GREEN ENERGY GROUP LIMITED
綠色能源科技集團有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 979)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

The directors (the "Director") of Green Energy Group Limited (the "Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009 together with comparative figures for the previous year as follows:

* *For identification only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2009

	Notes	2009 HK$'000	2008 HK$'000
Revenue	4	**4,299**	2,967
Cost of finished goods sold		**(1,140)**	(2,051)
Construction contract costs		**–**	(451)
Gross profit		**3,159**	465
Other income	6	**436**	1,185
Gain on deregistration of a subsidiary		**2,677**	–
Staff costs		**(10,661)**	(10,400)
Depreciation and amortisation expenses		**(4,674)**	(4,518)
Other expenses		**(14,159)**	(21,925)
Impairment loss on other intangible assets		**(4,020)**	(5,879)
Impairment loss on property, plant and equipment		**(9,951)**	–
Loss before tax		**(37,193)**	(41,072)
Income tax expense	7	**–**	(1,106)
Loss for the year attributable to equity holders of the Company	8	**(37,193)**	(42,178)
Other comprehensive income			
Exchange translation reserve:			
Translation of foreign operations		**(156)**	(279)
Release upon deregistration of a subsidiary		**259**	–
Other comprehensive income for the year		**103**	(279)
Total comprehensive income for the year attributable to equity holders of the Company		**(37,090)**	(42,457)
Loss per share – Basic	10	**10.81 cents**	12.28 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2009

	Notes	**2009** *HK$'000*	2008 *HK$'000*
Non-Current Assets			
Property, plant and equipment		**17,740**	25,333
Goodwill		**–**	–
Biological assets		**2,965**	–
Other intangible assets		**–**	5,042
		20,705	30,375
Current Assets			
Inventories	11	**945**	950
Trade receivables	12	**89**	89
Prepayments, deposits and other receivables	13	**18,739**	1,561
Bank balances and cash		**19,649**	49,320
		39,422	51,920
Current Liabilities			
Trade payables	14	**871**	1,748
Accruals and other payables		**2,047**	2,791
Tax payable		**987**	2,932
		3,905	7,471
Net Current Assets		**35,517**	44,449
Total Assets less Current Liabilities		**56,222**	74,824
Capital and Reserves			
Share capital		**37,438**	34,358
Share premium and reserves		**18,784**	40,466
Total Equity		**56,222**	74,824

NOTES

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Always New Limited, a company incorporated in British Virgin Islands, is the parent and the directors consider that New Zealand Professional Trustee Limited, a company incorporated in New Zealand, is the ultimate holding company of the Company.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

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

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except the new and revised HKFRSs affecting presenting and disclosure as described below, the adoption of the new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 Operating Segments

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments (see note 5), and has had no impact on the reported results or financial position of the Group.

Improving Disclosures about Financial Instruments
(Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments. The amendments also expand and amend the disclosures required in relation to liquidity risk.

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

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 24 (Revised)	Related Party Disclosures[6]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[4]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[3]
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters[5]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[3]
HKFRS 3 (Revised)	Business Combinations[1]
HKFRS 9	Financial Instruments[7]
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement[6]
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners[1]
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[5]

1 Effective for annual periods beginning on or after 1 July 2009.
2 Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.
3 Effective for annual periods beginning on or after 1 January 2010.
4 Effective for annual periods beginning on or after 1 February 2010.
5 Effective for annual periods beginning on or after 1 July 2010.
6 Effective for annual periods beginning on or after 1 January 2011.
7 Effective for annual periods beginning on or after 1 January 2013.

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary.

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application of other new and revised Standards, Amendments or Interpretations will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

4. REVENUE

The Group's revenue which represents revenue from construction contracts, trading of bio-cleaning materials, trading of generators, trading of recyclable plastic materials and relevant services, trading of waste construction materials and waste processing provision.

	2009	2008
	HK$'000	*HK$'000*
Revenue from construction contracts	**–**	107
Trading of bio-cleaning materials	**703**	1,363
Trading of generators	**16**	785
Trading of recyclable plastic materials and relevant services	**2,383**	652
Trading of waste construction materials and waste processing provision	**1,197**	60
	4,299	2,967

5. SEGMENTS INFORMATION

The Group has adopted HKFRS 8 Operating Segments with effect from 1 January 2009. HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the Group's board of directors) for the purpose of allocating resources to segments and assessing their performance. In contrast, the predecessor Standard, HKAS 14 Segment Reporting required an entity to identify two sets of segments (business and geographical) using a risks and returns approach.

Information reported to the Group's chief operating decision maker (i.e. the board of directors) for the purposes of resource allocation and assessment of performance is focused on two main segments. The identification of the Group's reportable segments under HKFRS 8 is consistent with the prior year's presentation of business segments under HKAS 14. The Group's operating segments under HKFRS 8 are as follows:

Construction contracts	–	Provision of construction works
Distributions, trading and service provision	–	Trading of bio-cleaning materials, generators, recyclable plastic materials and relevant services, waste construction materials and waste processing provision

Segment information about these businesses is presented below:

Segment revenue and results

2009

	Year ended 31 December 2009			
	Construction contracts *HK$'000*	**Distributions, trading and service provision** *HK$'000*	**Eliminations** *HK$'000*	**Consolidated** *HK$'000*
REVENUE				
External sales	–	4,299	–	4,299
Inter-segment sales	–	255	(255)	–
	–	4,554	(255)	4,299
RESULTS				
Segment results	(516)	(23,602)	–	(24,118)
Other income				436
Unallocated corporate expenses				(13,511)
Finance costs				–
Loss before tax				(37,193)
Income tax expense				–
Loss for the year				(37,193)

The basis of measurement of segment loss in the current year's presentation under HKFRS 8 is the same as that of segment results in the prior year's presentation of business segments under HKAS 14.

Segment assets and liabilities

	At 31 December 2009		
	Construction contracts *HK$'000*	**Distributions, trading and service provision** *HK$'000*	**Consolidated** *HK$'000*
ASSETS			
Segment assets	–	14,597	14,597
Unallocated corporate assets			45,530
Consolidated total assets			60,127
LIABILITIES			
Segment liabilities	–	559	559
Unallocated corporate liabilities			3,346
Consolidated total liabilities			3,905

Other segment information

	Year ended 31 December 2009			
	Construction contracts *HK$'000*	**Distributions, trading and service provision** *HK$'000*	**Unallocated** *HK$'000*	**Consolidated** *HK$'000*
OTHER INFORMATION				
Capital expenditure	–	5,698	229	5,927
Depreciation and amortisation	2	4,208	464	4,674
Reversal of inventories	–	(246)	–	(246)
Share-based payment expenses	–	1,012	5,195	6,207
Write-off of bad debts	26	–	–	26
Allowance for doubtful debts	–	24	–	24
Impairment loss on other intangible assets	–	4,020	–	4,020
Impairment loss on property, plant and equipment	–	9,180	771	9,951
Gain on deregistration of a subsidiary	(2,677)	–	–	(2,677)
Loss on disposal of property, plant and equipment	1	129	–	130

Segment revenue and results

2008

	Year ended 31 December 2008			
	Construction contracts *HK$'000*	Distributions, trading and service provision *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
REVENUE				
External sales	107	2,860	–	2,967
Inter-segment sales	–	7	(7)	–
	107	2,867	(7)	2,967
RESULTS				
Segment results	(3,601)	(23,397)	–	(26,998)
Other income				1,185
Unallocated corporate expenses				(15,259)
Finance costs				–
Loss before tax				(41,072)
Income tax expense				(1,106)
Loss for the year				(42,178)

Segment assets and liabilities

	At 31 December 2008		
	Construction contracts *HK$'000*	Distributions, trading and service provision *HK$'000*	Consolidated *HK$'000*
ASSETS			
Segment assets	30	30,542	30,572
Unallocated corporate assets			51,723
Consolidated total assets			82,295
LIABILITIES			
Segment liabilities	1,020	961	1,981
Unallocated corporate liabilities			5,490
Consolidated total liabilities			7,471

Other segment information

	Year ended 31 December 2008			
	Construction contracts *HK$'000*	Distributions, trading and service provision *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
OTHER INFORMATION				
Capital expenditure	–	10,304	149	10,453
Depreciation and amortisation	160	3,770	588	4,518
Write-down of inventories	–	246	–	246
Share-based payment expenses	–	2,033	3,378	5,411
Write-off of bad debts	2,446	–	–	2,446
Allowance for doubtful debts	–	80	631	711
Impairment loss on other intangible assets	–	5,879	–	5,879

Geographical information

The Group's operations are located in the People's Republic of China ("PRC"), Hong Kong and Germany. The Group's revenue from external customers by geographical markets and information about its non-current assets by geographical location of the assets are detailed below:

	Revenue from external customers		**Non-current assets**	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**3,102**	2,800	**2,744**	11,158
The PRC	**–**	107	**7,663**	2,191
Germany	**1,197**	60	**10,298**	17,026
	4,299	2,967	**20,705**	30,375

Information about customers

Revenues from two (2008: three) customers of the corresponding years individually contributing over 10% of total revenue of the Group are included in the distributions, trading and service provision segment and these customers are located in the Hong Kong, the PRC and Germany.

	2009	2008
	HK$'000	*HK$'000*
Customer A	**–**[1]	338
Customer B	**–**[1]	786
Customer C	**–**[1]	645
Customer D	**1,227**	–[1]
Customer E	**837**	–[1]
	2,064	1,769

[1] The corresponding revenue did not contribute over 10% of total revenue of the Group.

6. OTHER INCOME

	2009	2008
	HK$'000	*HK$'000*
Interest income	**95**	414
Net exchange gain	**279**	–
Others	**62**	771
	436	1,185

7. INCOME TAX EXPENSE

	2009	2008
	HK$'000	*HK$'000*
PRC Enterprise Income Tax		
Current year	**–**	1,106

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group has no assessable profit in Hong Kong for both years.

The PRC Enterprise income tax is calculated at the rates applicable to respective subsidiaries of the Group.

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

	2009	2008
	HK$'000	*HK$'000*
Loss before tax	**(37,193)**	(41,072)
Tax at the Hong Kong Profits Tax rate of 16.5% (2008: 16.5%)	**(6,137)**	(6,777)
Tax effect of expenses not deductible for tax purpose	**5,327**	6,976
Tax effect of income not taxable for tax purpose	**(1,081)**	(2,447)
Tax effect of temporary differences not recognised	**692**	2
Tax effect of tax losses not recognised	**1,199**	1,652
Effect of different tax rates of subsidiaries operated in other jurisdiction	**–**	1,700
Tax charge for the year	**–**	1,106

8. LOSS FOR THE YEAR

	2009	2008
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging/(crediting):		
Depreciation for property, plant and equipment	**3,652**	2,831
Amortisation of other intangible assets	**1,022**	1,687
	4,674	4,518
Auditor's remuneration	**520**	450
Net exchange (gain)/loss	**(279)**	1,335
Write-off of bad debts	**26**	2,446
Cost of inventories sold (note 11)	**1,140**	2,051
Minimum lease payments for operating leases in respect of rented premises	**1,663**	1,879
Research and development expenditure	**240**	364
Allowance for doubtful debts	**24**	711
Staff costs including directors' emoluments		
Salaries and allowances	**7,573**	8,066
Retirement benefit scheme contributions	**685**	680
Share-based payment expenses to employees	**2,403**	1,654
	10,661	10,400
Share-based payment expenses to other non-employees	**3,804**	3,757
Impairment loss on other intangible assets	**4,020**	5,879
Impairment loss on property, plant and equipment	**9,951**	–
Loss on disposal of property, plant and equipment	**130**	1,916
Gain on deregistration of a subsidiary	**(2,677)**	–

9. DIVIDEND

No dividend was paid or proposed, nor has any dividend been proposed since the end of the reporting period for the both years.

10. LOSS PER SHARE

The calculation of the basic loss per share attributable to the ordinary equity holders of the Company based on the following data:

	2009	2008
	HK$'000	*HK$'000*
Loss		
Loss for the purposes of basic loss per share	**37,193**	42,178

	2009	2008
Number of shares		
Weighted average number of ordinary shares for the purposes of basic loss per share	**344,145,200**	343,576,176

No diluted losses per share have been presented for both years because the share options outstanding had an anti-dilutive effect in the calculation of diluted loss per share.

11. INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

	2009	2008
	HK$'000	*HK$'000*
Recyclable plastic materials	**120**	318
Bio-cleaning materials	**390**	467
Generators	**435**	165
Total, net of allowance for obsolete inventories	**945**	950

(b) The analysis of the amount of inventories recognised as an expense is as follows:

	2009	2008
	HK$'000	*HK$'000*
Carrying amount of inventories sold	**1,386**	1,805
Write-down of inventories	**–**	246
Reversal of write-down of inventories	**(246)**	–
	1,140	2,051

For the year ended 31 December 2009, the Group reversed HK$246,000 (2008: Nil) of a previous inventory write-down as the Group sold goods that were written down to third parties. The amount of HK$246,000 reversed was included in "cost of finished goods sold" in the statement of comprehensive income.

12. TRADE RECEIVABLES

	2009	2008
	HK$'000	*HK$'000*
Trade receivables	**720**	2,142
Less: Allowance for doubtful debts	**(631)**	(2,053)
	89	89

The Group allows a credit period of 90 days to its trade customers. The following is an ageing analysis of trade receivables net of allowance for doubtful debts at the end of the reporting period:

	2009	2008
	HK$'000	*HK$'000*
0 – 90 days	**89**	89

The Group has provided fully provision for all receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

Movement in the allowance for doubtful debts

	2009	2008
	HK$'000	*HK$'000*
Balance at beginning of the year	**2,053**	1,422
Impairment loss recognised	**–**	631
Uncollectible amounts written off	**(1,422)**	–
Balance at end of the year	**631**	2,053

The above allowance for doubtful debts represent individually impaired trade receivables with an aggregate balance of HK$631,000 (2008: HK$2,053,000) which have been placed in severe financial difficulties. The Group does not had any collateral over these balances.

In addition, an allowance for doubtful debts has been provided for a loan receivable of HK$24,000 (2008: HK$80,000) which has been considered as irrecoverable. The Group does not have any collateral over this balance.

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2009	2008
	HK$'000	*HK$'000*
Prepayments	**456**	513
Deposits and other receivables	**18,283**	1,048
	18,739	1,561

Deposits and other receivables at 31 December 2009 includes a refundable deposit of HK$17 million (2008: Nil) paid to Myleader Limited ("the Vendor") in respect of the acquisition of shares of Global Emerging Resources Limited ("the Target company") and all loans due from the Target company to the Vendor. Detail can be found in the announcement dated 24 December 2009 which posted in the Company and the Stock Exchange websites.

In the event that a sales and purchase agreement is not signed by the parties thereto within the exclusivity period on 22 January 2010, and which was further extended to 22 July 2010, the deposit (without interest) shall be returned to the Company immediately after the expiry of the exclusivity period.

The carrying amounts of the prepayments, deposits and other receivables approximate to their respective fair values.

14. TRADE PAYABLES

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

	2009	2008
	HK$'000	*HK$'000*
0 – 90 days	**321**	690
91 – 180 days	**34**	68
181 – 365 days	**–**	990
Over 365 days	**516**	–
	871	1,748

The average credit period on purchase of goods is 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Included in trade payables balance is retention payables to suppliers in respect of construction contracts of HK$516,000 (2008: HK$516,000).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The Group's total revenue for the year ended 31 December 2009 ("FY2009") was approximately HK$4.3 million (FY2008: HK$3.0 million) representing an increase of 43% as compared with that for the year ended 31 December 2008 ("FY2008").

The construction sector has been closed and discontinued. There is no turnover for the FY2009 (FY2008: HK$0.1 million). Such change was due to the changing of company's main management and the Group's development strategies.

The revenue arising from the activities of bio-cleaning sector for the FY2009 was approximately HK$0.7 million (FY2008: HK$1.4 million) representing a decrease of 50% as compared with that for FY2008.

The revenue arising from trading of recyclable plastic materials and relevant services sector for FY2009 was approximately HK$2.4 million (FY2008: HK$0.7 million) representing an increase of 243% as compared with that for FY2008. The revenue from this sector comprised approximately HK$0.7 million (2008: HK$0.7 million) from trading of recyclable plastic material, while re-compressing and other related services have achieved a revenue of approximately HK$1.7 million (2008: Nil).

The revenue arising from trading of waste construction materials and waste processing provision sector for FY2009 was approximately HK$1.2 million (2008: HK$0.06 million). Such service was not available for FY2008.

The revenue arising from the trading of generator for FY2009 decreased sharply from approximately HK$0.8 million to HK$0.02 million. This year's revenue mainly comes from sample sales of the owned developed generators, which are not available for mass production yet.

During FY2009, the Group recorded a net loss of HK$37.2 million as against a net loss of HK$42.2 million for FY2008. The net loss of HK$37.2 million included impairment loss on other intangible assets of approximately HK$4.0 million, impairment loss on property, plant and equipment of approximately HK$10.0 million and share option payments granted of HK$6.2 million. Excluding those loss, the Group had incurred a loss of approximately HK$17 million in FY2009 (FY2008: HK$28.5 million).

General and administrative expenses, which included staff costs, legal and professional fees, amortisation and general administrative expenses, increased by 1.9% from approximately HK$42.7 million in FY2008 to HK$43.5 million in FY2009.

After excluding the non-cash expenses, such as impairment loss on other intangible assets, impairment loss on property, plant and equipment, write-off of bad debts and share based payment, the general and administrative expenses has been decreased by 9.0% in FY2009 as compared with FY2008. Such decrease in expenses is mainly due to the tight control over the cost.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2009 the Group had total current assets of approximately HK$39.4 million (As at 31 December 2008: HK$51.9 million) while total current liabilities were HK$3.9 million (As at 31 December 2008: HK$7.5 million). The current ratio of the Group was 1,010% (As at 31 December 2008: 692%). The Group has sufficient fund to settle its debts.

As at 31 December 2009 the Group had total assets of approximately HK$60.1 million (As at 31 December 2008: HK$82.3 million). The gearing ratio, calculated by dividing the total debts over its total assets were 6.5% (As at 31 December 2008: 9.1%).

BUSINESS REVIEW

Construction contractor

With effect from FY2008, the Company has advocated all its resources and manpower in the environmental area. The resources for construction sector has been terminated as the construction business no longer matches our group's developing direction. This business sector has been closed in the second half year of FY2009.

Trading of recyclable plastic materials and relevant services

In FY2009, the re-compressing facilities were ready for making service available to outsider. The Company could provide storage, re-compressing and weighting services. These services are less risky than trading of recyclable plastic materials as there is no need to predict the prices of recyclable plastic materials. The re-compressing service has become one of the main income sources of the Company. Over the years, the Group has attempted to apply for the licence of registration for overseas supplier enterprise of import solid waste as raw material, and the licence has been approved by the General Administration of Quality Supervision Inspection and Quarantine of the People's Republic of China ("AQSIQ") in March 2010. The Company is now authorised to import solid waste into PRC, such as waste paper, waste plastic materials and waste metal. Such ability might be one of the main source of income of the Company.

Trading of waste construction materials and waste processing provision

The phase one of Germany investment was completed in FY2008, and the Group began to receive orders for the treatment and recycling of construction and demolition materials and to resell the recovered and/or recycled materials for a profit. Such service has started in the later part of FY2008. The revenue arising from this trading/service is encouraging in FY2009. After building up a long term relationship and reputation in local market, and accumulating more clients, waste construction materials business will be an huge opportunity for the Group.

Trading of Bio-cleaning products

In FY2009, the turnover of this business decreased as one of the major client in PRC has stopped its trading with the Company. However, the PRC client base has improved. More clients are willing to use our products with trial order. We believe as more and more customers recognized the advantage of our products, the turnover of this business will improve.

Trading of generators

The Company has been putting lots of resources into this business segment. A team of technical staff was employed for researching and developing the power generators equipped with Electronic Fuel Injection, Computer Controlled Carburetion, Digital Inverter and Multi-Fuel capacity. However such development has been slowed down, as a core technical problem has not yet been solved. The Company thinks such problem might not be able to resolve in the near future. Therefore it is expected no new product will be ready for sale. This business segment might be shut down because of unforeseeable future.

MATERIAL ACQUISITION

There was no material acquisition or disposal of the Company's subsidiaries and associated companies during the year ended 31 December 2009.

CAPITAL COMMITMENT

As at 31 December 2009, the Group had no significant capital commitment (2008: Nil).

FUTURE PROSPECTS

By a memorandum of broad terms dated 23 December 2009 entered into between the Company as purchaser and Myleader Limited as vendor the Company sought to acquire, inter alia, the entire issued share capital of Global Emerging Resources Limited, a company incorporated in the British Virgin Islands that held (a) forty percent. (40%) equity interest in Philippine Alliance Integrated Mineral Development Inc. ("Phil Alliance") and also (b) forty percent. (40%) equity interest in Proserve Holdings & Development Corp., which in turn held fifty percent. (50%) equity interest in Phil Alliance, which was the holder of certain mining rights comprised in:

(a) an approved Exploration Permit denominated as OEP-2007-006-II dated 7 August 2007 issued by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources in the Philippines ("MGB") for the exploration of magnetite sand and other associated mineral deposits in an offshore area of 13,483.8069 hectares located at Sanchez Mira, Pamplona, Abulug, Ballesteros, Aparri, Buguey and Gonzaga in the province of Cagayan, Philippines; and

(b) a pending Exploration Permit Application denominated as EPA-000106-II dated 1 February 2008 issued by MGB for the exploration of magnetite sand and other associated mineral deposits in an offshore area of 27,109.58 hectares located in the jurisdictions of the municipalities of Claveria, Sanchez Mira, Abulug, Ballesteros, Aparri, Buguey and Gonzaga in the province of Cagayan, Philippines.

As previously announced on 18 February 2010 the Group was also engaged in negotiation with third parties for the acquisition of the entire issued share capital of Gioberto Limited ("**Gioberto**"), a company incorporated in the British Virgin Islands that had acquired all the issued share capital of Altamina Exploration & Resources Incorporated ("**Altamina**"), which was the holder of six (6) exploration permit applications bearing EXPA No. 063, 064, 065, 076, 077 and 078 issued by MGB for the exploration of magnetite sand and other associated mineral deposits in the offshore magnetite mining area covered by such applications comprising an aggregate area of 9,789.9832 hectares located in the provinces of Ilocos Sur, Ilocos Norte and Pangasinan of the Philippines. In order to demonstrate the Group's sincerity in the proposed acquisition, a wholly-owned subsidiary of the Company advanced, by way of a loan to Gioberto, a principal sum of HK$30 million for the purposes of financing payments to be made by Gioberto for the acquisition of Altamina and the working capital requirements of Gioberto generally. The loan was secured by a first fixed legal charge over the entire issued share capital of Gioberto.

If either one or both of the proposed acquisition(s) materialised, the exploration of iron ores and mining activities would become the predominant business activity, and constitute the major source of income, of the Group.

In consistence with the Group's policy in the development of a business in renewable energy, the Company set up a new business venture that was engaged in the cultivation of Jatropha and the construction of a pilot plant for the production of biofuel and other biochemical by-products in the PRC. The project gave rise to (1) significant site formation works on the land required for the cultivation of Jatropha; (2) the design and construction of a pilot plant for the production of biodiesel from harvested Jatropha fruit and the manufacture of a wide range of biochemical by-products including glycerine (for application in the manufacture of soaps, health supplements and organic fertilizers and (3) marketing of biodiesel and related by-products arising from the extraction and refinery processes.

The Group will continue to seek attractive business opportunities in areas involving environmental protection and recycling in Hong Kong, the PRC and around the world with a view to generating positive cash flow and earnings for the Group.

CONTINGENT LIABILITIES

As at 31 December 2009, the Group did not have any material contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2009, the Group had 36 employees (2008: 42 employees) in Hong Kong, the PRC and Germany. The decrease in the number of employees was due to the restructuring of business and subsidiaries in the PRC.

The Group offered competitive remuneration package as an incentive to staff for improvements. The Company has a share option scheme in place as a mean to encourage and reward the eligible employees' (including directors of the Company) contributions to the Group's results and business development based on their individual performance.

The employees' remuneration, promotion and salary are assessed by reference to work performance, working experiences and professional qualifications and the prevailing market practice.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the year under review. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's shares during the year under review.

EVENTS AFTER THE REPORTING PERIOD

1. By a memorandum of broad terms dated 23 December 2009 (the "**Memorandum**") entered into between the Company as purchaser and Myleader Limited ("**Myleader**") as vendor the Company agreed to purchase and Myleader agreed to sell, inter alia, the entire issued share capital of Global Emerging Resources Limited, a company incorporated in the British Virgin Islands that held (a) forty percent. (40%) equity interest in Philippine Alliance Integrated Mineral Development Inc. ("**Phil Alliance**") and also (b) forty percent. (40%) equity interest in Proserve Holdings & Development Corp., which in turn held fifty percent. (50%) equity interest in Phil Alliance, which was the holder of certain mining rights comprised in :

    (a) an approved Exploration Permit denominated as OEP-2007-006-II dated 7 August 2007 issued by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources in the Philippines ("MGB") for the exploration of magnetite sand and other associated mineral deposits in an offshore area of 13,483.8069 hectares located at Sanchez Mira, Pamplona, Abulug, Ballesteros, Aparri, Buguey and Gonzaga in the province of Cagayan, Philippines; and

(b) a pending Exploration Permit Application denominated as EPA-000106-II dated 1 February 2008 issued by MGB for the exploration of magnetite sand and other associated mineral deposits in an offshore area of 27,109.58 hectares located in the jurisdictions of the municipalities of Claveria, Sanchez Mira, Abulug, Ballesteros, Aparri, Buguey and Gonzaga in the province of Cagayan, Philippines.

2. On 29 December 2009 the Company paid to Myleader a refundable deposit of HK$17 million under the Memorandum upon terms, inter alia, that such deposit should be returned by Myleader to the Company if a formal sale and purchase agreement was not concluded by the parties thereto within one month from the date of the execution of the Memorandum.

3. On 22 January 2010 a letter of extension was entered into between the Company and Myleader, whereby the Exclusivity Period as defined in the Memorandum was extended until 22 July 2010.

4. By an agreement constituted by a facility letter dated 18 February 2010 and made between Almoray Limited ("**Almoray**") as lender (a direct wholly-owned subsidiary of the Company) and Gioberto Limited ("**Gioberto**") as borrower, Almoray agreed to advance to Gioberto a loan in the principal sum of HK$30 million on the security of a first fixed legal charge over the entire issued share capital of Gioberto. The loan was advanced in the midst of negotiations undertaken by the Group for a possible acquisition of the entire issued share capital of Gioberto, which had acquired all the issued share capital of Altamina Exploration & Resources Incorporated ("Altamina"), which was the holder of six (6) exploration permit applications bearing EXPA No. 063, 064, 065, 076, 077 and 078 issued by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources in the Philippines for the exploration of magnetite sand and other associated mineral deposits in the offshore magnetite mining area covered by such applications comprising an aggregate area of 9,789.9832 hectares located in the provinces of Ilocos Sur, Ilocos Norte and Pangasinan of the Philippines.

5. On 18 February 2010 Almoray advanced to Gioberto the first tranche of HK$20 million, followed by the advance of the second tranche of HK$10 million which was made on 8 March 2010.

6. On 25 February 2010 the Company entered into an agreement with a placing agent for the placement of 36,000,000 new shares in the capital of the Company to independent placees at a price of HK$0.675 per share. Placing was completed on 8 March 2010 and consequently new shares ranking pari passu with the existing shares in issue of the Company were issued. The aggregate gross proceeds arising from the new issue was HK$24.3 million. It was the Group's intention to apply the net proceeds of placing in or towards acquiring mining business and the working capital requirements of the Group.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's code on corporate governance practices was adopted by reference to the provisions of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rule"). The Company conducts regular reviews of its corporate governance practices to ensure compliance with the CG Code. During the year under review, the Company has complied itself with all the CG Code except the following:

Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The role of the chief executive officer was performed by Mr. Yip Wai Leung Jerry, who was also the chairman of the Company before 22 December 2009, afterward, Dr. Wong Yun Kuen was appointed as the executive director and chairman of the Company, he also took the role of chief executive officer. The board believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term. However, all non-executive directors were subject to the retirement and rotation requirements in accordance with the Company's Bye-laws. The Company believes that the fixing of Directors' tenure by Bye-laws and the shareholders right to re-elect retiring Directors serves to safeguard the long term interest of the Company, and such provisions are not less exacting than those in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquired of all Directors, that they have fully complied with the required standard set out in the Model Code throughout the year under review.

AUDIT COMMITTEE

The audit committee comprises all three independent non-executive directors namely, Mr. So Yin Wai, Mr. Chan Kai Yung Ronney and Ms. Zhu You Chun. The audit committee has reviewed the audited consolidated financial statements for the year ended 31 December 2009.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT

The annual report of the Company for the year ended 31 December 2009 containing all the information required by the Listing Rules also be available at the Company's and the Stock Exchange's website will be dispatched to the Company's shareholders in due course.

The results announcement is published on Company's website (www.greenenergy.hk) and the Stock Exchange's website.

By order of the Board
Wong Yun Kuen
Chairman

Hong Kong, 21 April 2010

As at the date of this announcement, the Company has two executive directors, namely Dr Wong Yun Kuen and Mr. Fan Xiaomin and three independent non-executive directors, namely Mr. So Yin Wai, Mr. Chan Kai Yung Ronney and Ms. Zhu You Chun.