

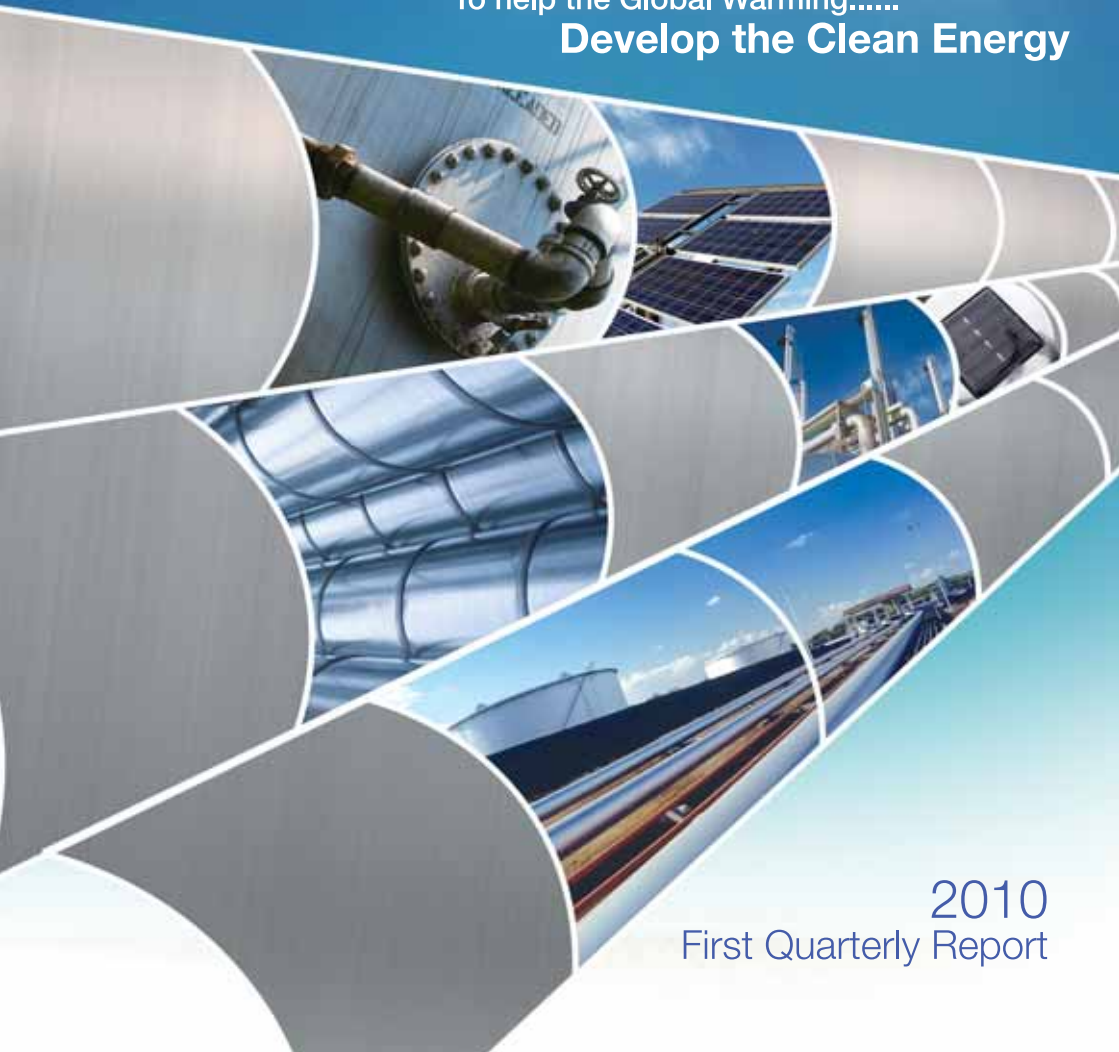


# UURG Corporation Limited

(continued in Bermuda with limited liability)

Stock Code: 8192

To help the Global Warming.....  
**Develop the Clean Energy**



2010  
First Quarterly Report

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors of UURG Corporation Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing The Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) all opinions expressed in this report have been arrived at after due and careful consideration and are founded bases and assumption that are fair and reasonable.*

## RESULTS

The board of directors (the “Board” or the “Directors”) of the Company announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2010, together with the comparative unaudited figures for the corresponding period in 2009 as follows:

### Unaudited Condensed Consolidated Statement of Comprehensive Income

		<b>Three months ended</b>	
		<b>31 March</b>	
		<b>2010</b>	2009
		<b>(Unaudited)</b>	(Unaudited)
	Note	<b>HK\$'000</b>	HK\$'000
<b>Revenue</b>	3	<b>2,767</b>	1,176
Other income		<b>73</b>	10
Depreciation		<b>(1)</b>	(18)
Materials and consumables used		<b>(2,005)</b>	(808)
Staff costs		<b>(2,429)</b>	(2,037)
Other operating expenses		<b>(2,430)</b>	(1,523)
<b>Loss from operations</b>		<b>(4,025)</b>	(3,200)
Finance costs		<b>(74)</b>	(62)
<b>Loss before income tax</b>	4	<b>(4,099)</b>	(3,262)
Income tax credit	5	<b>-</b>	10
<b>Loss for the period</b>		<b>(4,099)</b>	(3,252)
<b>Other comprehensive loss for the period</b>			
Translation difference		<b>(2)</b>	2
<b>Total comprehensive loss for the period</b>		<b>(4,101)</b>	(3,250)
<b>Loss for the period attributable to the owners of the Company</b>		<b>(4,099)</b>	(3,252)
<b>Total comprehensive loss for the period attributable to the owner of the Company</b>		<b>(4,101)</b>	(3,250)
<b>Loss per share in HK cents</b>	6		
- Basic		<b>(0.074)</b>	(0.058)
- Diluted		<b>N/A</b>	N/A

## Notes to the Condensed Consolidated Financial Statements

### 1. General Information

The Company is a limited liability company incorporated in the Cayman Islands and continued in Bermuda. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is Unit 2803, 28th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong. The Company's shares are listed on the GEM of The Stock Exchange.

Pursuant to the special resolution passed on 7 May 2010, the Company's name has been changed from "UURG Corporation Limited" to "Global Energy Resources International Group Limited" and a new Chinese name of the Company "環球能源資源國際集團有限公司" has been adopted as the secondary name of the Company to replace "環球集團控股有限公司" which has been used for identification purpose only. The approval of changing the Company name by the Registrar of Companies in Bermuda is being processed. The new English name and Chinese secondary name will be used after the approval is obtained.

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in the provision of information technology and engineering consultancy services.

### 2. Basis of Preparation

The Group's unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The unaudited condensed consolidated results also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The accounting policies adopted in preparing the unaudited condensed consolidated financial statements for the three months ended 31 March 2010 and 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2009. The condensed consolidated financial statements are unaudited but have been reviewed by the audit committee of the Company.

### 3. Revenue

Revenue, which is also the Group's turnover, represents the aggregate of the amounts received and receivable from third parties in connection with the provision of information technology and engineering consultancy services.

### 4. Loss before Income Tax

The Group's loss before income tax is arrived at after charging/(crediting):

	<b>3 months ended</b>	
	<b>31 March</b>	
	<b>2010</b>	2009
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Directors' remuneration	<b>1,063</b>	267
Other staff costs	<b>1,366</b>	1,770
Depreciation	<b>1</b>	18
Operating lease rental in respect of land and building	<b>680</b>	573
Effective interest expense on convertible bonds	<b>69</b>	62
Interest income	<b>(1)</b>	(10)
	<b>_____</b>	<b>_____</b>

**5. Income Tax Expense**

No provision for income tax has been made as the Group had no assessable profits for the three months ended 31 March 2010 (three months ended 31 March 2009: Nil).

	<b>3 months ended 31 March</b>	
	<b>2010</b>	2009
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Deferred tax		
Reversal of deferred tax liabilities	-	(10)
<b>Total income tax credit</b>	<b>-</b>	<b>(10)</b>

**6. Loss Per Share**

The calculation of basic loss per share for the three months ended 31 March 2010 is based on the unaudited net loss for the three months ended 31 March 2010 of approximately HK\$4,099,000 (three months ended 31 March 2009: loss of approximately HK\$3,252,000) and the weighted average of 5,568,000,000 shares (three months ended 31 March 2009: 5,568,000,000 shares) in issue during the period.

No diluted loss per share has been presented because the potential ordinary shares had anti-dilutive effect for each of the three months ended 31 March 2010 and 2009.

**7. Dividend**

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2010 (three months ended 31 March 2009: Nil).

**8. Reserves**

Movements in reserves during the periods are as follows:

	<b>Share capital</b>	<b>Capital reserve</b>	<b>Share premium</b>	<b>Special reserve</b>	<b>Convertible bonds equity reserve</b>	<b>Exchange reserve</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2009	2,784	1,030	20,273	11	1,190	(3)	(10,010)	15,275
Total comprehensive loss for the period	-	-	-	-	-	2	(3,252)	(3,250)
At 31 March 2009	<u>2,784</u>	<u>1,030</u>	<u>20,273</u>	<u>11</u>	<u>1,190</u>	<u>(1)</u>	<u>(13,262)</u>	<u>12,025</u>
At 1 January 2010	2,784	1,030	20,273	11	1,190	9	(19,319)	5,978
Total comprehensive loss for the period	-	-	-	-	-	(2)	(4,099)	(4,101)
At 31 March 2010	<u>2,784</u>	<u>1,030</u>	<u>20,273</u>	<u>11</u>	<u>1,190</u>	<u>7</u>	<u>(23,418)</u>	<u>1,877</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group is principally engaged in the provision of information technology and engineering consultancy services.

### **BUSINESS REVIEW AND PROSPECT**

During the period under review, the Group's turnover amounted to approximately HK\$2,767,000, representing an increase of approximately 135% compared with the last corresponding period of approximately HK\$1,176,000.

The Group's performance in the first quarter was higher than expected which was attributable to the increased in turnover as a result of strong rebound of China's economy and return in market confidence.

During the first quarter, the Group's performance was stable which was attributable to a number of prominent projects secured last year. One of the iconic projects secured, the New Wuhan Railway Station project in Hubei Province, also known as the Wuguang Passenger Railway Wuhan Station, was opened on 26 December 2009. This new line is connecting Wuhan (Hubei) and Guangzhou (Guangdong) in the PRC. The line is part of the future 2100-km long Beijing-Guangzhou High-Speed Railway, while the Beijing-Shijiazhuang and Shijiazhuang-Wuhan sections are still under construction and expected to be opened in 2012.

The Group has successfully implemented various Green Building Technologies in the Station, including natural and smoke ventilation system, automated solar shading system and fixed solar shading system. The natural ventilation system has been implemented in both South and North facing facade to increase the air movement and to supply fresh air to the passenger waiting room, thereby releasing any excessive heat build up and most importantly reducing energy use and improving the air quality. The solar shading system has been installed in the East and West facing facade to control the air flow as well as to control excess of solar gain in the building. During the first quarter, the Group successfully secured Xin Ye Bank Building project in Shanghai in which the Group will provide natural ventilation and smoke ventilation system solutions.

The Group has pursued every opportunity to bid for development projects in the PRC, including in Guangzhou and Beijing and has successfully secured two projects, including the Beijing Huawei Technologies Corporate Campus Phase One and China Mobile Building in Guangzhou projects. Two projects are adopting the natural ventilation and smoke ventilation system solutions, where the automated vents can improve the exchange of fresh air to reduce the building's energy footprint, and at the same time significantly improve the indoor air quality (IAQ) and providing a health working environment. In case of fire hazard, the automated vents will function as smoke vents to help release heat and smoke from the building.

On 19 April 2010, the Group completed a placing of 180,000,000 new Shares of the Company (the "Placing") (details of which are set out in the Company's announcement dated 31 March 2010) and successfully raised net proceeds of approximately HK\$49.1 million which not only strengthens the Group's working capital, but also supports the Group's business planning to enter into new business sectors including the Coalbed Methane business in the future.

## FINANCIAL REVIEW

For the three months ended 31 March 2010, the Group's unaudited consolidated turnover and loss attributable to equity holders of the Company were approximately HK\$2,767,000 (2009: HK\$1,176,000) and HK\$4,099,000 (2009: HK\$3,252,000) respectively which were increased by approximately 135% and 26% respectively comparing with the corresponding period last year. The increase in the loss was mainly attributable to increase in operating costs such as staff and office establishment costs in order to cope with the business development both in Hong Kong and the PRC.

## DIVIDEND

The Company does not recommend the payment of any dividend for the three months ended 31 March 2010 (2009: nil).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2010.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2010, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### Long positions in shares and underlying shares of the Company

Name	Number of Shares interested	Approximate Percentage of shareholding
Ms. Li Xiao Mei	9,270,000,000 (Notes 1)	166.49% (Notes 2)

Notes:

- (1) These shares are owned by Sound Treasure Holdings Limited, a company wholly owned by Ms. Li Xiao Mei. The 9,270,000,000 shares of the Company which Sound Treasure Holdings Limited is interested in consist of (1) 3,470,000,000 shares of the Company; and (2) a zero coupon convertible bonds of the principal amount of HK\$2,900,000 which can be converted into 5,800,000,000 shares of the Company (subject to adjustment in accordance with the terms and conditions of the convertible bonds) during its conversion period of five years from 4 September 2007.
- (2) On 19 April 2010, the Company had a total of 180,000,000 new Shares placed under the general mandate granted at the Annual General Meeting on 5 May 2009. After the Placing completed on 19 April 2010, the above approximate percentage of shareholding reduced to 161.27%.

Save as disclosed above, as at 31 March 2010, none of the Directors had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

## **SHARE OPTION SCHEME**

A share option scheme was adopted and approved by the sole member of the Company on 26 October 2002 (the "Share Option Scheme"). No share options have been granted under the Share Option Scheme since its adoption.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY**

As at 31 March 2010, other than the interests of certain Directors as disclosed under the section headed "Directors' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, the interests or short positions of person in the shares and underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:



## Long positions in shares and underlying shares of the Company

<b>Name of Shareholder</b>	<b>Number of shares interested</b>	<b>Capacity in which shares are interested</b>	<b>Approximate percentage of issued share capital</b>
Sound Treasure Holdings Limited	9,270,000,000 (Notes 1)	Beneficial owner	166.49% (Notes 4 & 5)
Ms. Li Xiao Mei	9,270,000,000 (Notes 1)	Interest in controlled corporation	166.49% (Notes 4 & 5)
Pong Wai San, Wilson	1,617,792,000 (Notes 2 & 3)	Personal	29.06% (Notes 3 & 5)
Tung Ching Yee, Helena	1,617,792,000 (Notes 2 & 3)	Family Interest	29.06% (Notes 3 & 5)

Notes:

- (1) These shares are owned by Sound Treasure Holdings Limited, a company wholly owned by Ms. Li Xiao Mei. The 9,270,000,000 shares of the Company which Sound Treasure Holdings Limited is interested in consist of (1) 3,470,000,000 shares of the Company; and (2) a zero coupon convertible bonds of the principal amount of HK\$2,900,000 which can be converted into 5,800,000,000 shares of the Company (subject to adjustment in accordance with the terms and conditions of the convertible bonds) during its conversion period of five years from 4 September 2007.
- (2) The 1,617,792,000 shares held by Mr. Pong Wai San, Wilson consist of (1) 617,792,000 shares of the Company; and (2) a zero coupon convertible bonds of the principal amount of HK\$500,000 which can be converted into 1,000,000,000 shares of the Company (subject to adjustment in accordance with the terms and conditions of the convertible bonds) during its conversion period of five years from 4 September 2007. Ms. Tung Ching Yee, Helena is the wife of Mr. Pong Wai San, Wilson and accordingly deemed to be interested in the shares beneficially owned by Mr. Pong Wai San, Wilson in his own capacity under SFO.
- (3) On 15 April 2010, Mr. Pong Wai San, Wilson disposed of 240,000,000 shares of the Company. After the disposal, he is interested in 1,377,792,000 shares of the Company.
- (4) On 19 April 2010, the Company had a total of 180,000,000 new Shares placed under the general mandate granted at the Annual General Meeting on 5 May 2009.
- (5) After the Placing completed on 19 April 2010 and the disposal made by Mr. Pong Wai San, Wilson on 15 April 2010, the percentage interest of Sound Treasure Holding Limited and Mr. Pong Wai San, Wilson were decreased to 161.27% and 23.97% respectively.

## **DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Saved as disclosed in the section headed "Directors' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, at no time during the reporting period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Saved as disclosed in the section headed "Directors' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, at no time during the reporting period had the Directors and chief executives of the Company (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company and its associated corporations (within the meaning of the SFO).

## **DIRECTORS' INTEREST IN COMPETING BUSINESS**

None of the Directors and the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) has any business or interest in companies that competes or may compete with the business of the Group or any other conflict of interests which any such person has or may have with the Group.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules. The Company has applied the principles in the CG Code and complied with the code provisions set out in the CG Code for the three months ended 31 March 2010.

## **AUDIT COMMITTEE**

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the provisions set out in the CG Code particularly C.3.3 of the CG Code and Rules 5.28 and 5.33 of the GEM Listing Rules and which had been revised on 1 March 2008. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of the Group, and provide advice and comments on the Company's draft annual reports and accounts, half year reports and quarterly reports to the Directors. As at the date of this Report, the Audit Committee comprises three members, Mr. Leung Wah, Mr. Fung Hoi Wing, Henry and Mr. Cheung Chung Leung, Richard, all of them are independent non-executive Directors. The chairman of the Audit Committee is Mr. Leung Wah. The Audit Committee has reviewed the Group's unaudited quarterly results for the three months ended 31 March 2010.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions throughout the period ended 31 March 2010.

As at the date of this Report, the Board comprises the following Directors:

*Executive Directors:*

Ms. Li Xiao Mei

Mr. Zhang Shi Min

*Non-executive Directors:*

Mr. Wu Gao Yuan

Mr. Wen Wei Zhong

Mr. Qie Bing Bing

*Independent non-executive Directors:*

Mr. Leung Wah

Mr. Fung Hoi Wing, Henry

Mr. Cheung Chung Leung, Richard

By order of the Board

**UURG Corporation Limited**

**Li Xiao Mei**

*Chairman*

Hong Kong, 14 May 2010