



Global Energy Resources International Group Limited

(continued in Bermuda with limited liability)

Stock Code: 8192

2013

THIRD QUARTERLY REPORT

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

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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 report, 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 (the “GEM Listing Rules”) on GEM of the Stock Exchange 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 report 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 report misleading.

RESULTS

The board of directors (the “Board”) of the Company announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and nine months ended 30 September 2013 respectively together with the comparative unaudited figures for the corresponding periods in 2012 as follows:

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Note	Three months ended 30 September		Nine months ended 30 September	
		2013 (Unaudited) HK\$'000	2012 (Unaudited) (restated) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) (restated) HK\$'000
Continuing operation					
Revenue	3	4,799	2,618	5,826	7,213
Cost of sales		(3,629)	(2,185)	(4,371)	(5,353)
Gross profit		1,170	433	1,455	1,860
Other revenue	3	–	3	1	20
Other gains and losses	4	809	–	1,510	–
Selling and distribution expenses		(1)	(456)	(52)	(1,061)
Administrative expenses		(2,914)	(3,255)	(8,922)	(10,471)
Loss from operations		(936)	(3,275)	(6,008)	(9,652)
Finance costs		–	–	–	(210)
Loss before taxation	6	(936)	(3,275)	(6,008)	(9,862)
Taxation	7	(1)	–	(3)	(72)
Loss for the period from continuing operation		(937)	(3,275)	(6,011)	(9,934)
Discontinued operation					
Gain for the period from discontinued operation	8	–	–	–	2,186
Loss for the period		(937)	(3,275)	(6,011)	(7,748)

	Three months ended 30 September 2013		Nine months ended 30 September 2013	
	(Unaudited) <i>HK\$'000</i>	2012 (Unaudited) (restated) <i>HK\$'000</i>	(Unaudited) <i>HK\$'000</i>	2012 (Unaudited) (restated) <i>HK\$'000</i>
<i>Note</i>				
Other comprehensive income/(loss), net of income tax				
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations	<u>148</u>	<u>(90)</u>	<u>628</u>	<u>225</u>
Total comprehensive loss for the period	<u>(789)</u>	<u>(3,365)</u>	<u>(5,383)</u>	<u>(7,523)</u>
(Loss)/profit for the period attributable to:				
Owners of the Company	<u>(1,920)</u>	<u>(2,789)</u>	<u>(6,437)</u>	<u>(6,966)</u>
Non-controlling interests	<u>983</u>	<u>(486)</u>	<u>426</u>	<u>(782)</u>
	<u>(937)</u>	<u>(3,275)</u>	<u>(6,011)</u>	<u>(7,748)</u>
Total comprehensive (loss)/income for the period attributable to:				
Owners of the Company	<u>(1,843)</u>	<u>(3,028)</u>	<u>(6,130)</u>	<u>(6,890)</u>
Non-controlling interests	<u>1,054</u>	<u>(337)</u>	<u>747</u>	<u>(633)</u>
	<u>(789)</u>	<u>(3,365)</u>	<u>(5,383)</u>	<u>(7,523)</u>
Loss per share in HK cents				
From continuing and discontinued operations				
– Basic and diluted	<u>(0.153)</u>	<u>(0.222)</u>	<u>(0.513)</u>	<u>(0.555)</u>
From continuing operation – Basic and diluted	<u>(0.153)</u>	<u>(0.222)</u>	<u>(0.513)</u>	<u>(0.729)</u>

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 GEM of the Stock Exchange.

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in the manufacturing and sales of environmentally friendly air-conditioners and related products in the People's Republic of China (the "PRC").

2. Basis of Preparation

The Group's unaudited condensed consolidated results 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 results for the nine months ended 30 September 2013 and 2012 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012. The condensed consolidated results are unaudited but have been reviewed by the audit committee of the Company.

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 recognized during the period are as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Revenue				
Sale of air-conditioners and related products	4,799	2,618	5,826	7,213
Other revenue				
Interest income	-	2	1	10
Sundry income	-	1	-	10
	-	3	1	20

4. Other Gains and Losses

	Three months ended		Nine months ended	
	30 September		30 September	
	2013	2012	2013	2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Impairment loss recognised on trade receivables reversed	658	–	1,359	–
Impairment loss recognised on inventories reversed	151	–	151	–
	<u>809</u>	<u>–</u>	<u>1,510</u>	<u>–</u>

5. Segment Information

Information reported to executive directors of the Company, being the chief operating decision maker, for the purposes of resource 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

The following is an analysis of the Group's revenue and results by reportable segment.

For the period ended 30 September 2013:

	Continuing operation	Discontinued operation	Total
	Manufacturing and sales of environmentally friendly air- conditioners and related products (Unaudited) <i>HK\$'000</i>	Provision of information technology and engineering consultancy services (Unaudited) <i>HK\$'000</i>	(Unaudited) <i>HK\$'000</i>
Segment revenue	5,826	-	5,826
Segment results	(548)	-	(548)
Other revenue			1
Central administrative costs			(5,461)
Finance costs			-
Loss before taxation			(6,008)

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For the period ended 30 September 2012:

	Continuing operation	Discontinued operation	
	Manufacturing and sales of environmentally friendly air- conditioners and related products (Unaudited)	Provision of information technology and engineering consultancy services (Unaudited) (restated)	Total (Unaudited) (restated)
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Segment revenue	7,213	69	7,282
Segment results	(3,349)	(680)	(4,029)
Other revenue			20
Central administrative costs			(3,457)
Finance costs			(210)
Loss before taxation			(7,676)

All of the segment revenue reported above is generated from external customers.

6. Loss before Taxation

The Group's loss before taxation is arrived at after charging:

	Three months ended 30 September		Nine months ended 30 September	
	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) <i>HK\$'000</i>	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) (restated) <i>HK\$'000</i>
Directors' remuneration	421	264	1,046	1,170
Other staff costs	829	1,060	2,605	3,158
Depreciation	109	100	324	297
Operating lease rental in respect of rental premises	982	1,164	2,913	3,304
Legal and professional fees	86	105	582	944
	<u>421</u>	<u>264</u>	<u>1,046</u>	<u>1,170</u>
	<u>829</u>	<u>1,060</u>	<u>2,605</u>	<u>3,158</u>
	<u>109</u>	<u>100</u>	<u>324</u>	<u>297</u>
	<u>982</u>	<u>1,164</u>	<u>2,913</u>	<u>3,304</u>
	<u>86</u>	<u>105</u>	<u>582</u>	<u>944</u>

7. Taxation

No provision for Hong Kong profits tax has been provided as the Hong Kong subsidiaries did not generate any assessable profits arising in Hong Kong for the three months and nine months ended 30 September 2013 (three months and nine months ended 30 September 2012: Nil).

The income tax provision in respect of operations in the PRC is calculated at the applicable rates on the estimated assessable profit for the period based on the unification of income tax rates for domestic-invested and foreign-invested enterprises at 25% (2012: 25%).

	Three months ended 30 September		Nine months ended 30 September	
	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) <i>HK\$'000</i>	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) <i>HK\$'000</i>
Current tax				
PRC enterprise income tax	(1)	–	(3)	(72)
Deferred tax				
Reversal of deferred tax liabilities	–	–	–	–
Total taxation expense	<u>(1)</u>	<u>–</u>	<u>(3)</u>	<u>(72)</u>

8. Discontinued Operation

On 18 May 2012, the Company disposed its wholly-owned subsidiary, UURG (China) Limited and its wholly owned subsidiary UURG Controls (Shenzhen) Limited which provided provision of information technology and engineering consultancy services operation.

The results of the discontinued operation included in the loss for the nine months ended 30 September 2012 respectively:

	(Unaudited) HK\$'000
Gain for the period from discontinued operation	
Revenue	69
Cost of sales	(579)
	<hr/>
Gross profit	(510)
Other revenue	1
Selling and distribution expenses	(148)
Administrative expenses	(23)
	<hr/>
Loss for the period	(680)
Gain on disposal of subsidiaries	2,866
	<hr/>
Gain for the period from discontinued operation	2,186
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Gain for the period from discontinued operation including the following:	
Depreciation	2
	<hr/>
Cash flows from discontinued operation	
Net cash inflows from operating activities	552
Net cash inflows from financing activities	20
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Net cash inflows	572
	<hr/>

9. Loss Per Share

From continuing and discontinued operations

The calculation of basic loss per share for the three months and nine months ended 30 September 2013 are based on the unaudited loss for the three months and nine months ended 30 September 2013 of approximately HK\$1,920,000 and HK\$6,437,000 (three months and nine months ended 30 September 2012: loss of approximately HK\$2,789,000 and HK\$6,966,000) and the weighted average of ordinary shares for the three months and nine months ended 30 September 2013 are 1,254,800,000 and 1,254,800,000 ordinary shares respectively (three and nine months ended 30 September 2012: 1,254,800,000 and 1,254,800,000 shares (restated to reflect the effects of the share consolidation effective 7 February 2013)) in issue during the period.

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:

	Three months ended 30 September		Nine months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Loss for the period attributable to owners of the Company	(1,920)	(2,789)	(6,437)	(6,966)
Less: Gain for the period from discontinued operation	—	—	—	2,186
Loss for the purpose of basic and diluted loss per share from continuing operation	<u>(1,920)</u>	<u>(2,789)</u>	<u>(6,437)</u>	<u>(9,152)</u>

The weighted average of ordinary shares for the purpose of basic and diluted loss per share for the above periods are same, 1,254,800,000 ordinary shares in issue during the period.

No diluted loss per share has been presented because the potential ordinary shares had anti-dilutive effect during these periods.

10. Dividend

The Board does not recommend the payment of a dividend for the nine months ended 30 September 2013 (nine months ended 30 September 2012: Nil).

11. Unaudited Condensed Consolidated Statement of Changes in Equity

Movements in reserves during the periods are as follows:

	Attributable to owners of the Company								Non-		Total
	Share capital	Capital reserve	Share premium	Special reserve	Warrant reserve	Statutory reserve	Exchange reserve	Acc- umulated losses	Subtotal	controlling interests	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2012 (Audited)	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 period	-	-	-	-	-	-	-	(6,966)	(6,966)	(782)	(7,748)
Other comprehensive income, net of income tax: Items that may be subsequently reclassified to profit or loss: Exchange differences on translation of foreign operations	-	-	-	-	-	4	72	-	76	149	225
Total comprehensive income/(loss) for the period	-	-	-	-	-	4	72	(6,966)	(6,890)	(633)	(7,523)
At 30 September 2012 (Unaudited)	6,274	1,030	70,009	11	4,752	324	1,482	(65,856)	18,026	13,498	31,524

	Attributable to owners of the Company							Non-controlling			
	Share capital	Capital reserve	Share premium	Special reserve	Warrant reserve	Statutory reserve	Exchange reserve	Accumulated losses	Subtotal	interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2013 (Audited)	6,274	1,030	70,009	11	4,752	324	1,541	(76,075)	7,866	12,128	19,994
Implement the share consolidation, net of transaction cost	-	-	(263)	-	-	-	-	-	(263)	-	(263)
Transaction with owners	-	-	(263)	-	-	-	-	-	(263)	-	(263)
Net (loss)/profit for the period	-	-	-	-	-	-	-	(6,437)	(6,437)	426	(6,011)
Other comprehensive income, net of income tax:											
Items that may be subsequently reclassified to profit or loss:											
Exchange differences on translation of foreign operations	-	-	-	-	-	9	298	-	307	321	628
Total comprehensive income/(loss) for the period	-	-	-	-	-	9	298	(6,437)	(6,130)	747	(5,383)
At 30 September 2013 (Unaudited)	6,274	1,030	69,746	11	4,752	333	1,839	(82,512)	1,473	12,875	14,348

12. Comparatives

Certain comparative amounts have been reclassified to confirm with current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in the manufacturing and sales of environmentally friendly air-conditioners and related products.

BUSINESS REVIEW AND PROSPECT

During the period under review, the revenue of the Group was solely attributed to the sales of environmentally friendly air-conditioners and related products. The Group's revenue amounted to approximately HK\$5,826,000, representing a decrease of approximately 19.23% compared with the last corresponding period of approximately HK\$7,213,000, of which the revenue for the three months ended 30 September 2013 amounted to approximately HK\$4,799,000, representing an increase of approximately 367% compared with the first half year of approximately HK\$1,027,000. This is mainly contributed by the confirmation of some previously pending construction contracts and the delivery of products during the third quarter. According to the recently published economic data, the condition for the PRC manufacturing industries is improving, reversing the continuing downturn during the first half year. This external factor provides the Group with a favorable operating environment.

Generally the Company received positive feedbacks from customers over the new products introduced in the market. Water Curtain Fan is one example. As mentioned in this year's interim report of the Company, it is more acceptable by the market due to its relatively lower price, less installation time needed and can easily be operated by the distributors. Another product is the central air-conditioner which generally meets the requirement of some high-end users because it saves more energy while maintaining the cooling effect of traditional air-conditioner. During the third quarter, the proportion of sales generated from selling new products is higher than expected. The Company will endeavor to step-up the promotion of new products so as to increase the Group's revenue. It is anticipated that sales of new products, in particular the sales of central air-conditioner, would further increase in the last quarter of the year.

The Group is actively looking for investment opportunities in the related businesses with a view to bringing in improved returns and providing greater value to the shareholders.

FINANCIAL REVIEW

For the nine months ended 30 September 2013, the Group's unaudited consolidated turnover and loss attributable to owners of the Company were approximately HK\$5,826,000 (nine months ended 30 September 2012: HK\$7,213,000) and HK\$6,437,000 (nine months ended 30 September 2012: HK\$6,966,000) respectively which decreased by approximately 19.23% and 7.59% respectively comparing with the corresponding period last year.

As at 30 September 2013, the Company had an outstanding loan of HK\$10,780,000 due to the controlling and substantial shareholder of the Company, Sound Treasure Holdings Limited, which is unsecured, interest-free and repayable on demand (30 June 2013: HK\$8,790,000).

DIVIDEND

The Board does not recommend the payment of any dividend for the nine months ended 30 September 2013 (nine months ended 30 September 2012: 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 nine months ended 30 September 2013.

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

As at 30 September 2013, 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 Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (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 (the "Share Option Scheme") has been adopted and approved by the shareholders of the Company at the annual general meeting held on 9 May 2012. No options have been granted under the Share Option Scheme since its adoption.

NON-LISTED WARRANTS

The Company placed 1,000,000,000 Non-listed warrants (“Warrants”) on 10 May 2012 which was subsequently adjusted to 100,000,000 Warrants due to the share consolidation completed on 7 February 2013. As at the date of this report, no Warrants have been exercised by any registered warrant holders of the Company.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2013, the interests and 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

Name of Shareholder	Number of shares interested	Capacity in which shares are held	Approximate percentage of issued share capital
Sound Treasure Holdings Limited	517,000,000 (Note)	Beneficial owner	41.20%
Ms. Li Xiao Mei	517,000,000 (Note)	Interest in controlled corporation	41.20%

Note: The shares are held by Sound Treasure Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Ms. Li Xiao Mei.

Save as disclosed above, as at 30 September 2013, the Directors were not aware of any other person (other than the directors and chief executives of the Company) who had an interest or short position in the shares or underlying shares 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.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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.

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 their respective associates (as defined under the GEM Listing Rules) have any business or interest in companies that competes or may compete with the business of the Group or any other conflict of interests with the Group which any such person has or may have with the Group.

CONNECTED TRANSACTION

No contract of significance to which the Company or its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the nine months ended or at any time during the nine months ended 30 September 2013.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") and Corporate Governance Report as set out in Appendix 15 of the GEM Listing Rules for the nine months ended 30 September 2013 except the code provision A.2.1 of the CG Code as disclosed below.

DISTINCTIVE ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

On 16 August 2013, the Board has appointed Mr. Zhang Shi Min as deputy chairman of the Board after Mr. Li Shan Jie resigned as the Chairman and executive Director on 22 November 2012. The Board will consider appointing an individual as the Chairman when it thinks appropriate. The chief executive officer of the Group is Mr. Zhao Yan Jie.

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. 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, interim 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. Gao Jin Lu, 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 and nine months ended 30 September 2013 respectively.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings 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 30 September 2013.

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

Executive Directors:

Mr. Zhang Shi Min

Mr. Zhao Yan Jie

Mr. Qie Bing Bing

Independent non-executive Directors:

Mr. Leung Wah

Mr. Fung Hoi Wing, Henry

Mr. Gao Jin Lu

By order of the Board

Global Energy Resources International Group Limited

Zhang Shi Min

Deputy Chairman and Executive Director

Hong Kong, 7 November 2013