China Gogreen Assets Investment Limited
中國保綠資產投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 397)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

FINANCIAL HIGHLIGHT

For the year ended 31 December 2011:

– The Group recorded revenue of approximately HK$92,775,000 (2010: approximately HK$2,314,000) from continuing operations.

– Loss attributable to owners of the Company amounted to approximately HK$522,537,000 (2010: profit of approximately HK$56,233,000). Such loss was mainly attributable to unrealized losses arising on change in fair value of the Group's held-for-trading investments.

– The Board does not recommend the payment of final dividend.

At 31 December 2011:

– The Group held bank balances and cash of approximately HK$146,272,000 (2010: approximately HK$601,497,000).

– Net current assets amounted to approximately HK$592,643,000 (2010: approximately HK$1,216,841,000). Current ratio (defined as total current assets divided by total current liabilities) was 2.63 times (2010: 4.13 times).

– Net assets amounted to approximately HK$1,342,043,000 (2010: approximately HK$1,957,969,000).

– The Group had bank borrowings of approximately HK$115,900,000 (2010: Nil).

RESULTS

The board (the "Board") of directors (the "Directors") of China Gogreen Assets Investment Limited (the "Company" or "China Gogreen") announces the audited consolidated final results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2011 together with figures for the year ended 31 December 2010 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2011

		For the year ended 31 December	
		2011	2010
	Notes	***HK$'000***	*HK$'000*
Continuing operations			
Gross proceeds from operations	*3*	**272,782**	349,095
Revenue	*3*	**92,775**	2,314
Cost of sales		**(94,974)**	–
Gross (loss)/profit		**(2,199)**	2,314
Other income		**5,107**	874
Employee benefits expense		**(7,160)**	(4,672)
Depreciation of property, plant and equipment		**(16,668)**	(488)
Loss arising on change in fair value of held-for-trading investments		**(382,658)**	(25,750)
Gain on disposals of subsidiaries	*6*	**–**	5,267
Gain on conversion of convertible bonds held by the Group		**–**	145,407
Finance costs	*5*	**(8,254)**	(32)
Impairment loss of goodwill		**–**	(509)
Impairment loss of property, plant and equipment		**(59,761)**	–
Impairment loss of value-added tax refundable		**(75,286)**	–
Share of results of an associate		**(1,375)**	(1,743)
Gain arising on change in fair value of investment properties		**9,400**	19,712
Write down on inventories		**(19,000)**	(10,982)
Selling and distribution expenses		**(2,499)**	–
Other operating expenses		**(37,107)**	(17,488)
(Loss)/profit before tax		**(597,460)**	111,910
Income tax expense	*7*	**(1,687)**	(269)
(Loss)/profit for the year from continuing operations	*8*	**(599,147)**	111,641
Discontinued operation			
Loss for the year from discontinued operation	*9*	**–**	(74,263)
(Loss)/profit for the year		**(599,147)**	37,378

	Notes	For the year ended 31 December **2011** ***HK$'000***	2010 *HK$'000*
Other comprehensive income			
Exchange differences on translating foreign operations		**19,457**	12,105
Total comprehensive (loss)/income for the year		**(579,690)**	49,483
(Loss)/profit attributable to:			
Owners of the Company			
(Loss)/profit for the year from continuing operations		**(522,537)**	116,949
Loss for the year from discontinued operation		**–**	(60,716)
(Loss)/profit for the year attributable to owners of the Company		**(522,537)**	56,233
Non-controlling interests			
Loss for the year from continuing operations		**(76,610)**	(5,308)
Loss for the year from discontinued operation		**–**	(13,547)
Loss for the year attributable to non-controlling interests		**(76,610)**	(18,855)
		(599,147)	37,378
Total comprehensive (loss)/income attributable to:			
Owners of the Company		**(504,818)**	64,636
Non-controlling interests		**(74,872)**	(15,153)
		(579,690)	49,483
(Loss)/earnings per share **From continuing and discontinued operations**			
– Basic (HK cents per share)	*11*	**(7.56)**	4.38
– Diluted (HK cents per share)	*11*	**(7.56)**	4.36
(Loss)/earnings per share **From continuing operations**			
– Basic (HK cents per share)	*11*	**(7.56)**	9.11
– Diluted (HK cents per share)	*11*	**(7.56)**	9.06

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2011

	Notes	2011 HK$'000	2010 HK$'000
Non-current assets			
Property, plant and equipment		**719,805**	637,380
Investment properties		**97,900**	88,500
Goodwill		**2,941**	–
Interest in an associate		**13,873**	15,248
		834,519	741,128
Current assets			
Inventories		**11,190**	32,981
Trade and other receivables	*12*	**33,037**	30,844
Value-added tax refundable		**14,312**	83,549
Deposit paid for acquisition of property, plant and equipment		**–**	1,189
Amount due from an associate		**104,138**	123,548
Held-for-trading investments		**594,380**	731,473
Bank balances and cash		**146,272**	601,497
		903,329	1,605,081
Assets classified as held for sale		**52,500**	–
		955,829	1,605,081
Current liabilities			
Amounts due to non-controlling interests		**42,700**	23,600
Trade and other payables	*13*	**99,709**	46,767
Amount payable for acquisition of property, plant and equipment		**182,634**	317,609
Tax payable		**1,543**	264
Bank borrowings		**36,600**	–
		363,186	388,240
Net current assets		**592,643**	1,216,841
Total assets less current liabilities		**1,427,162**	1,957,969
Non-current liabilities			
Deferred income		**5,819**	–
Bank borrowings		**79,300**	–
		85,119	–
Net assets		**1,342,043**	1,957,969
Capital and reserves			
Share capital		**126,180**	136,155
Reserves		**1,151,387**	1,682,508
Equity attributable to owners of the Company		**1,277,567**	1,818,663
Non-controlling interests		**64,476**	139,306
Total equity		**1,342,043**	1,957,969

Notes:

1. GENERAL AND BASIS OF PREPARATION

China Gogreen Assets Investment Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability under the Companies Act of Bermuda and its shares have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 13 October 1993. The Company's registered office is situated at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda, and its head office and principal place of business in Hong Kong is situated at Workshop no.16, 9th Floor, Corporation Park, No.11 On Lai Street, Shatin, New Territories, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars, while the functional currencies of certain subsidiaries are presented in Renminbi. The Company has selected Hong Kong dollar as its presentation currency because the management considered it is more beneficial to the user of the consolidated financial statements.

The Group are principally engaged in the development, production and sale of silicon based thin-film solar photovoltaic modules; and assets investment.

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The following new and revised standards and interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") ("new and revised HKFRSs") have been applied by the Group in the current year and have affected the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements. The impact of the application of the new and revised HKFRSs is discussed below.

HKFRS (Amendments)	Improvements to HKFRSs 2010
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (as revised in 2009)	Related Party Disclosures
HKAS 32 (Amendment)	Classification of Rights Issues
HK(IFRIC) - Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments

New and amended standards have been issued but are not effective for the financial year beginning 1 January 2011 and have been early adopted by the Group:

In December 2010, the HKICPA amended HKAS 12 *Income taxes* to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount to asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sales. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted. The Group has early adopted this amendment retrospectively for the financial year ended 31 December 2011.

2. **APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")** *(Continued)*

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised Standards and Interpretations that have been issued but are not yet effective.

HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets[1]
	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 9	Financial Instruments[5]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[3]
HKAS 19 (as revised in 2011)	Employee Benefits[2]
HKAS 27 (as revised in 2011)	Separate Financial Statements[2]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Offseting Financial Assets and Financial Liabilities[4]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]

1 Effective for annual periods beginning on or after 1 July 2011.
2 Effective for annual periods beginning on or after 1 January 2013.
3 Effective for annual periods beginning on or after 1 July 2012.
4 Effective for annual periods beginning on or after 1 January 2014.
5 Effective for annual periods beginning on or after 1 January 2015.

The amendments to HKFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The directors anticipate that the application of the amendments to HKFRS 7 will have no material affect on the Group's disclosures regarding transfers of financial assets in the future.

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- HKFRS 9 requires all recognized financial assets that are within the scope of HKAS 39 *Financial Instruments Recognition and Measurement* to be subsequently measured at amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(Continued)*

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2015 and that the application of the new standard may have an impact on amounts reported in respect of the Group's financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK (SIC) – Int 12 *Consolidation –Special Purpose Entities*. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under *HKFRS 7 Financial Instruments: Disclosures* will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(Continued)*

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

3. GROSS PROCEEDS FROM OPERATIONS AND REVENUE

Revenue represents the aggregate of the net amounts received and receivable from third parties for the year.

Gross proceeds from operations include the gross proceeds received and receivable from securities trading and investments under the assets investment segment, in addition to the revenue.

An analysis of the Group's gross proceeds from operations for the year is as follows:

	2011 ***HK$'000***	2010 *HK$'000*
Continuing operations		
Revenue – rental income from investment properties	**2,440**	2,314
Revenue – sales of silicon based thin-film solar photovoltaic modules	**72,335**	–
Revenue – income from the provision of green energy related consultancy services	**18,000**	–
	92,775	2,314
Gross proceeds from securities trading and investments	**180,007**	346,781
Gross proceeds from operations	**272,782**	349,095

4. SEGMENT INFORMATION

Application of HKFRS 8 Operating Segments

Information reported to the Board of the Company, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

4. SEGMENT INFORMATION *(Continued)*

The Group's operating segments under HKFRS 8 are as follows:

- Assets investment segment – Investment in listed and unlisted securities and investment properties; and
- Green energy segment – Production of silicon based thin-film solar photovoltaic modules.

Information regarding the Group's reportable segments is presented below.

One operation (health check business segment) was discontinued in November 2010. The segment information presented as below does not include any amounts for this discontinued operation, which are described in more detail in Note 9.

Segment revenue and results

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

REVENUE AND RESULTS

	Continuing operations					
	Assets investment segment		Green energy segment		Total	
	2011	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Gross proceeds from operations	**182,447**	349,095	**90,335**	–	**272,782**	349,095
Revenue						
Segment revenue	**2,440**	2,314	**90,335**	–	**92,775**	2,314
Results						
Segment results	**(375,151)**	138,160	**(207,585)**	(15,052)	**(582,736)**	123,108
Unallocated income					**778**	278
Unallocated corporate expenses					**(5,873)**	(14,968)
Gain on disposals of subsidiaries					**–**	5,267
Finance costs					**(8,254)**	(32)
Share of results of an associate	**(1,375)**	(1,743)			**(1,375)**	(1,743)
(Loss)/profit before tax					**(597,460)**	111,910
Income tax expense					**(1,687)**	(269)
(Loss)/profit for the year					**(599,147)**	111,641

Revenue reported above represents revenue generated from customers. There were no inter-segment sales for the year ended 31 December 2011 (2010: Nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs including directors' salaries, share of results of an associate, investment and other income, other gains or losses, finance costs, and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

4. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

	2011	2010
	HK$'000	*HK$'000*
Segment assets		
Assets investment segment	**800,884**	819,972
Green energy segment	**772,175**	776,676
	1,573,059	1,596,648
Unallocated assets	**217,289**	749,561
Total assets	**1,790,348**	2,346,209

	2011	2010
	HK$'000	*HK$'000*
Segment liabilities		
Assets investment segment	**2,357**	555
Green energy segment	**328,408**	384,500
	330,765	385,055
Unallocated liabilities	**117,540**	3,185
Total liabilities	**448,305**	388,240

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

- all assets are allocated to reportable segments other than bank balances and cash and interest in an associate; and
- all liabilities are allocated to reportable segments other than bank borrowings, current and deferred tax liabilities.

OTHER SEGMENT INFORMATION

			Continuing operations			
	Assets investment segment		**Green energy segment**		**Total**	
	2011	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Capital addition (excluding goodwill)	**–**	30,000	**189,362**	640,067	**189,362**	670,067
Gain arising on change in fair value of investment properties	**9,400**	19,712	**–**	–	**9,400**	19,712
Loss arising on change in fair value of held-for-trading investments	**382,658**	25,750	**–**	–	**382,658**	25,750
Impairment loss on goodwill	**–**	509	**–**	–	**–**	509
Depreciation of property, plant and equipment	**–**	341	**64,877**	14,165	**64,877**	14,506

4. SEGMENT INFORMATION *(Continued)*

Geographical information

The Group operates in two principal geographical areas – the People's Republic of China (excluding Hong Kong) (the "PRC") and Hong Kong.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		Non current assets	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The PRC	**90,335**	–	**722,677**	637,380
Hong Kong	**2,440**	2,314	**97,969**	88,500
	92,775	2,314	**820,646**	725,880

Non-current assets excluding interest in an associate.

Information about major customers

For the year ended 31 December 2011, there were three customers with revenue of approximately HK$42,838,000, HK$28,359,000 and HK$18,000,000 respectively which accounted for more than 10% of the total revenue related to green energy segment.

For the year ended 31 December 2010, there were two customers with revenue of approximately HK$1,320,000 and HK$622,500 respectively which accounted for more than 10% of the total revenue related to assets investment segment.

5. FINANCE COSTS

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Interest on:		
– Bank borrowings wholly repayable within five years	**5,624**	–
– Bank borrowings not wholly repayable within five years	**–**	32
– Amounts due to non-controlling interests	**2,630**	–
	8,254	32

6. GAIN ON DISPOSALS OF SUBSIDIARIES

For the year ended 31 December 2010

On 18 August 2010, the Group disposed of its entire equity interest, and all the shareholders' loan in Island Kingdom Company Limited at a cash consideration of approximately HK$216,000, resulting in a gain on disposal of a subsidiary of approximately HK$5,261,000.

On 1 May 2010, the Group disposed of its entire equity interest in Nicefit Limited upon its deregistration, resulting in a gain on disposal of a subsidiary of approximately HK$6,000.

7. INCOME TAX EXPENSE

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Current tax:		
– PRC Enterprise Income Tax	**1,468**	–
– Hong Kong profits tax	**219**	267
– Under provision of current tax in prior years	**–**	2
Tax charge for the year	**1,687**	269

Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profit for the year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for both current and prior years.

The tax charge for the year can be reconciled to the (loss)/profit before tax per the consolidated statement of comprehensive income as follows:

	2011	2010
	HK$'000	*HK$'000*
(Loss)/profit before tax (from continuing operations)	**(597,460)**	111,910
Tax at the Hong Kong profits tax rate of 16.5%	**(98,581)**	18,465
Tax effect of expenses not deductible for tax purpose	**104,791**	7,730
Tax effect of income not taxable for tax purpose	**(2,373)**	(29,500)
Effect of different tax rates of subsidiaries operating in other countries	**(4,802)**	–
Under provision of current tax in prior years	**–**	2
Tax effect of tax losses not recognized	**2,652**	3,573
Others	**–**	(1)
Tax charge for the year	**1,687**	269

8. (LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS

	2011	2010
	HK$'000	*HK$'000*
(Loss)/profit for the year from continuing operations has been arrived at after charging/(crediting):		
Staff costs:		
– Directors' emoluments	**2,492**	1,406
– Other staff costs	**4,629**	3,229
– Other staff retirement benefits scheme contributions	**39**	37
	7,160	4,672
Dividend income from listed securities	**(2,338)**	(1,168)
Cost of inventories recognized as expense	**94,974**	–
Depreciation of property, plant and equipment	**16,668**	488
Loss on disposal of property, plant and equipment	**5**	–
Auditors' remuneration	**624**	590
Operating lease rentals in respect of land and buildings	**1,749**	650
Gain on disposal of partial interests of an indirect associate	**–**	(309)
Net foreign exchange loss	**4,529**	3,205

9. DISCONTINUED OPERATION

On 5 October 2010, Luck Key Investment Limited ("Luck Key") and Dr. Fung Yiu Tong, Bennet ("Dr. Fung") entered into a subscription agreement in relation to the allotment and issue of 650 new ordinary shares of US$1.00 each in the issued share capital of Luck Key to Dr. Fung. Luck Key (together with its subsidiaries, the "Luck Key Group") carried out all of the Group's health check business. The deemed disposal was completed on 23 November 2010. Immediately after completion, the Company's shareholding interest in Luck Key has been diluted from 51.00% to approximately 47.89%, and each company in the Luck Key Group ceased to be a subsidiary of the Company.

During the year ended 31 December 2010, the loss for the year from discontinued operation represented loss of health check business operation. The results of the discontinued operation included in the consolidated statement of comprehensive income and consolidated statement of cash flows are set out below.

9. DISCONTINUED OPERATION *(Continued)*

Analysis of loss from discontinued operation for the year ended 31 December 2010

	HK$'000
The loss from discontinued operation is analyzed as follows:	
Loss for the year from discontinued operation	(25,791)
Loss on deemed disposal of subsidiaries	(48,472)
	(74,263)

	HK$'000
Loss from discontinued operation	
Revenue	151,564
Other income	5,328
Changes in inventories and clinical supplies consumed	(44,026)
Other operating expenses	(139,459)
Share of results of an associate	1,022
Finance costs	(220)
Loss before tax	(25,791)
Income tax expense	–
Loss from discontinued operation	(25,791)

	HK$'000
Loss from discontinued operation includes the following:	
Depreciation of property, plant and equipment	16,327
Auditors' remuneration	509
Loss on disposal of property, plant and equipment	2,355
Operating lease rentals in respect of land and buildings	10,390

	HK$'000
Cash flows from discontinued operation	
Net cash inflows from operating activities	7,181
Net cash outflows from investing activities	(15,016)
Net cash outflows from financing activities	(70,409)
Effect of foreign exchange rate changes	(5)
Net cash outflows	(78,249)

10. DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2011 (2010: Nil).

11. (LOSS)/EARNINGS PER SHARE

From continuing and discontinued operations

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

	2011	2010
	HK$'000	*HK$'000*
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share		
(Loss)/profit for the year attributable to owners of the Company	**(522,537)**	56,233
Number of shares	***'000***	*'000*
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share (as adjusted for the share placing which became effective on 21 January 2011 and 17 March 2010, share consolidation which became effective on 19 November 2010 and rights issue which became effective on 24 December 2010)	**6,914,649**	1,283,918
Effect of dilutive potential ordinary shares:		
Adjustment in relation to share options issued by the Group	**–**	6,644
	6,914,649	1,290,562
Basic (loss)/earnings per share (HK cents per share)	**(7.56)**	4.38
Diluted (loss)/earnings per share (HK cents per share)	**(7.56)**	4.36

For the year ended 31 December 2011, the computation of diluted loss per share did not assume the exercise of the Company's outstanding share options since their exercise would result in an increase in loss per share.

11. (LOSS)/EARNINGS PER SHARE *(Continued)*

From continuing operations

The calculation of the basic and diluted (loss)/earnings per share from continuing operations attributable to owners of the Company is based on the following data:

(Loss)/earnings figures are calculated as follows:

	2011	2010
	HK$'000	*HK$'000*
(Loss)/profit for the year attributable to owners of the Company	**(522,537)**	56,233
Add:		
Loss for the year from discontinued operation	**–**	60,716
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share from continuing operations	**(522,537)**	116,949

The denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share.

From discontinued operation

Basic and diluted loss per share for the discontinued operations were HK4.73 cents and HK4.70 cents per share respectively for the year ended 31 December 2010, based on the loss for the year from the discontinued operation of approximately HK$60,716,000 and the denominators detailed above for both basic and diluted earnings per share.

12. TRADE AND OTHER RECEIVABLES

	2011	2010
	HK$'000	*HK$'000*
Trade receivables	**13,235**	–
Prepayment, deposits and other receivables	**19,802**	30,844
Total trade and other receivables	**33,037**	30,844

12. TRADE AND OTHER RECEIVABLES *(Continued)*

Notes:

(i) The Group allows an average credit period of 30 to 90 days to its trade customers.

The following is an aged analysis of trade receivables at the end of the reporting period:

	2011	2010
	HK$'000	*HK$'000*
0–60 days	**13,235**	–

(ii) At 31 December 2011, the Group's trade and other receivables included an amount of approximately HK$31,633,000 (2010: HK$21,576,000) that is denominated in Renminbi.

13. TRADE AND OTHER PAYABLES

	2011	2010
	HK$'000	*HK$'000*
Trade payables	**12,342**	4,381
Other payables	**87,367**	42,386
Total trade and other payables	**99,709**	46,767

The following is an aged analysis of trade payables at the end of the reporting period:

	2011	2010
	HK$'000	*HK$'000*
0–60 days	**6,780**	4,381
61–90 days	**1,445**	–
Over 90 days	**4,117**	–
	12,342	4,381

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31 December 2011, the Group recorded revenue of approximately HK$92,775,000 from continuing operations (2010: approximately HK$2,314,000), and the loss attributable to owners of the Company amounted to approximately HK$522,537,000 (2010: the profit of approximately HK$56,233,000). Such loss was mainly attributable to unrealized loss arising on change in fair value of held-for-trading investments (which formed part of the Group's investment business). Such factor was non-cash in nature, and did not have any immediate impact on the cash flow nor business operations of the Group.

BUSINESS REVIEW

Solar Energy Business

Large-scale expansion in production capacity in 2010 resulted in the oversupply of the whole solar market in 2011, and consequently the price of solar products in industrial chain, especially for that of crystalline silicon modules declined drastically, and the selling price of amorphous silicon thin-film solar photovoltaic ("PV") modules produced by the Group was also affected and fell substantially in the fierce price competition. The Group reacted to this change by reducing the production volume to lowest level during the year. Decline in global orders and excessive production capacity, along with the impact of Euro Debt Crisis, had inflicted negative effect on the business of solar industry, particularly in the up-stream and middle-stream, and this trend was noticeable in the first half of 2011.

Against this background, China Gogreen endeavored to transform steadily, re-evaluated business strategies timely, followed the market needs and trends, and focused on the development of downstream solar energy business, with special emphasis on large-scale solar PV power stations and rooftop power stations as our strategic direction. It had turned a threat into opportunity by utilizing the cost advantages of decreasing raw material prices. During the year, the Company's wholly-owned subsidiary, 北京君陽投資有限公司 (unofficial English translation being Beijing Jun Yang Investment Company Limited) ("Beijing Jun Yang") had, after starting the construction work of the roofs and the operation of the 20MW rooftop solar PV power station for a number of buildings in Zhengzhou, Henan Province; successively obtained the 10MW large-scale grid-connected on-ground solar PV power station projects in Geermu, Qinghai Province and the 20MW rooftop solar PV power station at Xuchang, Henan Province. It gradually consolidated the Group's strategic directions of focusing on the development of downstream solar energy business. Currently, all projects are in progress and achieved targets in different stages of the development. The development strategy of the Group becomes clear, and the edge of valuable experience in project investment management and sound government relationship are getting more prominent.

10MW grid-connected on-ground solar PV power station in Geermu, Qinghai Province

In January 2011, Beijing Jun Yang entered into an equity transfer agreement and in July of the same year completed the transaction of acquiring 99% of the registered capital of 青海鈞石能源有限公司 (unofficial English translation being GS-Solar (Qinghai) Company Limited) at a consideration of RMB5,900,000, and planned to build a large-scale grid-connected solar PV power station in Geermu, Qinghai Province, where the solar resources is rich. And the project was examined and approved by the Development and Reform Commission of Qinghai Province in December and it met with the grid-connecting requirements of PRC government and became one of the first batch of PV power projects connected to the Qinghai grid.

After grid connection, the Group can obtain feed-in-tariff of RMB1.15 per kilowatt-hour, which offers good return for the power station investment of the Group and ensures the long-term development prospects of the downstream business of the Group.

20MW rooftop power station project in Zhengzhou

Beijing Jun Yang obtained the 20MW rooftop power station project at Zhengzhou High and New Technology Industries Development Zone, Zhengzhou, Henan Province in December 2010, and the project started construction in 2011. The total investment for the project is estimated to be approximately RMB300,000,000. It is a demonstration project of the government and one of the largest rooftop solar PV power stations in China. 1.3MW construction has been completed.

Income of the project is derived from two sources; firstly, from the financial subsidy of RMB12 per watt, representing an aggregate amount of approximately RMB15,600,000, granted by the "Golden Sun Project" launched by the PRC government to the 1.3MW project completed by the Group and secondly from the electricity tariffs to be collected from the users under energy management contract. Currently, the Group has been actively involved in the development of the rooftop solar PV power station development in Zhengzhou High and New Technology Industries Development Zone, Zhengzhou, Henan Province. For such, the deployment of the Group in Zhengzhou has taken shape and it has accumulated abundant experience in investment, management and operations of downstream solar power station projects and its capabilities are fully recognized and are greatly supported by the energy department in Henan Province.

20MW rooftop power station project in Xuchang

Following the rooftop project in Zhengzhou, Henan Province, Beijing Jun Yang and 許昌市新區管理委員會 (unofficial English translation being Xuchang New District Administration Committee) entered into an investment agreement in October 2011, to invest in the construction of rooftops for a number of industrial buildings and the operation of solar PV power stations, with total capacity up to 20MW. The Group holds 100% equity of the project, and the total investment is estimated to be approximately RMB320,000,000. As one of the largest projects in the second batch of "Golden Sun Project" launched by the PRC government, the rooftop project in Xuchang is also listed in the 12th Five-Year Plan of the PRC government. The project will obtain a total of RMB180,000,000 financial subsidy from both the Ministry of Finance of PRC and Finance Department of Henan Province.

Adjacent to Zhengzhou, Xuchang is one of the most vibrant cities for economic and social development in Henan Province. As one of the China's livable cities, Xuchang is another important base for the Group to continuously promote eco-friendly awareness and expand rooftop solar PV power station business. Currently, the progress of the power station construction is sound, and the construction is expected to be completed by the end of June 2012. The project will further enhance the development of construction and operation of downstream power station for the Group. For such, through steady deployment, the Group has become one of the most active new energy investment enterprises with most rooftop PV power station projects in Henan Province. With supports of government policies and strong financial subsidy, the Group is bound to bring good return to its shareholders.

Health Check Business

The Group operated health check and health care businesses through Luck Key Investment Limited and its subsidiaries (the "Luck Key Group"). During the year, with advanced inspection facilities such as medical imaging instruments and experienced professional health care team, Luck Key Group has continued to provide its customers with one-stop quality medical diagnostic and laboratory services and its related business has developed steadily.

Investment Business

Our investment direction continued to focus on listed and non-listed securities and quality properties in Hong Kong. The existing property investment portfolio brought steady rental income to the Group. The Group will continue to expand its investment portfolio so as to enhance the Group's stable income.

PROSPECTS

After the expansion in 2010, the whole PV industry experienced market oversupply in 2011. According to Energy Trend, a research institution focusing on green energy, which is under Trend Force, a global leading market information provider, affected by price, market and technology evolution, 2012 will be a critical year for global solar market, weaker players will be eliminated while the strong ones will survive. The gap between the competing companies will be widened. This circumstance becomes both a challenge as well as an opportunity for China Gogreen with focus on the development of down-stream market. Generally, for the whole solar power industry, the market demand from Germany and Southern Europe will remain stable in the short term. Although financial subsidy from the government remains uncertain, internal return rate is still attractive. Emerging of United States and Canada markets had become the major growth momentum for 2011. While in the long run, the market demand for solar power in China, India and other developing countries is strong. Energy Trend forecasts that the demand in 2012 will grow marginally and the market will grow strongly in 2013. According to the forecast in *Investment Guide for China's New Energy* issued by Yuanta Securities in 2011, the installed capacity of the global solar energy will reach 197GW in 2015.

In addition, the Group will pay close attention to the market trend of the mid-stream solar PV modules manufacturing and keep track of the changes and the development of the solar market. The Group, in response to the latest market changes, will adjust the production volume to the lowest level so as to reduce losses. On the other hand, the domestic uniform PV generation feed-in-tariff in China was finally released in July 2011, and it was specified that projects approved for construction before 1 July and commence production before 31st December would enjoy uniform feed-in-tariff of RMB1.15 per kilowatt-hour. Compared with other supporting policies, uniform feed-in-tariff is more feasible and will help to develop PV power stations and change China's PV enterprises' over-reliance on foreign markets. This initiative greatly increased the confidence of China's solar practitioners, ensured the investment return of solar enterprises, and was bound to promote the development of the solar PV industry and it was a significant turning point for domestic solar industry.

In fact, China's PV market has huge development potential. Besides uniform feed-in-tariff, both 12th Five-Year Plan of the country and the "Golden Sun Project" showed the government's determination and devotion in supporting eco-friendly energy industry. In the 12th Five-Year Plan of National Energy Science and Technology, the PV installed capacity target of the "12th Five-Year" was raised to 10GW, and annual average installed capacity was 2GW. The energy technology roadmap planned to complete the construction of a large-scale grid-connected PV generation system demonstration project by 2016. The PRC government planned to raise the PV installed capacity significantly to 50GW by 2020.

Transform steadily and focus on the development of solar downstream business

Since the Group commenced solar power business, it has consistently adhered to the strategy of seizing markets and sizing up the situation, proceeding in an orderly and gradual way and striving for steady development. In 2012, China Gogreen will continue to follow its development strategy of focusing its development on solar downstream business, especially large-scale solar PV power stations and rooftop power stations, and promoting the steady development of all existing projects. With our professional and scale expertise, advanced technical research and development advantages and the strong support from the government of Xuchang, the Group is confident in completing the Golden Sun demonstration project on schedule, and bringing the benefits of Xuchang rooftop projects thoroughly to establish solid foundation in the green energy enterprise.

Continue to explore and steadily promote various businesses development

The release of PV generation uniform feed-in-tariff in China in July 2011 in addition to the recent price decrease of industrial raw materials, which serves as a catalyst, triggered the trend of full-scale expansion of the China's PV industry. Riding on this favourable trend, China Gogreen will grasp this rare market opportunity and leveraging on its own advantages, which include, possessing abundant investment and management experience in solar power stations, senior management team with more than ten years' energy industry investment experience and carefully screened suppliers of raw materials; the Group will continue to bid for government projects, looking for quality environmental protection energy projects in different regions, expanding the business network and market share of the Group and consolidating the development of downstream solar business. The Group will also steadily promote the development of various investment businesses.

Watch out for market chances, endeavour to seek investment opportunities

In line with the progress of internal development, the Group will relentlessly seek various new investment opportunities with good returns, prudently review the feasibilities of developing new business, seek new market opportunities, carry-out external expansions and all these actions will be carried out simultaneously so that the future development of the Group will be more sound and solid.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2011, the Group held cash and bank balances of approximately HK$146,272,000 (2010: approximately HK$601,497,000). Net current assets amounted to approximately HK$592,643,000 (2010: approximately HK$1,216,841,000). Current ratio (defined as total current assets divided by total current liabilities) was 2.63 times (2010: 4.13 times).

The gearing ratio of the Group (defined as total liabilities to total assets) was approximately 25% (2010: 16.5%).

As at 31 December 2011, the Group had outstanding bank borrowings of approximately HK$115,900,000 (2010: Nil). As the Group's bank balances and borrowings were denominated in Hong Kong dollars and Renminbi, risk in exchange rate fluctuation would not be material. The bank borrowings bore interest at prevailing market rates and repayable in accordance with the relevant loan agreements.

CAPITAL STRUCTURE

As at 31 December 2011, the Group had shareholders' equity of approximately HK$126,180,000 (2010: approximately HK$136,155,000).

On 21 January 2011, the Company allotted and issued 200,000,000 new shares of HK$0.02 each in the share capital of the Company (the "Shares"), at the price of HK$0.15 per share, pursuant to the conditional subscription agreement dated 13 December 2010 entered into between the Company and CASIL Clearing Limited, further details of which are set out in the announcement of the Company dated 13 December 2010.

In November 2011, the Company repurchased a total of 698,780,000 Shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Save as disclosed above, there was no movement in the issued share capital of the Company during the year ended 31 December 2011.

CHARGES ON GROUP ASSETS

As at 31 December 2011, certain Group's investment properties with carrying value of approximately HK$652,630,000 were pledged to secure bank loan and general bank facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2011, the Group employed approximately 224 employees. The Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2011, the Company repurchased a total of 698,780,000 Shares on the Stock Exchange. All of the repurchased shares were cancelled. Particulars of the repurchases were as follows:

	Number of shares repurchased	Price per share		Aggregate consideration paid (excluding expenses)
		Highest	Lowest	
		HK$	*HK$*	*HK$*
November 2011	698,780,000	0.104	0.085	66,278,200

The Directors were of the view that the aforesaid repurchases were in the interest of the Company and its shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2011.

CORPORATE GOVERNANCE

The Company endeavours in maintaining good corporate governance for the enhancement of shareholders' value. The Company has adopted the code provisions in the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company has complied with all the applicable code provisions in the Code throughout the year ended 31 December 2011, except that:

(a) under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. After the resignation of Mr. Cho Kwai Yee, Kevin ("Mr. Cho") as an executive Director and the chief executive officer of the Company during the year under review, the post of the chief executive officer of the Company is still vacant and the previous job responsibilities of Mr. Cho were discharged by the executive Directors collectively.

(b) under code provision A.4.1 of the Code, non-executive directors of the Company should be appointed for a specific term and subject to re-election. None of the existing independent non-executive Directors was appointed for a specific term. However, the independent non-executive Directors are subject to retirement by rotation and re-election at annual general meetings of the Company at least once every three years in accordance with the provisions of the bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of the Directors, the Directors have complied with the required standard set out in the Model Code throughout the year ended 31 December 2011.

AUDIT COMMITTEE

The audit committee currently comprises three independent non-executive Directors, namely Mr. Chan Chi Yuen (the chairman of the audit committee), Mr. Lo Chun Nga and Mr. Chik Chi Man. The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the audited consolidated financial statements of the Group for the year ended 31 December 2011.

On behalf of the Board
China Gogreen Assets Investment Limited
Bai Liang
Chairman

Hong Kong, 21 March 2012

As at the date of this announcement, the executive Directors are Mr. Bai Liang, Mr. Siu Kam Chau, Mr. Lawrence Tang and Mr. Xue Feng; and the independent non-executive Directors are Mr. Chan Chi Yuen, Mr. Lo Chun Nga and Mr. Chik Chi Man.