RENEWABLE ENERGY ASIA GROUP LIMITED
(Company Registration No. 33437)

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is:-

Name: Mr. Chew Kok Liang, Registered Professional, RHT Capital Pte. Ltd.
Address: Six Battery Road #10-01, Singapore 049909
Tel: 6381 6757

RENEWABLE ENERGY ASIA GROUP LIMITED
(Company Registration No. 33437)

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

PART I: INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Renewable Energy Asia Group Limited
Consolidated Statement of Comprehensive Income for the period ended 30-Jun-14

	1st Quarter ended		
	30-Jun-14 RMB'000	30-Jun-13 RMB'000	Variance %
Revenue	4,165	4,021	3.6
Cost of goods sold	(1,476)	(1,493)	(1.1)
Gross profit	2,689	2,528	6.4
Other income	1	3	(66.7)
Administration expenses	(2,815)	(2,285)	23.2
Other gains/(losses)	1,021	(5,241)	(119.5)
Finance costs	(1,452)	(470)	208.9
Share of profit of an associate	1,735	2,960	(41.4)
Profit before income tax from continuing operations	1,179	(2,505)	147.1
Income tax expenses	-	-	n/m
Profit for the period from continuing operations	1,179	(2,505)	147.1
Discontinued operations			
Profit/(loss) for the period from discontinued operations	-	(8,396)	n/m
Profit/(loss) for the period	1,179	(10,901)	110.8
Total comprehensive profit/(loss) for the period, net of tax	1,179	(10,901)	110.8
Total comprehensive profit/(loss) for the year attributable to:			
Owners of the Company	1,179	(10,901)	110.8
	1,179	(10,901)	110.8

n/m: Not Meaningful

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1(a)(ii) Notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

Loss for the period is arrived at after charging/ (crediting) the following items:

	1st Quarter Ended	
	30-Jun-14 RMB'000	30-Jun-13 RMB'000
Depreciation of property, plant and equipment	54	69
Interest expenses	1,452	470
Interest income	1	1
Foreign exchange (gains)/losses	(1,021)	5,241

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Consolidated Statement of Financial Position as at 30-Jun-14

	Group		Company	
	As at		As at	
	30-Jun-14 RMB'000	31-Mar-14 RMB'000	30-Jun-14 RMB'000	31-Mar-14 RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	216,938	217,532	12	14
Investments in an associate	51,358	49,622	-	-
Other receivables	21,500	21,500	-	-
Total non-current assets	289,796	288,654	12	14
Current assets				
Trade receivables	14,712	12,266	-	-
Other receivables	302,962	340,234	135,268	134,295
Bill receivables	700	-	-	-
Cash and cash equivalents	31,228	1,366	105	521
Total current assets	349,602	353,866	135,373	134,816
Total assets	639,398	642,520	135,385	134,830
EQUITY AND LIABILITIES				
Equity				
Share capital	109,707	109,707	109,707	109,707
Share premium	191,882	191,882	191,882	191,882
Warrant reserves	5,923	5,923	5,923	5,923
Accumulated losses	(215,343)	(216,523)	(174,055)	(173,993)
Equity attributable to equity holders of the parent	92,169	90,989	133,457	133,519
Total equity	92,169	90,989	133,457	133,519

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont'd).

	Group		Company	
	As at		As at	
	30-Jun-14 RMB'000	31-Mar-14 RMB'000	30-Jun-14 RMB'000	31-Mar-14 RMB'000
Non-current liability				
Borrowings	294,453	170,453	-	-
Current liabilities				
Trade payables	1,956	149,515	-	-
Other payables	225,443	203,967	1,877	1,260
Borrowings	24,870	27,544	-	-
Current tax payable	507	51	51	51
Total current liabilities	252,776	381,078	1,928	1,311
Total liabilities	547,229	551,531	1,928	1,311
Total equity and liabilities	639,398	642,520	135,385	134,830

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:
(A) the amount repayable in one year or less, or on demand;
(B) the amount repayable after one year;
(C) whether the amounts are secured or unsecured; and
(D) details of any collaterals.

	Secured As at	
	30-Jun-14 RMB'000	31-Mar-14 RMB'000
Amount repayable due within one year		
Borrowings - secured 1	24,870	27,544
	24,870	27,544
Amount repayable after one year		
Borrowings - secured 1	170,453	170,453
Borrowings - secured 2	124,000	-
	294,453	170,453
	319,323	197,997

The Group has no outstanding debt securities as at 30 June 2014.

Details of collaterals:-

As at 30 June 2014, the bank loans and borrowings of RMB319.3 million were secured as follows:-

Borrowings – secured 1

1. A finance lease contract signed between one of its subsidiaries, Renewable Energy Asia Solar Power (Jiuquan) Co., Ltd ("Jiuquan") and AVIC International Leasing Company for a period of 6 years.

2. On 13th June 2014, the group obtained a loan facility from Industrial and Commercial Bank of China Ltd. (ICBC), and the facility is pledged by trade receivable from sale of electricity. This borrowing is carried at floating interest rate with a tenor of 15 years.

RENEWABLE ENERGY ASIA GROUP LIMITED
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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of cash flows for the financial period ended 30 June 2014

	1st Quarter ended	
	30-Jun-14	**30-Jun-13**
	RMB'000	**RMB'000**
Cash flows from operating activities		
Profit/(loss) before tax for continuing operations	1,179	(2,505)
Profit/(loss) before tax for discontinued operations	-	(8,396)
Profit/(loss) for the period	1,179	(10,901)
Adjustments for:		
Allowances recognized in respect of inventories	-	121
Depreciation of property, plant and equipment	1,120	3,676
Finance costs recognized in profit or loss	-	8,270
Interest income recognized in profit or loss	-	(547)
Property, plant and equipment written off	-	400
Release of prepaid lease payments	-	198
Share of profit of a jointly controlled entity	-	2,773
Share of profit of an associate	(1,735)	(2,959)
Operating cash flows before movements in working capital	563	1,031
Decrease/(Increase) in inventories	-	(12,659)
Decrease/(increase) in trade and other receivables	34,826	(86,425)
Increase/(decrease) in trade and other payables	(126,084)	25,732
Decrease/(increase) in bills receivable	(700)	8,842
Cash from (used in) operations	(91,395)	(63,479)
Interest paid	-	(8,462)
Income tax provision	456	-
Net cash used in operating activities	(90,939)	(71,941)

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

Consolidated statement of cash flows for the financial period ended 30 June 2014

	1st Quarter ended	
	30-Jun-14	**30-Jun-13**
	RMB'000	**RMB'000**
Cash flows from investing activities		
Interest received	-	547
(Placement)/withdrawals of pledged bank deposits	-	(2,941)
Purchases of property, plant and equipment	(525)	(2,139)
Net cash used in investing activities	(525)	(4,533)
Cash flows from financing activities		
Proceeds from borrowings	124,000	139,558
Repayments of borrowings	(2,675)	(55,304)
Proceeds from bills payables	-	80,000
Repayments of bills payables	-	(80,000)
Net cash from financing activities	121,325	84,254
Net decrease in cash and cash equivalents	29,862	7,780
Cash and cash equivalents at beginning of the year	1,366	7,876
Cash and cash equivalents at end of year, represented by bank balances and cash	31,228	15,656

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of changes in equity for the financial year ended 30 June 2014

The Group (RMB '000)	Share capital	Share premium	Warrant reserve	Share options reserve	Accumulated losses	Attributable to owners of the Company Total	Non-controlling interests	Total equity
Balance as at 1 April 2013	106,268	189,283	5,923	840	(197,124)	105,190	-	105,190
Total comprehensive loss for the year					(19,398)	(19,398)	-	(19,398)
Issue of new shares	3,439	2,599	(1)	-	-	6,037	-	6,037
Lapsed and waived of share options	-	-	-	(840)	-	(840)	-	(840)
Balance as at 31 March 2014	109,707	191,882	5,922	-	(216,522)	90,989	-	90,989
Balance as at 1 April 2014	109,707	191,882	5,922	-	(216,522)	90,989	-	90,989
Total comprehensive loss for the year	-	-	-	-	1,179	1,179	-	1,179
Issue of new shares	-	-	1	-	-	1	-	1
Lapsed and waived of share options	-	-	-	-	-	-	-	-
Balance as at 30 June 2014	109,707	191,882	5,923	-	(215,343)	92,169	-	92,169

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

The Company (RMB '000)	Share capital	Share premium	Warrant reserve	Share options reserve	Accumulated losses	Total
Balance as at 1 April 2013	106,268	189,283	5,923	840	(177,324)	124,990
Total comprehensive income for the year	-	-	-	-	2,491	2,491
Issue of new shares	3,439	2,599	-	-	-	6,038
Lapsed and waived of share options	-	-	-	(840)	840	-
Balance as at 31 March 2014	109,707	191,882	5,923	-	(173,993)	133,519
Balance as at 1 April 2014	109,707	191,882	5,923	-	(173,993)	133,519
Total comprehensive income for the year	-	-	-	-	(62)	(62)
Balance as at 30 June 2014	109,707	191,882	5,923	-	(174,055)	133,457

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Company			
	As At			
	30-Jun-14		30-Jun-13	
	No of share	Share capital RMB	No of share	Share capital RMB
Balance as at the beginning and end of the period	745,570,452	109,706,865	720,169,952	106,268,200

There is no movement in the total number of issued shares between 31 March 2014 and 30 June 2014.

As at 30 June 2014, the Company has outstanding warrants, the conversion of which would result in the issue of 100,054,052 new ordinary shares representing 11.8% of the enlarged capital of the Company.

As at 30 June 2013, the Company has outstanding shares options and warrants, the conversion of which would result in the issue of 101,554,552 new ordinary shares representing 14.1% of the enlarged capital of the Company.

The details of the warrants are set out below.

Rights issue and warrants

On 3 July 2012, the Company allotted and issued 100,054,552 new ordinary shares ("Rights Shares") at an issue price of S$0.05 for each Rights Share and 100,054,552 free detachable warrants ("Warrants") pursuant to a renounceable non-underwritten rights issue ("Rights Issue").

Each Warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S$0.05 for each new ordinary share and is exercisable during a three year period from the date of issue. As at 30 June 2014, 500 Warrants have been converted into 500 new ordinary shares. As at 30 June 2014, there were 100,054,022 Warrants that remained outstanding.

Subscription shares

There are no new shares issued during the period.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year (cont'd).

Treasury shares

No treasury shares were held by the Company as at 30 June 2014 and 30 June 2013.

Share options

There are no share options issued during the period.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

There is no movement in the total number of issued shares as at end of current financial period and as at end of the immediately preceding year.

No treasury shares were held by the Company as at 30 June 2014 and 30 June 2013.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There was no treasury shares sold, transferred, disposal, cancelled or use during the financial period ended 30 June 2014.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

These figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as those applied in the financial statements for the financial period ended 30 June 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There are no changes in the accounting policies and methods of computation.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:
(a) based on the weighted average number of ordinary shares on issue; and
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	As at	
	30-Jun-14 RMB cents	30-Jun-13 RMB Cents
Earnings/(Loss) per ordinary share		
Basic and diluted		
- Based on the weighted average number of ordinary shares in issue	0.16	(1.51)

Earnings/(loss) per ordinary share

The computation of the basic earnings/(loss) per share were computed based on the profit/(loss) for the three months financial period ended 30 June 2014 (1QFY2015) of RMB1,179,000 (1QFY2014: (RMB10,901,000)) and the weighted average number of ordinary shares outstanding of 745,570,452 (1QFY2015) (1QFY2014: 720,169,952) during the year.

The weighted average number of ordinary shares for the purpose of computing basic earnings per share has been adjusted for the Subscription Shares issued and Warrants pursuant to the subscription by the Subscriber and exercise of Warrants in July and August 2013 respectively.

Diluted earnings/(loss)per share has not been presented for both periods as the ordinary shares to be issued from the exercise of the Company's outstanding Options and Rights Issue would have an anti-dilutive effect in the earnings/(loss)per share.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30-Jun-14 RMB cents	30-Jun-13 RMB cents	30-Jun-14 RMB cents	30-Jun-13 RMB cents
Net asset value per share	12.4	12.6	17.9	18.5

The net asset value per share is calculated based on 745,570,452 and 720,169,952 ordinary shares as at 30 June 2014 and 30 June 2013 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of comprehensive income

Revenue increased 3.6% to RMB4.17 million for first quarter ended 30 June 2014 ("1QFY2015") from RMB4.02 million in the corresponding period ("1QFY2014") last year due to higher solar energy output and this resulting increase in electricity sold.

Cost of goods sold decreased 1.1% from RMB1.49 million in 1QFY2014 to RMB1.47 million in 1QFY2015 mainly due to lower in plant maintenance cost incurred during the period.

Gross profit for 1QFY2015 recorded a 6.4% improvement to RMB2.69 million, compared to RMB2.53 million in 1QFY2014.

Administration expenses rose 23.2% to RMB2.82 million in 1QFY2015, from RMB2.29 million in 1QFY2014, mainly due to higher entertainment, travelling expenses and staff salaries

The Group recorded other gains of RMB1.02 million in 1QFY2015 compared to other losses of RMB5.24 million in 1QFY2014 in view of the strengthening of SGD against RMB.

Finance costs increased 208.7% to RMB1.45 million in 1QFY2015 from RMB0.47 million in 1QFY2014 mainly due to loan interest payment for two of the Group's subsidiaries, Jiuquan & Renewable Energy Asia (Dunhuang) Solar Power Co., Ltd. in 1QFY2015.

The Company's associated company, Datang Baotou Asia Electricity Co. Ltd ("Datang Baotou"), contributed share of profit of RMB1.74 million in 1QFY2015 as compared to a share of profit of RMB2.96 million in 1QFY2014 due mainly to lower revenue generated during the period.

Taking into account of the above, the Group recorded a profit attributable to shareholders of RMB1.18 million, compared to a loss from discontinued operations of RMB8.4 million incurred by the manufacturing and engineering, procurement and construction (EPC) business prior to its divestment on 31 March 2014.

Statement of financial position

The Group's property, plant and equipment decreased RMB0.59 million to RMB216.94 million as at 30 June 2014, from RMB217.53 million as at 31 March 2014 mainly due to depreciation charges during the period.

Investment in an associate rose from RMB49.62 million as at 31 March 2014 to RMB51.36 million as at 30 June 2014, mainly due to the profit contribution from its associate company, Datang Baotou for the period.

Trade receivables increased by 19.8% from RMB12.27 million as at 30 June 2013 to RMB14.71 million as at 30 June 2014. Taking into consideration, credit terms extended to trade customers towards the close of 1QFY2015.

Bill receivables amounting to RMB0.70 million reflected bill receivables assigned from received from Gansu Electric Power Company to one of its subsidiaries, Jiuquan.

Borrowings increased to RMB319.32 million as at 30 June 2014 from RMB198.00 million as at 31 March 2014, as the Group had obtained a 15-years floating interest rate loan facility from Industrial and Commercial Bank of China Ltd. (ICBC). The facility is pledged by trade receivable from sale of electricity.

Current tax payable increased from RMB0.05 million as at 31 March 2014 to RMB0.51 million as at 30 June 2014 mainly due to tax payable from one of the Group's subsidiaries, Jiuquan which recorded its first full year of revenue in FY2014.

Consolidated Statement of Cash Flows

The Group recorded an operating cash outflow of RMB90.94 million compared to an operating cash outflows of RMB71.94 million in 1QFY2014. This was mainly due to a decline in trade and other payables and the presence of bills receivables, partially offset by a decrease in trade and other receivables.

Net cash used in investing activities was RMB0.53 million at the close of 1QFY2015, compared to RMB4.53 million at the close of 1QFY2014 as the Group did not make significant acquisition of property, plant and equipment in 1QFY2015.

The net cash inflows from financing activities for the Group for 1QFY2015 was RMB121.33 million compared to RMB84.25 million in 1QFY2014 mainly due to higher borrowings secured in 1QFY2015.

Overall, there was a net increase of RMB22.08 million in cash and cash equivalents for 1QFY2015 as compared to 1QFY2014.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The actual results are in line with the general prospects commentary previously disclosed in the full year financial and related announcement FY 2014.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With the completion of the disposal of the manufacturing and engineering, procurement and construction (EPC) business on 31 March 2014, the Group expects to focus wholly on the development of solar and wind energy projects in China going forward. In the year ahead, the Group expects to channel its resources towards the progress of projects on hand.

The Group is currently working towards the commissioning of its 18.8MW solar farm in Jinhu, Jiangsu within the next 12 months. In addition to this, the Group hopes to commission part of its 20MW solar farm in the Dongdongtan Photovoltaic Industrial District in Jiuquan within the same time frame. The Group's 9MW solar farm, also in Dongdongtan, is currently contributing positively to its revenue.

The Group will continue to work closely with local authorities on the other concessions in hand. As announced on 13 June 2014, has entered into a 5-year Cooperative Framework Agreement with Guangdong East Power Co., Ltd to jointly develop solar farms secured under new concession in the future. The Group intends to actively to seek out such like-minded partners to speed up the development of its projects.

At the same time, the Group signed a framework agreement with the Industrial and Commercial Bank of China to provide project financing facilities for all its projects in the PRC. The facility is pledge against receivables from the sale of electricity and will be for a loan tenor of up to 15 years, depending on the qualifications of the projects.

China continues to regard the development of power generation by renewable energy as a key priority, as the country maintains its push to establish reliable sources of alternative energy and reduce its reliance on coal. In this respect, the Group remains cautiously optimistic about its prospects in this industry and will actively seek to grow its business there.

The Board will review the Group's projects from time to time, taking into account, the Group's overall cashflow position.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b)(i) Amount per share in cents

Not applicable.

(b)(ii) Previous corresponding period in cents

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Register able Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of Such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has obtained, a statement to that effect.

There is no discloseable IPT transaction during the period. The Group does not have any general mandate from Shareholders for Interested Person Transactions.

14. Negative Assurance Confirmation on Interim Financial Results under Listing Manual of Catalist Rule 705(5)

We, Xu Jian and Zheng Lei, being two directors of Renewable Energy Asia Group Limited (the "Company") do hereby confirm on behalf of the directors of the company that to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and Company (comprising the consolidated statements of financial positions, consolidated statement of comprehensive income, statements of changes in equity and consolidated statement of cash flows(together with their accompanying notes) for the first quarter ended 30 June 2014 and results of the business, changes in equity and cash flows of the Group for the 3 months ended on that date, to be false or misleading in any material aspect.

On Behalf of the Board of Directors

Xu Jian
Executive Chairman

Zheng Lei
Deputy Chairman and Chief Executive Officer

BY ORDER OF THE BOARD

Dr Zheng Lei
Chief Executive Officer and Executive Director

14 August 2014