shuozhou GCL Solar Energy Ltd.[1]	PRC	Operation of solar farm	RMB2,000,000	**100**	—
德令哈協合光伏發電有限公司 Delingha Century Concord Photovoltaic Power Co., Ltd.[1]	PRC	Operation of solar farm	RMB222,000,000	**100**	—
黎城協鑫光伏電力有限公司 Licheng GCL Solar Energy Ltd.[1]	PRC	Operation of solar farm	RMB52,540,000	**100**	—
宿遷綠能電力有限公司 Suqian Luneng Solar Power Co., Ltd[1]	PRC	Operation of solar farm	RMB2,000,000	**90.5**	—
浙江舒奇蒙電力科技有限公司 Zhejiang Shuqimeng Electricity Science and Technology Co., Ltd. [1]	PRC	Operation of solar farm	RMB28,402,500	**91**	—
哈密歐瑞光伏發電有限公司 Hami Ourui Photovoltaic Power Generation Co., Ltd[1]	PRC	Operation of solar farm	RMB36,000,000	**100**	—
橫山晶合太陽能發電有限公司 Hengshan Jinghe Solar Energy Co., Ltd. [1]	PRC	Operation of solar farm	RMB90,000,000	**91**	—
正藍旗國電光伏發電有限公司 Zhenglanqi State Power Photovoltaic Co., Ltd.[1]	PRC	Operation of solar farm	RMB85,000,000	**93.75**	—
山西佳盛能源股份有限公司 Shanxi Jiasheng Energy Holding Ltd.[1]	PRC	Operation of solar farm	RMB10,000,000	**93.33**	—
海南意晟新能源有限公司 Hainan Yisheng New Energy Co., Ltd.[1]	PRC	Operation of solar farm	RMB43,000,000	**76.74**	—
海南天利科新能源項目投資有限公司 Hainan Tianlike New Energy Project Investment Co., Ltd.[1]	PRC	Operation of solar farm	RMB43,000,000	**76.47**	—

1 English name for identification

2 Wholly-owned foreign enterprises

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial period/years is set out below:

	Nine months ended 31 December 2014 HK$'000	For the year ended 31 March 2014 HK$'000 (restated)	2013 HK$'000 (restated)	2012 HK$'000 (restated)	2011 HK$'000 (restated)
Results					
Revenue	**1,172,864**	1,579,782	1,424,017	1,528,180	1,332,336
(Loss)/profit attributable to owners of the Company	**(112,691)**	(173,309)	(173,633)	(216)	7,375

	As at 31 December 2014 HK$'000	As at 31 March 2014 HK$'000 (restated)	2013 HK$'000 (restated)	2012 HK$'000 (restated)	2011 HK$'000 (restated)
Assets and liabilities					
Total assets	**9,968,047**	1,518,646	1,522,136	1,512,571	1,538,270
Total liabilities	**(7,066,892)**	(1,297,952)	(1,148,934)	(1,039,076)	(1,121,279)
Total equity	**2,901,155**	220,694	373,202	473,495	416,991

The financial year end date of GCL New Energy Holdings Limited has been changed from 31 March to 31 December commencing from the financial period ended 31 December 2014.

Attention should be drawn to the fact that the comparative figures presented herein are for the years ended 31 March 2011 (restated), 2012 (restated), 2013 (restated) and 2014 (restated). The difference in duration of the financial periods should be considered when making year-on-year comparisons.

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