Global Energy Resources International Group Limited
環球能源資源國際集團有限公司

(continued in Bermuda with limited liability)

(Stock Code: 8192)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors (the "Directors") of Global Energy Resources International Group Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at www.8192.com.hk from the date of this announcement.

Final Results

The board of directors (the "Board") of Global Energy Resources International Group Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2012, together with the comparative figures for the year ended 31 December 2011 as follows:

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2012

	Notes	2012 HK$'000	2011 HK$'000 (restated)
Continuing operation			
Revenue	3	**9,662**	25,385
Cost of sales		**(8,150)**	(17,408)
Gross profit		**1,512**	7,977
Other revenue	3	**151**	165
Other gains and losses	4	**(9,377)**	(2,966)
Selling and distribution expenses		**(712)**	(2,183)
Administrative expenses		**(13,737)**	(21,168)
Loss from operations		**(22,163)**	(18,175)
Finance costs	6	**(211)**	(289)
Loss before taxation	7	**(22,374)**	(18,464)
Taxation	8	**(71)**	(342)
Loss for the year from continuing operation		**(22,445)**	(18,806)
Discontinued operation			
Gain/(loss) for the year from discontinued operation		**2,186**	(1,302)
Loss for the year		**(20,259)**	(20,108)
Other comprehensive income, net of income tax			
Exchange differences on translation of foreign operations		**1,206**	841
Other comprehensive income for the year, net of income tax		**1,206**	841
Total comprehensive loss for the year		**(19,053)**	(19,267)
(Loss)/profit for the year attributable to			
Owners of the Company		**(17,185)**	(21,255)
Non-controlling interests		**(3,074)**	1,147
		(20,259)	(20,108)

Consolidated Statement of Comprehensive Income

(Continue)

For the year ended 31 December 2012 (Continue)

	Notes	2012 HK$'000	2011 HK$'000 (restated)
Total comprehensive (loss)/ income for the year attributable to			
Owners of the Company		**(17,050)**	(20,266)
Non-controlling interests		**(2,003)**	999
		(19,053)	(19,267)
Loss per share	10		
From continuing and discontinued operations			
– Basic and diluted		**HK$(1.37) cents**	HK$(1.69) cents
From continuing operation			
– Basic and diluted		**HK$(1.54) cents**	HK$(1.59) cents

Consolidated Statement of Financial Position

As at 31 December 2012

	Notes	2012 HK$'000	2011 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**1,723**	2,151
Goodwill		**5,404**	10,661
Other assets		**614**	609
		7,741	13,421
Current assets			
Inventories		**11,113**	15,723
Trade receivables	11	**3,802**	6,452
Other receivables, deposits and prepayments		**12,446**	9,760
Cash and cash equivalents		**1,292**	8,944
		28,653	40,879
Current liabilities			
Trade payables	12	**1,195**	3,099
Accruals and other payables		**5,868**	7,650
Amounts due to related parties		**3,709**	1,212
Amount due to a shareholder		**5,628**	2,000
Bank borrowing	13	**–**	6,044
		16,400	20,005
Net current assets		**12,253**	20,874
Total assets less current liabilities		**19,994**	34,295
Net assets		**19,994**	34,295
EQUITY			
Share capital	14	**6,274**	6,274
Reserves		**1,592**	13,890
Total equity attributable to owners of the Company		**7,866**	20,164
Non-controlling interests		**12,128**	14,131
Total equity		**19,994**	34,295

Consolidated Statement of Change in Equity

For the year ended 31 December 2012

	Attributable to owners of the Company										
	Share capital HK$'000	Capital reserve (note (i)) HK$'000	Share premium HK$'000	Special reserve (note (ii)) HK$'000	Warrant reserve (note (iii)) HK$'000	Statutory reserve (note (iv)) HK$'000	Exchange reserve HK$'000	Accumulated losses HK$'000	Subtotal HK$'000	Non–controlling interests HK$'000	Total HK$'000
Balance at 1 January 2011	6,274	1,030	70,009	11	–	–	421	(37,315)	40,430	1,473	41,903
Capital injection in a subsidiary	–	–	–	–	–	–	–	–	–	11,659	11,659
Transfer to statutory reserve	–	–	–	–	–	320	–	(320)	–	–	–
Transaction with owners	–	–	–	–	–	320	–	(320)	–	11,659	11,659
Net (loss)/profit for the year	–	–	–	–	–	–	–	(21,255)	(21,255)	1,147	(20,108)
Other comprehensive income/(loss), net of income tax											
Exchange differences on translation of foreign operations	–	–	–	–	–	–	989	–	989	(148)	841
Total comprehensive income (loss) for the year	–	–	–	–	–	–	989	(21,255)	(20,266)	999	(19,267)
Balance at 31 December 2011 and 1 January 2012	6,274	1,030	70,009	11	–	320	1,410	(58,890)	20,164	14,131	34,295
Placing of non-listed warrants, net of transaction cost	–	–	–	–	4,752	–	–	–	4,752	–	4,752
Transaction with owners	–	–	–	–	4,752	–	–	–	4,752	–	4,752
Net loss for the year	–	–	–	–	–	–	–	(17,185)	(17,185)	(3,074)	(20,259)
Other comprehensive income net of income tax											
Exchange differences on translation of foreign operations	–	–	–	–	–	4	131	–	135	1,071	1,206
Total comprehensive income/(loss) for the year	–	–	–	–	–	4	131	(17,185)	(17,050)	(2,003)	(19,053)
Balance at 31 December 2012	**6,274**	**1,030***	**70,009***	**11***	**4,752***	**324***	**1,541***	**(76,075)***	**7,866**	**12,128**	**19,994**

* The aggregated amount of these balances of HK$1,592,000 (2011: HK$13,890,000) in surplus is included as reserves in the consolidated statement of financial position.

Notes:

(i) The capital reserve of the Group represents a capital contribution by a shareholder company during the year ended 31 December 2007.

(ii) The special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the amount of the share capital of a subsidiary acquired pursuant to a group reorganisation in 2002.

(iii) The warrants reserve of the Group represents non-listed warrants were issued to the two independent third parties during the year ended 31 December 2012.

(iv) Subsidiary of the Company establish in the PRC shall appropriate 10% of its annual statutory net profit (after offsetting any prior year losses) to the statutory reserve fund account in accordance with the PRC Company law. When the balance of such reserve fund reaches 50% of the entity's share capital, any further appropriation is optional. The statutory reserve fund can be utilised to offset prior year's losses or to increase capital after proper approval.

Notes

For the year ended 31 December 2012

1. GENERAL INFORMATION

Global Energy Resources International Group Limited 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 in Unit 2803, 28th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong. The Company's shares are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In the opinion of the directors, the ultimate holding company of the Company is Sound Treasure Holdings Limited, a company incorporated in British Virgin Islands.

The consolidated financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

The financial statements for the year ended 31 December 2012 were approved for issue by the board of directors on 19 March 2013.

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

In the current year, the Group has adopted all of the new and revised standards, amendments and interpretations ("new HKFRSs") issued by Hong Kong Institute of Certified Public Accountants (the "HKICPA") there are relevant to its operations and effective for annual periods beginning on or after 1 January 2012.

HKFRS 1 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Transfers of Financial Assets
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets

The directors anticipate that the application of these new HKFRSs has no material impact on the results and the financial position of the Group.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKAS 19 (2011)	Employee Benefits[1]
HKAS 27 (2011)	Separate Financial Statements[1]
HKAS 28 (2011)	Investments in Associates and Joints Ventures[1]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[3]
HKFRS (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle except for the amendments to HKAS 1[2]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]
HKFRS 7 (Amendments)	Disclosure – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosure[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Agreements Disclosure of Interests in Other Entities: Transition Guidance[1]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]

1. Effective for annual periods beginning on or after 1 January 2013.
2. Effective for annual periods beginning on or after 1 January 2014.
3. Effective for annual periods beginning on or after 1 January 2015.

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 the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised 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 amortised cost at the end of 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 recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that 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 of financial liabilities attributable to changes in the financial liabilities' 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 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 the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities (e.g. the Group's investments in redeemable notes that are currently classified as available-for-sale investments may have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss). Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

For other new and revised HKFRSs which are issued but not yet effective, the Group is in the process of making and assessment of the impact upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's result of operations and financial position.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. HK (SIC)-Int 12 Consolidation – Special Purpose Entities will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, 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 11 replaces HKAS 31 Interests in Joint Ventures. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC)-Int 13 Jointly Controlled Entities – Non-monetary Contributions by Venturers will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

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.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided all of these standards are applied at the same time.

The directors anticipate that the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

HKFRS 13 Fair Value Measurement

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 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 the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKFRS 7 and HKAS 32 Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKAS 19 Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension as set or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

HKAS 1 (Amendments) Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a statement of profit or loss. 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 items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (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 do not change the option to present items of other comprehensive income either before tax or net of tax.

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.

Annual Improvements to HKFRSs 2009–2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009–2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include:

- amendments to HKAS 1 Presentation of Financial Statements;
- amendments to HKAS 16 Property, Plant and Equipment; and
- amendments to HKAS 32 Financial Instruments: Presentation.

Amendments to HKAS 1

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

Amendments to HKAS 16

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors do not anticipate that the amendments to HKAS 16 will have a significant effect on the Group’s consolidated financial statements.

Amendments to HKAS 32

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The directors anticipate that the amendments to HKAS 32 will have no effect on the Group’s consolidated financial statements as the Group has already adopted this treatment.

3. REVENUE

Continuing operation

Revenue, which is also the Group's turnover, represents the aggregate of the amounts received and receivable from third parties in connection with the sales of environmentally friendly air-conditioners and related products. Revenue and other income recognised from continuing operation during the year are as follows:

	2012	2011
	HK$'000	HK$'000
		(restated)
Revenue		
Sales of environmentally friendly air-conditioners and related products	**9,662**	25,385
Interest income	**11**	35
Sundry income	**140**	130
	151	165

4. OTHER GAINS AND LOSSES

	2012	2011
	HK$'000	HK$'000
Gain on disposal of subsidiaries	**–**	30
Impairment loss recognised on inventories	**(2,076)**	–
Impairment loss recognised on trade receivables	**(1,906)**	(2,996)
Impairment loss recognised on goodwill	**(5,395)**	–
	(9,377)	(2,966)

5. SEGMENT INFORMATION

Information reported to executive directors 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. The Group's reportable segments under HKFRS 8 are as follows:

- Manufacturing and sales of environmentally friendly air-conditioners and related products

- Provision of information technology and engineering consultancy services

The segment of provision of information technology and engineering consultancy services was disposed during the year ended 31 December 2012.

Segment revenues and results

For the year ended 31 December 2012:

	Discontinued operation	Continuing operation	
	Provision of information technology and engineering consultancy services HK$'000	**Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000**	**Total HK$'000**
Segment revenue	**69**	**9,662**	**9,731**
Segment results	**2,231**	**(13,913)**	**(11,682)**
Other gains			**151**
Central administrative costs			**(8,446)**
Finance costs			**(211)**
Loss before taxation			**(20,188)**

For the year ended 31 December 2011:

	Discontinued operation	Continuing operation	
	Provision of information technology and engineering consultancy services HK$'000	Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000	Total HK$'000
Segment revenue	89	25,385	25,474
Segment results	(3,951)	(295)	(4,246)
Other gains			112
Central administrative costs			(15,343)
Finance costs			(289)
Loss before taxation			(19,766)

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current year.

The accounting policies of the operating segments are the same as the Group's accounting polices described in note 3 to the financial statement. Segment results represent the loss recorded by each segment without allocation of other gains, central administrative costs including directors' remuneration, finance costs and taxation. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

Segment assets and liabilities

31 December 2012

	Discontinued operation	**Continuing operation**	
	Provision of information technology and engineering consultancy services HK$'000	**Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000**	**Total HK$'000**
Segment assets	**–**	**34,195**	**34,195**
Unallocated assets			**2,199**
Total assets			**36,394**
Segment liabilities	**–**	**10,274**	**10,274**
Unallocated liabilities			**6,126**
Total liabilities			**16,400**

31 December 2011

	Discontinued operation	Continuing operation	
	Provision of information technology and engineering consultancy services HK$'000	Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000	Total HK$'000
Segment assets	1,012	50,882	51,894
Unallocated assets			2,406
Total assets			54,300
Segment liabilities	3,051	14,329	17,380
Unallocated liabilities			2,625
Total liabilities			20,005

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

– all assets are allocated to reportable segments other than assets held by the Company and its subsidiaries which the role are investment holding company. Goodwill is allocated to reportable segment of "manufacturing and sales of environmentally friendly air-conditioners and related products"; and

– all liabilities are allocated to reportable segments other than liabilities held by the Company and its subsidiaries which the role are investment holding company.

Other segment information

For the year ended 31 December 2012

	Discontinued operation	**Continuing operation**		
	Provision of information technology and engineering consultancy services HK$'000	**Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000**	**Unallocated HK$'000**	**Total HK$'000**
Depreciation of property, plant and equipment	**2**	**246**	**188**	**436**
Capital expenditure	**–**	**9**	**15**	**24**

For the year ended 31 December 2011

	Discontinued operation	Continuing operation		
	Provision of information technology and engineering consultancy services HK$'000	Manufacturing and sales of environmentally friendly air-conditioners and related products HK$'000	Unallocated HK$'000	Total HK$'000
Depreciation of property, plant and equipment	5	150	173	328
Capital expenditure	–	1,510	–	1,510

In addition to the depreciation reported above, impairment losses of HK$1,906,000 (2011: HK$2,996,000), HK$2,076,000 (2011: Nil) and HK$5,395,000 (2011: Nil) were recognised in respect of trade receivables, inventories and goodwill respectively. These impairment losses were attributable to the reportable segment of "manufacturing and sales of environmentally friendly air-conditioners and related products".

Revenue from major products

The Group's revenue from its major products is set out in Note 3.

Geographical information

The Group's revenue from continuing operations of external customers and its non-current assets (other than financial instruments) are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	2012	2011	**2012**	2011
	HK$'000	HK$'000	**HK$'000**	HK$'000
PRC	**9,662**	25,385	**7,390**	12,867
Hong Kong	**–**	–	**351**	554
Total	**9,662**	25,385	**7,741**	13,421

The geographical location of customers is based on the location at which the services were rendered or the goods delivered. The geographical location of the non-current assets is based on the physical location of the assets.

Information about major customers

For the year ended 31 December 2012, approximately HK$2,206,000 or 22.8% of the Group's revenue generated from the largest customer. No other single customer contributed 10% or more to the Group's revenue for the year ended 31 December 2012.

For the year ended 31 December 2011, there was no single customer contributed 10% or more to the Group's revenue.

6. FINANCE COSTS

Continuing operation

	2012	2011
	HK$'000	HK$'000
Bank borrowings		
– wholly repayable within five years	**211**	289

7. LOSS BEFORE TAXATION

Continuing operation

	2012	2011
	HK$'000	HK$'000
		(restated)
Loss before taxation is arrived at after charging/(crediting)		
Auditors' remuneration	**280**	300
Depreciation of owned assets	**434**	323
Net foreign exchange (gain)/loss	**(4)**	51
Cost of inventories recognised as an expense	**7,324**	17,003
Operating lease rentals in respect of rented premises	**4,307**	3,117
Loss on disposal of property, plant and equipment	**29**	40

8. TAXATION

The Company is not subject to taxes in profits, income or dividends in Bermuda. Its subsidiaries in Hong Kong are subject to Hong Kong profits tax at the rates of 16.5% (2011: 16.5%) on the estimated assessable profits for the year.

No provision for taxation has been made in the financial statements as the subsidiaries in Hong Kong had no assessable profit for the year (2011: Nil).

The income tax provision in respect of operations in the PRC is calculated at the applicable rates on the estimated assessable profits for the year based on the unification of income tax rates for domestic-invested and foreign-invested enterprises at 25%.

	2012	2011
	HK$'000	HK$'000
Current tax:		
PRC enterprise income tax	**71**	342
Hong Kong profit tax	**–**	–
	71	342

Reconciliation between tax expense and accounting loss at applicable tax rates is as follows:

	2012 HK$'000	2011 HK$'000 (restated)
Loss before taxation (from continuing operation)	**(23,374)**	(18,464)
Tax on loss before taxation, calculated at the rates applicable to loss in the tax jurisdiction concerned	**(6,061)**	(3,096)
Tax effect of non-deductible expenses	**3,129**	841
Tax effect of non-taxable income	**(3)**	(4)
Tax effect of unused tax losses not recognised	**3,006**	2,601
Income tax for the year	**71**	342

Deferred Taxation

Deferred taxation is calculated in full on temporary difference under the liabilities method using a principal taxation rate of 16.5% (2011: 16.5%). During the years ended 31 December 2012 and 2011, no deferred taxation was recognised by the Company.

Unrecognised deferred tax assets

As at 31 December 2012, the Group and the Company had unutilised tax losses of HK$30,789,000 (2011: HK$29,256,000) and HK$18,180,000 (2011: HK$16,873,000) respectively available for offsetting against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

9. DIVIDENDS

The directors do not recommend the payment of any dividend in respect of the year ended 31 December 2012 (2011: Nil).

10. LOSS PER SHARE

The Company implemented the share consolidation on the basis that every ten (10) issued and unissued shares of HK$0.0005 each in the share capital of the Company be consolidated into one (1) consolidated share of HK$0.005 each and the effective date of the share consolidation was 7 February 2013.

The basic and diluted loss per share of all periods presented shall be adjusted for the effects from share consolidation accounted for retrospectively. Upon the share consolidation becoming effective, issued number of shares of 12,548,000,000 were consolidated into 1,254,800,000.

During the year ended 31 December 2012, the Company's outstanding warrants was not included in the calculation of the diluted loss per share because the effect of the Company's outstanding warrants was anti-dilutive.

From continuing and discontinued operations

The calculation of the basic and diluted loss per share is based on the loss for the year attributable to owners of the Company of HK$17,185,000 (2011: HK$21,255,000) and on the number of consolidated shares.

From continuing operation

The calculation of the basic and diluted loss per share from continuing operation attributable to owners of the Company is based on the following:

Loss figures are calculated as follows:

	2012	2011
	HK$'000	HK$'000
Loss for the year attributable to owners of the Company	**(17,185)**	(21,255)
Less: Gain/(loss) for the year from discontinued operation	**2,186**	(1,302)
Loss for the purpose of basic and diluted loss per share from continuing operation	**(19,371)**	(19,953)

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

From discontinued operation

Basic and diluted earnings per share for the discontinued operations is HK$0.17 cents (2011: loss per share of HK$0.10 cents), based on the gain for the year from the discontinued operations of HK$2,186,000 (2011: loss of HK$1,302,000) and the denominators detailed above for both basic and diluted loss per share.

11. TRADE RECEIVABLES

	The Group	
	2012	2011
	HK$'000	HK$'000
Trade receivables	**5,708**	9,448
Less: Impairment losses recognised on trade receivables	**(1,906)**	(2,996)
	3,802	6,452

The directors consider that the fair values of trade receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

For the year ended 31 December 2012, the Group allows a credit period of 30–180 days (2011: 30 days) to its trade customers. The following is an ageing analysis of trade receivables at the end of the reporting period:

	2012	2011
	HK$'000	HK$'000
0–90 days	**2,870**	2,485
91–180 days	**932**	3,967
	3,802	6,452

The Group's trade receivables that were past due at the end of the reporting period had been impaired entirely.

12. TRADE PAYABLES

The Group was granted by its suppliers credit periods ranging from 30 to 180 days. Based on the invoice dates, the ageing analysis of the trade payables were as follows:

	The Group	
	2012	2011
	HK$'000	HK$'000
0–90 days	**273**	541
91–180 days	**818**	182
181–365 days	**98**	–
Over 365 days	**6**	2,376
	1,195	3,099

13. BANK BORROWING

	The Group	
	2012	2011
	HK$'000	HK$'000
Bank borrowing – secured	**–**	6,044
On demand or within one year	**–**	6,044

The contractual floating interest rate per annum is respect of borrowing was within the following range:

	The Group	
	2012	2011
	HK$'000	HK$'000
On demand or within one year	**–**	7.84-8.31%

The fair value of the short-term borrowing approximates their carrying amount.

The collateral for the Group's bank borrowing is as follow:

	The Group	
	2012	2011
	HK$'000	HK$'000
Trade receivables of a subsidiary	**–**	4,862

As at 31 December 2011, the Group's bank borrowing of approximately HK$6,044,000 was guaranteed by four parties, which are two senior management staffs of a subsidiary, a subsidiary of the Group and an independent third party. The bank borrowing had been fully repaid during the reporting period.

As at 31 December 2011, the carrying amount of the Group's bank borrowing is denominated in Renminbi.

14. SHARE CAPITAL

	2012		2011	
	Number of shares	**Amount**	Number of shares	Amount
	'000	**HK$'000**	'000	HK$'000
Authorised:				
Ordinary shares of HK$0.0005 each at end of year	**40,000,000**	**20,000**	40,000,000	20,000
Issued and fully paid:				
Ordinary shares of HK$0.0005 each at end of year	**12,548,000**	**6,274**	12,548,000	6,274

BUSINESS AND FINANCIAL OVERVIEW

During the year, the Group's continuing operation turnover and loss attributable to owners of the Company were approximately HK$9,662,000 (2011: HK$25,385,000) and approximately HK$19,371,000 (2011: HK$19,953,000) respectively, which represent decrease of approximately 61.9% and 2.9% in turnover and loss attributable to owners of the Company respectively as compared with the previous corresponding year. This was mainly due to the economic slowdown in China and the market was full of uncertainties. Many competitors launched price war to clear inventory which further intensified the competition in air-conditioner market. As a result, the operating environment become increasingly difficult in the year.

During the fourth quarter of the financial year, the market condition and demand for evaporative air-conditioners continued the the slowdown in the third quarter. Domestic and international economic environment has not yet fully recovered on a macro level, and combined with the fact that the fourth quarter being an off-season for air-conditioners which demand from end-customers was quite limited affected our sales. From a micro level, the Company also faced price war launched by many small-size factories in Jiangsu and Zhejiang provinces for clearing inventory.

In respect of new products, the Company's evaporative type condensers air-conditioners and newly introduced evaporation air-conditioner for commercial use have been well-recognized by customer and the feedback among the market was positive during the fourth quarter of the year. The Company will focus on promoting these products for the forthcoming year. Our subsidiary, Shenzhen Shun Tian Yun Environmental Technology Limited ("Shun Tian Yun") has been awarded by Shenzhen Technology Innovation Committee as one of the national high-tech enterprises in November 2012.

PROSPECTS

It is anticipated that our industry and other pillar industries shall recover in accordance with the overall economic environment for the forthcoming year. Some industries mainly supported by the Chinese government will generate new demand for industrial goods including our products, for example, to install air-conditioner in the textile production workshops of enterprises. The situation and measures are conducive to the Company's marketing and sales recovery. Meanwhile, the Company's new products, evaporative type condensers air-conditioner and newly introduced evaporative commercial air conditioners will be our marketing focus.

Looking ahead, the Group will continue to focus on its business in China because we believe that mainland China will benefit from its ongoing economic development. The management of the Company still has an optimistic outlook for the sales of environmentally friendly air-conditioners.

The Group will continue to adopt strict cost control policies in managing our operations and enhance our strengths. The Group will not only continue to improve its existing business but also keep seeking opportunities to invest in the energy and resources businesses with a view to bringing in improved returns and providing greater value to our shareholders.

FINANCIAL REVIEW

Results

During the year under review, the Group's continuing operation recorded a turnover of approximately HK$9,662,000 (2011: approximately HK$25,385,000), representing a decrease of approximately 61.9% in turnover as compared with previous year. The decrease in turnover was attributable to the economic slow down in China. Loss attributable to owners of the Company for the year ended 31 December 2012 amounted to approximately HK$19,371,000 (2011: approximately HK$19,953,000), representing a decrease of approximately 2.9% as compared with previous year. The decrease in the loss attributable to owners of the Company was mainly due to decrease in selling and distribution, and administrative expenses. However, there were significant impairment losses made, among others, to the Goodwill, approximately HK$5,395,000.

Liquidity, financial resources and capital structure

As at 31 December 2012, the Group had assets of approximately HK$36,394,000 (2011: approximately HK$54,300,000), including net cash and bank balances of approximately HK$1,292,000 (2011: approximately HK$8,944,000). There was no charge on the Group's assets as at 31 December 2012 (2011: the Group's trade receivables of approximately HK$4,862,000 was pledged as collateral for the Group's bank borrowing).

During the year under review, the Group financed its operations with internally generated cash flow, the Shareholder Loan (as defined below) and the balance of the net proceeds from the Placing (as defined below).

Placing of 1,000,000,000 non-listed warrants

On 10 May 2012, the Company successfully placed 1,000,000,000 non-listed warrants at the placing price of HK$0.005 per warrant (the "Warrants") and of which conferring rights to subscribe for 1,000,000,000 new shares of the Company at the exercise price of HK$0.15 per Share (subject to the adjustment) (the "Placing"). The new shares of the Company will be allotted and issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 9 May 2011. As at the date of this announcement, no Warrants have been exercised by any registered warrant holders of the Company.

The aforesaid exercise price and number of consolidated shares issuable under the Warrants have been adjusted to HK$1.5 per consolidated share and 100,000,000 consolidated shares as a result of the share consolidation of the Company. Details of the Share Consolidation (as defined below) and the adjustments to the Warrants are set out in the circular of the Company dated 21 January 2013.

Capital structure

Save as disclosed below, there was no change in the capital structure of the Company for the year ended 31 December 2012. During the year under review, the Company did not issue any new Shares (2011: Nil).

The Company implemented the share consolidation (the "Share Consolidation") on the basis that every ten (10) issued and unissued Shares of HK$0.0005 each in the share capital of the Company be consolidated into one (1) consolidated share of HK$0.005 each and the effective date of the Share Consolidation was 7 February 2013.

Gearing

During the year under review, the outstanding bank borrowing brought forward from last year which was a short term revolving loan at floating rates has been settled (31 December 2011: RMB4,987,000 (approximately HK$6,044,000)) and as at 31 December 2012, there was not any bank loan facilities. As at 31 December 2012, the Group had an outstanding loan of HK$5,628,000 due to the controlling and substantial shareholder of the Company, Sound Treasure Holdings Limited, which is unsecured, interest-free and repayable on demand (the "Shareholder Loan") (31 December 2011: HK$2,000,000). The gearing ratio of the Group, defined as the ratio between net debt and total equity attributable to owners of the Company, was approximately 102.3% for the year ended 31 December 2012 (31 December 2011: approximately 1.5%).

Segment information

During the year under review, the Group's reportable segments are "Manufacturing and sales of environmentally friendly air-conditioners and related products" and "Provision of information technology and engineering consultancy services". Analysis of the Group's revenue and results, as well as analysis of the carrying amount of segment assets and liabilities, and capital expenditures by geographical market have been presented.

Details of the Group's segment information are set out in note 5 to the final results announcement.

SIGNIFICANT INVESTMENTS

Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies

Save as disclosed below, the Company did not have any material acquisitions or disposal of subsidiaries and affiliated companies during the year.

On 18 May 2012, the Company issued a voluntary announcement concerning its disposal (the "Disposal") of a wholly owned subsidiary (and its subsidiary) of the Company, which is principally engaged in the provision of ventilation systems solution for buildings in the PRC which forms part of the Group's information technology and engineering consultancy services effective the same date. Details of the Disposal are set out in the Company's announcement dated 18 May 2012.

Contingent liabilities

As at 31 December 2012, the Group had no material contingent liabilities.

Treasury policies

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce its exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

Foreign exchange exposure

The Group's income and expenditure during the year ended 31 December 2012 were denominated either in Hong Kong dollars ("HK$") or Renminbi ("RMB"), and most of the assets and liabilities as at 31 December 2012 were denominated either in HK$ or RMB. The Group did not experience any material impact or difficulties in liquidity on its operations resulting from the fluctuation in exchange rate, and no hedging transaction or forward contract arrangement was made by the Group during the year under review.

Future plans for material investments

In addition to the continual improvement of the operating performance of the existing business, the Group is actively looking for new investment opportunities in the energy and resources business with a view to bringing in improved returns and providing greater value to the shareholder.

Employees and remuneration policies

As at 31 December 2012, the Group had 82 (2011: 80) full-time employees in Hong Kong and the PRC. Total staff costs (including Directors' remuneration) were approximately HK$5,581,000 for the year ended 31 December 2012 (2011: approximately HK$7,816,000). Remuneration is determined with reference to market terms, employment conditions, responsibilities and the performance, qualification and experience of individual employee. Other benefits include Corporate Liabilities Insurance for the Directors and Officers, contributions to the statutory mandatory provident fund scheme for its employees in Hong Kong and social insurance for its employees in the PRC, and are paid at appropriate levels.

EVENTS AFTER THE REPORTING PERIOD

On 6 February 2013, the Company implemented the Share Consolidation. Details of the Share Consolidation are set out in the announcements of the Company dated 11 January 2013 and 6 February 2013.

Mr. Cheung Chung Leung, Richard, has resigned as independent non-executive Director and a member of the audit committee, nomination committee, remuneration committee and corporate governance committee of the Board with effect from 19 March 2013. The Board has appointed Mr. Gao Jin Lu in replacement of Mr. Cheung with effect immediately after the resignation of Mr. Cheung effective 19 March 2013.

Save as disclosed above, no significant events after the reporting period of the Group are required to be disclosed in the financial statements.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions as set out in the Code on Corporate Governance Practices to the former Appendix 15 of the GEM Listing Rules (the "Old CG Code") for the period from 1 January 2012 to 31 March 2012 and complied with all the code provisions as set out in Corporate Governance Code and Corporate Governance Report to the existing Appendix 15 of the GEM Listing Rules (the "New CG Code") for the period from 1 April 2012 to 31 December 2012, other than the position of chairman of the Board has become vacant after the resignation of Mr. Li Shan Jie ("Mr. Li") on 22 November 2012, and the code provision E.1.2 of the New CG Code as disclosed below:

– Code provision E.1.2 of the New CG Code specifies that the chairman of the board should attend the annual general meeting. Mr. Li, the chairman of the Board at the time, has been heavily involved in the business operations of the Group. Despite his utmost intention to be present at the annual general meeting of the Company held on 9 May 2012 (the "AGM"), Mr. Li was unable to attend the AGM due to other urgent business commitments of the Group. Mr. Zhang Shi Min, the Chief Executive Officer and executive Director, has taken the chair of the AGM thereat to be available to answer question to ensure effective communication with the shareholders of the Company.

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. The Company had made specific enquiries of all Directors, each Director has confirmed that he has fully complied with such code of conduct and the required standard of dealings regarding securities transactions throughout the year ended 31 December 2012. Other employees of the Group who are likely to be in possession of unpublished inside information of the Company are also subject to compliance with guidelines on no less than exacting terms than the required standard of dealings set out in 5.48 to 5.67 of the GEM Listing Rules.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In order to reinforce their respective independence, accountability and responsibility, and to avoid power being concentrated in any one individual, the role of the Chairman is separated from that of the Chief Executive Officer. The Chairman was Mr. Li Shan Jie until he resigned as the Chairman and executive Director on 22 November 2012. The Board will appoint a chairman to fill the vacancy when the appropriate candidate has been identified. The Chief Executive Officer is Mr. Zhang Shi Min, our executive Director. Their respective responsibilities are clearly established and defined by the Board in writing. The Chairman is responsible for ensuring that the Board is functioning properly, with good corporate governance practices and procedures, whilst the Chief Executive Officer, supported by the executive directors and senior management, is responsible for managing the Group's businesses, including the implementation of major strategies and initiatives adopted by the Board.

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 Old CG Code and New CG Code particularly C.3.3 of the New CG Code and Rules 5.28 and 5.33 of the GEM Listing Rules.

As at the date of this announcement, the Audit Committee comprises of three members, Mr. Leung Wah, Mr. Fung Hoi Wing, Henry and Mr. Gao Jin Lu, and all of them are independent non-executive Directors. The chairman of the Audit Committee is Mr. Leung Wah.

The Audit Committee is primarily responsible for assisting, reviewing and supervising the Group's financial reporting system and internal control procedures.

The Group's audited annual results for the year ended 31 December 2012 have been reviewed by the Audit Committee, which was of the opinion that the preparation of the results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

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

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors and the controlling 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.

By order of the Board
Global Energy Resources International Group Limited
Zhang Shi Min
Chief Executive Officer and Executive Director

Hong Kong, 19 March 2013

As at the date of this announcement, the board of Directors comprises Mr. Zhang Shi Min and Mr. Qie Bing Bing as executive Directors and Mr. Leung Wah, Mr. Fung Hoi Wing, Henry and Mr. Gao Jin Lu as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the Company website at www.8192.com.hk.