GOLDPOLY NEW ENERGY HOLDINGS LIMITED

金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

On behalf of the Board, I would like to extend my sincere gratitude to our shareholders, customers and business partners for their continued support. May I also thank my fellow directors and our staff for their dedication and contribution.

RESULTS AND DIVIDEND

During the year ended 31 December 2010, the Group's consolidated revenue was HK$249.1 million (2009: HK$97.4 million) of which HK$124.3 million was derived from fashion apparel retail business and HK$124.7 million was derived from the solar energy business acquired on 25 October 2010. Gross profit in the reported year was HK$109.3 million (2009: HK$ 61.9 million). The increase in gross profit was mainly due to contribution from the solar energy business. The net profit contribution from the solar energy business was HK$20.6 million, net loss contribution from the retail business was HK$11.1 million, imputed interest from the issuance of convertible bonds with notional principal of HK$850 million was HK$9.6 million and professional fees incurred mainly for the acquisition of solar energy business and fund raising activities during the year was HK$12.7 million. In aggregate, the consolidated net loss for the year ended 31 December 2010 amounted to approximately HK$15.1 million (2009: HK$24.4 million).

The directors do not recommend the payment of any dividend in respect of the year ended 31 December 2010 (Year ended 31 December 2009: Nil).

THE VERY SUBSTANTIAL ACQUISITION

During the year under review, the Group acquired the solar energy business. The consideration is satisfied by (i) cash of HK$100 million, (ii) issuance of 92,936,803 consideration shares and (iii) 5 year zero coupon convertible notes with notional principal of HK$850 million. Completion took place on 25 October 2010, and Goldpoly International Limited ("Goldpoly") and its subsidiaries became wholly-owned subsidiaries of the Company and the financial results of the Goldpoly group were consolidated into the financial statements of the Group thereon.

* *For identification purpose only*

ADMINISTRATIVE EXPENSES

Administrative expenses for the year ended 31 December 2010 was approximately HK$59.6 million (2009: HK$46.2 million) which included administrative expenses of the newly acquired solar energy business for the two months ended 31 December 2010 of approximately HK$6.5 million. The legal and professional fees increased significantly to HK$12.7 million in the year ended 31 December 2010, as compared to HK$0.8 million in the previous year. Such drastic increase mainly related to the necessary legal and professional fees incurred for the various fund raising activities and the very substantial acquisition conducted by the Company during the year under review.

FINANCE COSTS

Net finance costs for the year ended 31 December 2010 was approximately HK$11.1 million (2009: HK$0.1 million) which included interest expenses on convertible notes of approximately HK$9.8 million (2009: nil).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2010, the Group had net current liabilities of approximately HK$15.9 million (2009: net current assets of HK$20.3 million). The current assets mainly comprised inventories of approximately HK$98.6 million (2009: HK$23.9 million), deposits and prepayments of approximately HK$64.4 million (2009: HK$3.4 million), trade receivable of approximately HK$4.4 million (2009: HK$0.8 million) and bank balances and cash of approximately HK$117.2 million (2009: HK$3.0 million). The Group had total assets of approximately HK$2,664.0 million (2009: HK$78.1 million), current liabilities of approximately HK$342.2 million (2009: HK$39.1 million), non-current liabilities of approximately HK$573.3 million (2009: HK$2.1 million) and shareholders' equity of approximately HK$1,748.5 million (2009: HK$36.9 million).

The overall gearing ratio for the year reduced to 3.8% (2009: 29.5%) with total loans of approximately HK$100.1 million (2009: HK$23.0 million) and total assets of approximately HK$2,664.0 million (2009: HK$78.1 million) as at 31 December 2010. Overall gearing ratio is defined as total bank borrowings, shareholders' loan and other loans over total assets.

The Group recorded a net cash outflow from operating activities of approximately HK$11.7 million (2009: HK$21.3 million) for the year ended 31 December 2010. With regard to the financing activities, the Group repaid an aggregate of secured bank borrowings of approximately HK$35.1 million (2009: HK$8.2 million) and obtained new secured bank borrowings of an aggregate of HK$34.1 million (2009: HK$8.4 million), the Group issued new shares and the net proceeds was HK$195.4 million during the year under review.

The Group generally finances its operations with internally generated cash flows and loan facilities provided by banks and financial institutions in Hong Kong and the PRC.

During the year under review, various fund raising activities had been conducted by the Company. Total net proceeds from the issue of Convertible Debentures on 22 April 2010, 9 June 2010 and 20 October 2010 of approximately HK$24.4 million had been used as general working capital of the Group. On 25 June 2010, net proceeds of approximately HK$32 million from the Open Offer was received, whereby approximately HK$27.5 million had been used for general working capital and approximately HK$4.5 million for repayment of outstanding loans of the Group. Placing of 280,000,000 new shares on 25 October 2010 further raised approximately HK$133.5 million, whereby HK$100 million was used for the partial settlement of solar energy business acquisition with the remaining balance of approximately HK$33.5 million for general working capital.

As at 31 December 2010, the total outstanding short-term borrowings stood at approximately HK$85.8 million (2009: HK$2.2 million). The Group's borrowings mainly include bank loans and other loans from financial institutions. The Group had no interest rate hedging arrangement during the year under review.

BUSINESS REVIEW AND PROSPECT

Year 2010 was a year full of changes and challenges. Apart from the fashion apparel retail business, the Group was successful in diversifying into the solar energy business with the objective to broaden its source of income. Various fund raising activities, such as Open Offer, Placing and issue of Convertible Debentures, were carried out throughout the year to finance the Group's expansion strategies and general working capital. With the approval by shareholders at the special general meeting on 14 January 2011, the Company has changed its name from "Time Infrastructure Holdings Limited" to "Goldpoly New Energy Holdings Limited" to reflect the diversification of the businesses of the Group and to signify the new identity of the Company following the completion of the substantial acquisition of solar energy business on 25 October 2010.

The Group is engaged in the following major businesses, namely:

— Fashion apparel retail business;

— Manufacturing and distribution of solar cells

Fashion apparel retail business:

Turnover was approximately HK$124.3 million, which indicated an increase of 27.6% from last financial year, marked by recovery in consumer confidence, improvement in labour market conditions and better economic outlook.

Although the fashion apparel retail business continued to face keen competition, retail sales were seen to improve notably. The continued global economic growth and the improved labor market conditions further boosted the consumer spending sentiment. As at 31 December 2010, the Group has retained its well established retail network in Hong Kong with a total of 13 retail outlets located at prime shopping areas in Hong Kong. In April 2010, one retail store has been strategically opened at China Hong Kong

City, Tsimshatsui following the closure of store at New World Centre, Tsimshatsui. In addition, two retail outlets located at Causeway Bay and Shatin, were closed upon expiry of lease during the year under review.

The gross profit from retail operation for the year ended 31 December 2010 was approximately HK$80.2 million, with a gross profit margin of approximately 64.5% (2009: gross profit of approximately HK$61.9 million, with a gross profit margin of approximately 63.5%). Net loss of the retail operation for the year ended 31 December 2010 amounted to approximately HK$11.1 million (2009: HK$20.3million). The decrease in net loss was mainly due to improvement in turnover. The retail group was facing keen competition of fashion apparel retail market and there were high operating costs during the year under review.

Manufacturing and distribution of solar cells

For the period post acquisition to year end, namely end of October 2010 to December 2010, Goldpoly's solar business had HK$124.7 million of revenue, where approximately 94% were sales of solar energy related products and 6% processing services. During the 4th quarter of 2010, for the most part, the photovoltaic ("PV") market saw adequate demand but a cautious sentiment was prevalent within the industry due to the uncertainty over the PV subsidy/Feed in Tariff ("FIT") policy in some European countries, where most of the end-market demand was originating.

The solar energy business achieved gross profit of HK$29.1 million and net profit of HK$20.6 million, which translated to gross and net margin of 23.3% and 16.5% respectively. Running largely on 100 megawatts ("MW") of cell production facilities, the Group made substantial progress on ramping up the newly added 100 MW of production equipment. Going into 2011, to maintain profitability, the management put great emphasis on expanding production capacities, improving the efficiency of our solar cells, stabilizing the supply of key raw materials like wafer and silver paste, and controlling operating expenses.

For the last two months of 2010, Goldpoly made some important strides in its business operations. We entered into a long term purchase contract with a subsidiary of GCL-Poly Energy Holdings Limited, the largest polysilicon producer in China, which should help the Group in securing a stable supply of silicon wafers. The Group made a RMB25.0 million deposits as agreed in the contract. A wafer price adjustment mechanism was built into the agreement. The Group also made approximately RMB44.8 million of prepayment to production equipment providers for capacity enhancement.

PROSPECT

Both fashion apparel retail business and solar energy business are now the principal activities of the Group. Our management team is well prepared to respond efficiently the ever changing environment to ensure the Group will remain firmly on the path to sustainable and profitable growth over the long term.

With respect to the fashion apparel retail business, the Group will continue to develop "Gay Giano" and "Cour Carre" brands. The Group will continue to maintain its retail network and locate cautiously its retail outlets at prime shopping areas with high potential urban markets and reasonable rental.

Since the Group's fashion apparel retail business depends, in part, on the ability to shape, stimulate and anticipate consumer demand by producing fashionable and functional products, the Group has a dedicated design team to exploit the trending categories, launch new categories so as to be more responsive to fashion and consumer trends and to respond more efficiently to changing circumstances. Besides, the Group will continue to refine its sourcing strategy on the selection of suppliers to maintain and enhance product quality and to better control the related costs, and ultimately to maximize the gross profit. Effort to invest continues in both brand and business — including retail outlets, product development, people and infrastructure. Different marketing and promotional campaigns will be initiated to enhance the Group's brand image and increase consumer awareness of the Group's two brands.

With respect to our solar energy business, the Group will continue to devote significant resources to research and development in order to keep up with customer needs and market demands. We will also select key suppliers and customers to form strategic partnerships. For the industry as a whole, in the short term, there could be some market volatility because the business activities are still closely linked to countries' policies on subsidy/FIT programs. Europe has been absorbing most of the demands in the past few years, but going forward we shall see rising demand from North America and Asia. By forming strategic partnerships with selective module and end market players in regions on the rise we will be able to better secure our future sales.

In view of the growing demand for solar power and the importance of the economies of scale in the industry, the Group is looking to increase production capacities by 250 MW in 2011. We believe that by such expansion we will enhance our market presence and reduce our costs per wattage produced. Funding for the expansion is likely to be a combination of equity and debt. The newer production equipment will allow us to enhance the conversion efficiency of our solar cells. The decision is made through comprehensive analysis on current and future market conditions and the Group's competitive advantage. The management has experiences ramping up production in 2010 so we are confident we will be able to manage the expansion effectively.

Recognizing that the trading environment is likely to be volatile, our management will closely monitor the conditions carefully and quickly respond to new opportunities and emerging risks. The Group remains confident that it possesses the brand, strategy and management team to continue to prosper in the years ahead and aims to maximize the returns to its shareholders.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2010, the Group had 180 (2009: 179) full-time employees in Hong Kong and 770 (2009: 218) full-time employees in the PRC. The total number of full-time employees of the Group was 950 (2009: 397). The Group has a share option scheme for the benefits of its directors, consultants and eligible employees.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2010

	Note	2010 HK$'000	2009 HK$'000
Revenue	3	**249,078**	97,452
Cost of sales		**(139,811)**	(35,546)
Gross profit		**109,267**	61,906
Other income		**473**	821
Other gains — net		**432**	1,636
Distribution costs		**(54,911)**	(42,465)
Administrative expenses		**(59,636)**	(46,222)
Operating loss		**(4,375)**	(24,324)
Finance income		**1,641**	2
Finance costs		**(11,098)**	(110)
Finance costs — net	7	**(9,457)**	(108)
Loss before income tax		**(13,832)**	(24,432)
Income tax expense	8	**(1,257)**	—
Loss for the year attributable to shareholders of the Company		**(15,089)**	(24,432)
Loss per share			
— basic (HK cents)	9	**(4.07)**	(9.82)
— diluted (HK cents)	9	**(0.80)**	(9.82)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

	2010	2009
	HK$'000	*HK$'000*
Loss for the year	**(15,089)**	(24,432)
Other comprehensive income:		
Exchange differences arising on translation of financial statements of subsidiaries	**(23)**	—
Total other comprehensive loss for the year, net of tax	**(23)**	—
Total comprehensive loss for the year attributable to shareholders of the Company	**(15,112)**	(24,432)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

	Note	2010 HK$'000	2009 HK$'000
ASSETS			
Non-current assets			
Land use rights		**134,620**	—
Property, plant and equipment		**371,690**	4,638
Investment properties		**13,364**	7,100
Intangible assets	*10*	**1,753,554**	—
Rental deposits		**7,095**	6,933
Prepayments for the purchase of plant and equipment		**57,371**	—
		2,337,694	18,671
Current assets			
Inventories		**98,563**	23,924
Trade receivables, deposits and prepayments	*11*	**68,762**	4,234
Tax recoverable		**—**	61
Other loan receivable	*12*	**—**	28,200
Pledged bank deposits		**41,781**	—
Cash and bank balances		**117,208**	2,994
		326,314	59,413
Current liabilities			
Trade payables, other payables and accruals	*13*	**237,835**	16,031
Amounts due to shareholders		**14,300**	16,300
Other loan		**—**	4,500
Bank borrowings		**85,757**	2,212
Obligation under finance lease		**—**	49
Tax payable		**4,339**	—
		342,231	39,092
Net current (liabilities)/assets		**(15,917)**	20,321
Total assets less current liabilities		**2,321,777**	38,992
Non-current liabilities			
Convertible notes		**540,768**	—
Provision for long service payments		**1,913**	2,136
Deferred tax liabilities		**30,593**	—
		573,274	2,136
Net assets		**1,748,503**	36,856
Capital and reserves attributable to shareholders of the Company			
Share capital		**73,241**	24,884
Reserves		**1,675,262**	11,972
Total equity		**1,748,503**	36,856

Notes:

1 GENERAL INFORMATION

Goldpoly New Energy Holdings Limited (formerly known as Time Infrastructure Holdings Limited) (the "Company") and its subsidiaries (hereafter collectively referred as to the "Group") are principally engaged in fashion apparel retail business and manufacturing, sale and provision of subcontracting services of solar energy related products.

The Company is an exempted limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 30 March 2011.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property.

As at 31 December 2010, the Group had net current liabilities of HK$15,917,000. The directors considered that the Group is able to operate within the level of its current financing by utilising committed banking facilities made available to the Group and the planned fund raising activities. Accordingly, the directors consider that it is appropriate to adopt a going concern basis in preparing the Group's consolidated financial statements.

On 7 February 2011, the Company issued 125,370,000 shares at HK$1.45 each and raised approximately HK$179,800,000 for general working capital purposes.

(i) *New standards, revised standards and amendments and interpretations to standards that are effective in 2010 and have been adopted by the Group*

- HKFRS 3 (revised) "Business combinations", and consequential amendments to HKAS 27 "Consolidated and separate financial statements", HKAS 28 "Investments in associates", and HKAS 31, "Interests in joint ventures", are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

  The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with HKFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

  HKAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss.

- Hong Kong Interpretation 5 Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause. The classification of a term loan shall depend on whether or not the borrower has an unconditional right to defer payment for at least twelve months after the reporting period. Consequently, amounts repayable under a loan agreement which includes a clause that gives the lender the unconditional right to call the loan at any time shall be classified by the borrower as current in its statement of financial position. The adoption of this interpretation does not have any significant impact to the consolidated financial statements of the Company.

(ii) *New standards, revised standards and amendments and interpretations to existing standards that are effective in 2010 but do not have significant impact to the Group*

HKAS 1 (Amendment)	Presentation of Financial Statements
HKAS 17 (Amendment)	Leases
HKAS 36 (Amendment)	Impairment of Assets
HKAS 39 (Amendment)	Eligible hedged items
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters
HKFRS 2 (Amendment)	Group Cash-Settled Share-Based Payment Transactions
HKFRS 5 (Amendment)	Non-Current Assets Held for Sales and Discontinued Operations
HK(IFRIC) - Int 9	Reassessment of Embedded Derivatives and HKAS 39, Financial Instruments: Recognition and Measurement

(iii) *New standards, revised standards and amendment and interpretation to existing standards that are not yet effective in 2010 and have not been early adopted by the Group*

		Effective for annual periods beginning on or after
HKAS 32 (Amendment)	Classification of Rights Issues	1 February 2010
Amendment to HKFRS 1	Limited Exemption of Comparative HKFRS 7 Disclosure for First-time Adopters	1 July 2010
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
HKAS 24 (Revised)	Related Party Disclosures	1 January 2011
HK(IFRIC) - Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement	1 January 2011
HKFRS 1 (Amendment)	Servere Hyperinflation and removal of fixed dates for first time adopters	
HKFRS 7 (Amendment)	Disclosure — Transfer of Financial Assets	1 July 2011
HKAS 12 (Amendment)	Deferred tax: Recovery of underlying assets	1 January 2012
HKFRS 9	Financial Instruments	1 January 2013

(iv) *HKICPA's third annual improvements project to HKFRS*

HKICPA's third annual improvements project to HKFRS have been published in May 2010. These improvements to HKFRS have introduced certain amendments to those standards set out below. These amendments are not effective in 2010 and have not been early adopted. The Group is assessing the impact of these amendments. The Group will apply these amendments from 1 January 2011.

- HKFRS 3 (Revised) (Amendment) "Business Combinations"
- HKFRS 1 (Amendment) "First-time Adoption of Hong Kong Financial Reporting Standards"
- HKFRS 7 (Amendment) "Financial Instruments: Disclosures"
- HKAS 1 (Amendment) "Presentation of Financial Statements"
- HKAS 27 (Revised (Amendment) "Consolidation and Separate Financial Statements"
- HKAS 34 (Amendment) "Interim Financial Reporting"
- HK (IFRIC) Int 13 (Amendment) "Customer Loyalty programmes"

3 REVENUE

The Group is principally engaged in the fashion apparel retail business and manufacturing, sale and provision of subcontracting services of solar energy related products. Revenue consists of turnover recognised under the following business activities:

	2010	2009
	HK$'000	*HK$'000*
Sales of retail fashion	**124,333**	97,452
Sales of solar energy related products	**117,227**	—
Subcontracting services income	**7,518**	—
	249,078	97,452

4 SEGMENT INFORMATION

The Chief Operation Decision-Maker ("CODM") has been identified as the board of directors of the Company. CODM reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments.

There are two operating segments, namely retail fashioning and solar energy. Other operation includes corporate functions managed by the Group management.

The Company is domiciled in Hong Kong. Revenue derived from Hong Kong and other countries is HK$124,333,000 (2009: HK$97,452,000) and HK$124,745,000 (2009: Nil) respectively.

Approximately 98% of the Group's land use rights, property, plant and equipment and investment properties are located in Mainland China while the remaining 2% are located in Hong Kong.

For the year ended 31 December 2010, there were three customers in the "solar energy" segment who individually contributed over 10% of the total revenue. The total revenue contributed by these customers amounted to HK$40,619,000.

	For the year ended 31 December 2010			
	Retail fashioning	**Solar Energy**	**Corporate function**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Revenue	**124,333**	**124,745**	**—**	**249,078**
Gross profit	**80,158**	**29,109**	**—**	**109,267**
Operating (loss)/profit	**(11,126)**	**21,373**	**(14,622)**	**(4,375)**
Finance costs — net	**39**	**422**	**(9,918)**	**(9,457)**
Income tax expense	**(45)**	**(1,212)**	**—**	**(1,257)**
(Loss)/profit attributable to shareholders	**(11,132)**	**20,583**	**(24,540)**	**(15,089)**
Other information:				
Depreciation and amortisation	**(2,627)**	**(6,092)**	**—**	**(8,719)**
Capital expenditure	**(3,259)**	**(14,485)**	**—**	**(17,744)**

	For the year ended 31 December 2009			
	Retail fashioning	Solar energy	Corporate function	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	97,452	—	—	97,452
Gross profit	61,906	—	—	61,906
Operating loss	(20,205)	—	(4,119)	(24,324)
Finance costs — net	(64)	—	(44)	(108)
Loss attributable to shareholders	(20,269)	—	(4,163)	(24,432)
Other information:				
Depreciation and amortisation	(2,360)	—	—	(2,360)
Capital expenditure	(1,897)	—	—	(1,897)

	As at 31 December 2010			
	Retail fashioning	**Solar energy**	**Corporate function**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Total assets	**59,854**	**2,590,202**	**13,952**	**2,664,008**
Total liabilities	**(15,884)**	**(357,081)**	**(542,540)**	**(915,505)**

	As at 31 December 2009			
	Retail fashioning	Solar energy	Corporate function	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Total assets	49,563	—	28,521	78,084
Total liabilities	(18,061)	—	(23,167)	(41,228)

5 OTHER INCOME AND OTHER GAINS, NET

	2010	2009
	HK$'000	*HK$'000*
Other income		
Rental income	**121**	228
Royalty fee income	**119**	475
Others	**233**	118
	473	821
Other gains, net		
Fair value gain on investment property	**400**	1,800
Exchange gains/(losses)	**32**	(164)
	432	1,636

6 EXPENSES BY NATURE

	2010	2009
	HK$'000	*HK$'000*
Cost of inventories	**117,058**	35,320
Provision/(write back of provision) for inventories obsolescence	**703**	(4,412)
Amortisation of land use rights	**494**	—
Amortisation of intangible assets	**1,461**	—
Depreciation of property, plant and equipment	**6,764**	2,360
Staff costs (including Directors' emoluments)	**52,947**	44,636
Auditor's remuneration	**944**	676
(Gain)/loss on disposal of property, plant and equipment	**(29)**	116
Operating leases rentals in respect of land and buildings		
— Minimum lease payments under operating leases	**31,021**	29,996
— Contingent rental payments	**958**	444
Legal and professional fees	**12,711**	760
Other expenses	**29,326**	14,337
Total cost of sales, distribution costs and administrative expenses	**254,358**	124,233

7 FINANCE COSTS, NET

	2010	2009
	HK$'000	*HK$'000*
Finance income:		
Interest income on bank balances and deposits	**170**	2
Exchange gains on bank borrowings	**1,471**	—
	1,641	2
Finance costs:		
Interest expense on bank borrowings — wholly repayable within five years	**(1,175)**	(52)
Interest on finance lease	**(5)**	(14)
Interest on other loan	**(125)**	(44)
Imputed interest expense on convertible notes	**(9,793)**	—
	(11,098)	(110)
Finance cost, net	**(9,457)**	(108)

8 INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group has no assessment profit derived from Hong Kong for the year (2009: nil).

The Group's operations in Mainland China are subject to PRC corporate income tax law of the People's Republic of China ("PRC corporate income tax"). The standard PRC corporate income tax rate is 25%. One of the subsidiaries of the Group, namely Goldpoly (Quanzhou) Science & Technology Industry Co., Ltd. was exempted from the PRC corporate income tax in year 2008 and 2009 and followed by a 50% reduction in the PRC corporate income tax from year 2010 to 2012.

The amount of tax charged to the consolidated income statement represents:

	2010	2009
	HK$'000	*HK$'000*
Corporate income tax in Mainland China	**1,494**	—
Deferred income tax	**(237)**	—
	1,257	—

9 LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2010	2009
Loss attributable to shareholders of the Company (HK$'000)	**15,089**	24,432
Weighted average number of ordinary shares in issue (thousand shares)	**370,427**	248,840
Basic loss per share (HK cents)	**4.07**	9.82

(b) Diluted

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

	2010	2009
Loss attributable to shareholders of the Company (HK$'000)	**15,089**	24,432
Imputed interest expense on convertible notes, net of tax (HK$'000)	**9,793**	—
Loss used to determine diluted loss per share (HK$'000)	**5,296**	24,432
Weighted average number of ordinary shares in issue (thousand shares)	**370,427**	248,840
Adjustments for:		
Assumed conversion of convertible notes (thousand shares)	**292,823**	—
Share options (thousand shares)	**1,640**	—
	664,890	248,840
Diluted loss per share (HK cents)	**0.80**	9.82

10 INTANGIBLE ASSETS

	Goodwill	Unfinished Sales Contracts	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 January 2009 and 31 December 2009			
Cost	—	—	—
Accumulated amortisation	—	—	—
Net book amount	—	—	—
Year ended 31 December 2010			
Opening net book amount	—	—	—
Acquisition of subsidiaries	1,744,788	10,227	1,755,015
Amortisation charge	—	(1,461)	(1,461)
Closing net book amount	1,744,788	8,766	1,753,554
At 31 December 2010			
Cost	1,744,788	10,227	1,755,015
Accumulated amortisation	—	(1,461)	(1,461)
Net book amount	1,744,788	8,766	1,753,554

11 TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group	
	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**4,411**	826
Prepayment for purchase of plant and equipment	**57,371**	—
Rental deposits	**8,593**	8,509
Value-added tax recoverable	**16,246**	—
Prepayment for raw materials	**33,875**	—
Other deposits and prepayments	**12,732**	1,832
	133,228	11,167
Less non-current portion:	**(64,466)**	(6,933)
Current portion	**68,762**	4,234

The Group generally requires customers to pay deposits and settle in full upon delivery of goods. Credit period of one to two months is granted to some of its customers. The Group has set a maximum credit limit for each customer. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management of the Company.

The ageing analysis of trade debtors is as follows:

	2010	2009
	HK$'000	*HK$'000*
Not yet due	**828**	826
1–30 days	**—**	—
31–60 days	**3,583**	—
	4,411	826

12 OTHER LOAN RECEIVABLE

Other loan receivable represented payment in September 2008 for an option to acquire two toll road entities located in the Mainland China. As a result of the Group's decision not to exercise the option, the amount paid became recoverable. The loan receivable was interest bearing at 5% per annum and was repayable on demand. In July 2010, the balance has been fully settled and the Group waived the interest receivable thereon.

13 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	Group 2010 HK$'000	2009 HK$'000
Trade and bill payables	**97,670**	5,186
Receipt in advance	**60,127**	—
Other payables and accruals	**80,038**	10,845
Balance at 31 December	**237,835**	16,031

The carrying amounts of payables approximate their fair values. The average credit period from the Group's trade creditors is of 30 to 60 days (2009: 60 days). The ageing analysis of trade payable is as follows:

	Group 2010 HK$'000	2009 HK$'000
Not yet due	**78,979**	1,609
1–30 days	**6,429**	1,636
31–60 days	**1,705**	1,941
61–90 days	**10,557**	—
	97,670	5,186

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Save for deviation from Code Provision E1.2 whereby the Chairman of the Board was unable to attend the Annual General Meeting of the Company held on 24 June 2010 due to other commitments, throughout the year ended 31 December 2010, the Group has adopted and complied with the code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a model code as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company (the "Directors"), the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year ended 31 December 2010.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the annual report for the year ended 31 December 2010.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 28 September 2005 with terms of reference in compliance with the provisions set out in the CG Code. It comprises three members, including the Company's two independent non-executive Directors, namely Mr. Hui Bing Kuen and Mr. Ip Shu Kwan, Stephen and an executive Director, Mr. Yiu Ka So. Mr. Hui Bing Kuen is the Chairman of the remuneration committee.

PUBLICATION OF RESULTS ANNOUNCEMENT

The result announcement is published on the Stock Exchange's website's at *http://www.hkex.com.hk* and the Company's website at *http://www.goldpoly.hk*.

By Order of the Board
GOLDPOLY NEW ENERGY HOLDINGS LIMITED
Lam Ho Fai
Executive Director

Hong Kong, 30 March, 2011

As at the date hereof, the executive Directors of the Company are Mr. Lam Ho Fai, Ms. Lin Xia Yang and Mr. Yiu Ka So, the non-executive Director of the Company is Academician Yao Jiannian and the independent non-executive Directors of the Company are Mr. Hui Bing Kuen, Mr. Ching Kwok Ho, Samuel and Mr. Ip Shu Kwan, Stephen.