GREEN GLOBAL RESOURCES LIMITED
綠色環球資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 61)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2008

HIGHLIGHTS

- The Group's agro-conservation and bio-energy sectors made good progress
- Turnover increased by 1.7 times to HK$57 million
- Gross Profit increased by 2.7 times to HK$21 million
- Profit attributable to equity holders of the Company rose by 10.8 times to HK$40 million
- Basic earnings per share increased by 8.4 times to HK3.39 cents

RESULTS

The directors (the "Directors") of Green Global Resources Limited (the "Company") are pleased to announce the unaudited condensed consolidated interim accounts (the "Interim Accounts") of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2008 together with comparative figures for the corresponding period in 2007.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months ended 30th June 2008 (unaudited) HK$'000	2007 (unaudited) HK$'000
CONTINUING OPERATIONS			
TURNOVER	3	**57,251**	21,180
Cost of sales		**(35,766)**	(15,337)
Gross profit		**21,485**	5,843
Other operating income		**2,681**	1,403
Gain on disposal of available-for-sales investment		**–**	22,606
Gain arising from changes in fair value less estimated point-of-sale costs of biological assets		**48,140**	–
Selling and distribution expenses		**(1,927)**	(1,555)
Administrative expenses		**(27,728)**	(11,352)
Other operating expenses		**252**	(2,501)
Profit from operations	4	**42,903**	14,444
Impairment loss recognised in respect of goodwill		**–**	(11,600)
Finance costs		**(3,429)**	–
Profit before taxation		**39,474**	2,844
Income tax credit (expenses)	5	**2,011**	(852)
Profit for the period from continuing operations		**41,485**	1,992
DISCONTINUED OPERATIONS			
(Loss) profit for the period from a discontinued operation	6	**(1,271)**	1,430
Profit for the period		**40,214**	3,422
ATTRIBUTABLE TO:			
Equity holders of the Company		**40,258**	3,422
Minority interests		**(44)**	–
		40,214	3,422
DIVIDEND PER SHARE	7	**Nil**	Nil
EARNINGS (LOSS) PER SHARE	8		
Basic (HK cents)			
– Continuing operations		**3.50**	0.21
– Discontinued operations		**(0.11)**	0.15
Diluted (HK cents)			
– Continuing operations		**N/A**	0.21
– Discontinued operations		**N/A**	0.15

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	At 30th June 2008 (unaudited) *HK$'000*	At 31st December 2007 (audited) *HK$'000*
NON-CURRENT ASSETS			
Plant and equipment		**10,227**	8,230
Deferred plantation expenditure		**119,399**	33,000
Deposit for plantation expenditure		**52,163**	34,808
Intangible assets		**162,778**	165,225
Goodwill		**151,840**	156,873
		496,407	398,136
CURRENT ASSETS			
Inventories		**3,089**	5,192
Biological assets		**57,867**	12,071
Trade and other receivables	9	**56,268**	32,411
Bank balances and cash		**47,144**	72,939
		164,368	122,613
CURRENT LIABILITIES			
Trade and other payables	10	**68,382**	70,623
Income tax liabilities		**6,073**	7,109
Other borrowings – interest bearing		**43,000**	–
		117,455	77,732
NET CURRENT ASSETS		**46,913**	44,881
TOTAL ASSETS LESS CURRENT LIABILITIES		**543,320**	443,017
CAPITAL AND RESERVES			
Share capital		**126,742**	103,526
Reserves		**308,962**	219,269
Equity attributable to equity holders of the Company		**435,704**	322,795
Minority interests		**2,669**	2,555
TOTAL EQUITY		**438,373**	325,350
NON-CURRENT LIABILITIES			
Convertible loan notes		**64,606**	75,878
Deferred tax liability		**40,341**	41,789
		104,947	117,667
		543,320	443,017

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Green Global Resources Limited is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The address of its principal place of business is 9/F Wincome Centre, Nos. 39-41 Des Voeux Road Central, Hong Kong.

The financial statements are presented in Hong Kong dollars ("HK$"), and the functional currency of the Company is in Renminbi ("RMB").

As the Company is listed in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK$.

The principal activity of the Company is investment holding. The Group is principally involved in the distribution of information technology products, agro-conservation and the cultivation of raw materials for the bio-energy industry.

2. Basis of preparation and accounting policies

The Interim Accounts have been prepared in accordance with the applicable disclosure requirements of the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

The accounting policies and methods of computation used in the preparation of the Interim Accounts are consistent with those used in the annual accounts for the year ended 31st December 2007.

In the current interim period, the Group has applied for the first time, the following new standards, amendments and interpretations of Hong Kong Financial Reporting Standards ("HKFRSs") issued by HKICPA, which are effective for the Group's financial year beginning on 1st January 2008.

HK(IFRIC) – Interpretation ("Int") 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[3]
HK(IFRIC) – Int 15	Agreements for the construction of Real Estate[1]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation[4]

1 Effective for annual periods beginning on or after 1st January 2009
2 Effective for annual periods beginning on or after 1st July 2009
3 Effective for annual periods beginning on or after 1st July 2008
4 Effective for annual periods beginning on or after 1st October 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Directors of the Company anticipate that the application of the other new or revised standards or interpretation will have no material impact on the results and the financial position of the Group.

3. Segment information

For management purposes, the Group's continuing operations are currently organised into five (2007: four) operating divisions – agro-conservation, bio-energy, banking and finance systems integration services, software solutions for banks and the public sector and IT management and support.

Agro-conservation	–	Agricultural cultivation and land conservation
Bio-energy	–	Cultivation of raw materials for the bio-energy industry
Banking and finance systems integration services	–	Provision of systems integration, software development, engineering, maintenance and professional outsourcing services for banking and finance, telecommunications and public sector clients
Software solutions for banks and the public sector	–	Provision of software solutions for the banking, e-commerce and public sectors with a business focus on e-business operations and online marketplaces
IT management and support	–	Provision of IT management and support services to small and medium-sized property agents

Business segments

Segment information on the Group's continuing operations is presented below. Segment information on the Group's discontinued operations is presented in note 6.

	Turnover		Segment results	
	2008	2007	**2008**	2007
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations:				
Agro-conservation	**–**	–	**17,713**	–
Bio-energy	**19,139**	–	**38,562**	–
Banking and finance systems integration services	**37,827**	20,509	**893**	(3,019)
Software solutions for banks and the public sector	**285**	291	**(19)**	256
IT management and support	**–**	380	**153**	(182)
	57,251	21,180	**57,302**	(2,945)
Unallocated income			**195**	22,727
Unallocated expenses			**(14,594)**	(5,338)
Profit from operations			**42,903**	14,444
Impairment loss recognised in respect of goodwill			**–**	(11,600)
Finance costs			**(3,429)**	–
Profit before taxation			**39,474**	2,844
Income tax credit (expenses)			**2,011**	(852)
Profit for the period			**41,485**	1,992

4. Profit from operations

The Group's profit from operations has been arrived at after charging (crediting):

	Six months ended 30th June					
	Continuing operations		Discontinued operations		Consolidated	
	2008	2007	**2008**	2007	**2008**	2007
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Amortisation of intangible assets	**2,447**	308	**65**	188	**2,512**	496
Costs of inventories sold and services rendered	**30,750**	16,635	**–**	–	**30,750**	16,635
Costs of saplings sold	**5,017**	–	**–**	–	**5,017**	–
Depreciation	**1,047**	373	**95**	82	**1,142**	455
Impairment loss recognised (written back) in respect of trade receivables	**(82)**	2,500	**(8)**	139	**(90)**	2,639
(Profit) loss on disposal of subsidiaries	**(452)**	1	**–**	–	**(452)**	1
Share-based payment expenses	**5,054**	861	**–**	–	**5,054**	861

5. Income tax (credit) expenses

	Six months ended 30th June					
	Continuing operations		Discontinued operations		Consolidated	
	2008	2007	**2008**	2007	**2008**	2007
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
PRC Enterprise Income Tax						
– current	**232**	843	**–**	–	**232**	843
– (over) under provided in prior years	**(795)**	9	**–**	–	**(795)**	9
	(563)	852	**–**	–	**(563)**	852
Deferred tax	**(1,448)**	–	**–**	–	**(1,448)**	–
	(2,011)	852	**–**	–	**(2,011)**	852

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (2007: Nil). Taxes on profits generated elsewhere have been calculated at the rates of tax applicable in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

6. **Discontinued operations**

On 3rd March 2008, Technology Venture Investments Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement for the sale of the entire issued share capital in Grand Panorama Limited and its subsidiary, Conity Investment and Consultants (Shanghai) Company Limited ("GP Group") to a third party for a consideration of RMB4,000,000. The disposal was completed on 31st March 2008.

GP Group are engaged in the business of real estate consultancy services for the Shanghai property market and the segment of real estate consultancy services was regarded as discontinued operations during the six months ended 30th June 2008.

The results of discontinued operations for the period from 1st January 2008 to 31st March 2008 are as follows:

	Period ended	
	31st March 2008 (unaudited)	30th June 2007 (unaudited)
	HK$'000	*HK$'000*
Turnover – real estate consultancy services	**569**	5,802
Cost of sales	**(778)**	(1,298)
Gross profit	**(209)**	4,504
Other operating income	**9**	210
Selling and distribution expenses	**(23)**	(557)
Administrative expenses	**(1,048)**	(2,588)
Other operating expenses	**–**	(139)
Segment results and (loss) profit for the period	**(1,271)**	1,430
Net cash inflow from operating activities	**112**	558
Net cash outflow from investing activities	**(22)**	(20)
Total cash inflow	**90**	538

The carrying amounts of the assets and liabilities of discontinued operations at the date of disposal are disclosed in note 11.

7. **Interim dividend**

The Directors do not recommend the payment of an interim dividend for the six months ended 30th June 2008 (2007: Nil).

8. Earnings (loss) per share

The calculation of earnings (loss) per ordinary share is based on the Group's profit (loss) attributable to equity holders of the Company divided by the weighted average number of ordinary shares during the period.

	Six months ended 30th June	
	2008	2007
	(unaudited)	(unaudited)
Weighted average number of ordinary shares used in calculating basic earnings (loss) per share	**1,187,667,354**	956,828,872
Effect of dilution	**–**	2,371,934
Weighted average number of ordinary shares used in calculating diluted earnings (loss) per share	**1,187,667,354**	959,200,806
From continuing operations		
Profit attributable to the equity holders of the Company	**HK$41,529,000**	HK$1,992,000
Basic earnings per share	**3.50 cents**	0.21 cents
Diluted earnings per share	**N/A**	0.21 cents
From discontinued operations		
(Loss) profit attributable to the equity holders of the Company	**HK$(1,271,000)**	HK$1,430,000
Basic (loss) earnings per share	**(0.11) cents**	0.15 cents
Diluted (loss) earnings per share	**N/A**	0.15 cents

Diluted earnings per share for the period ended 30th June 2008 has not been presented as the exercise prices of the Company's outstanding share options and the conversion price of the convertible loan notes were higher than the average market price of the Company's shares for the period.

9. Trade and other receivables

	At 30th June 2008	At 31st December 2007
	(unaudited)	(audited)
	HK$'000	*HK$'000*
Trade receivables	**85,842**	69,024
Less: impairment losses recognised	**(42,403)**	(43,876)
	43,439	25,148
Prepayment, deposit and other receivables	**12,829**	7,263
	56,268	32,411

The ageing analysis of the trade receivables at the balance sheet date, net of impairment losses recognised was as follows:

	At 30th June 2008 (unaudited)	At 31st December 2007 (audited)
	HK$'000	*HK$'000*
Current to 90 days	**25,675**	18,902
91 days to 180 days	**6,378**	2,600
181 days to 365 days	**9,094**	3,477
Over 365 days	**2,292**	169
	43,439	25,148

The Group normally grants to its customers credit periods ranging from 30 days to 180 days which are subject to periodic reviews by management.

10. Trade and other payables

	At 30th June 2008 (unaudited)	At 31st December 2007 (audited)
	HK$'000	*HK$'000*
Trade payables		
– third parties	**1,198**	1,198
– minority shareholders	**325**	325
	1,523	1,523
Accrued expenses and other payables	**66,859**	69,100
	68,382	70,623

The ageing analysis of the trade payables at the balance sheet date was as follows:

	At 30th June 2008 (unaudited)	At 31st December 2007 (audited)
	HK$'000	*HK$'000*
Current to 90 days	**–**	–
91 days to 180 days	**–**	–
181 days to 365 days	**–**	81
Over 365 days	**1,523**	1,442
	1,523	1,523

11. Disposal of subsidiaries

The net liabilities of those subsidiaries under discontinued operations as disclosed in note 6 at the date of disposal on 31st March 2008 were as follows:

	At 31st March 2008 *HK$'000*
Net liabilities disposed of:	
Plant and equipment	**623**
Intangible assets	**511**
Trade and other receivables	**2,928**
Bank balances and cash	**347**
Trade and other payables	**(5,247)**
	(838)
Exchange translation reserve	**277**
Goodwill at the date of disposal of the discontinued operations	**4,523**
Gain on disposal	**169**
	4,131
Net cash inflow on disposal:	
Cash consideration	**4,131**
Cash and cash equivalent disposed of	**(347)**
	3,784

12. Post Balance Sheet Events

On 12th June 2008, the Company entered into an Underwriting Agreement with Integrated Capital Asia Limited, Mr. Yam Tak Cheung, Integrated Asset Management (Asia) Limited, and the Company's Chairman, Mr. Tse Michael Nam, in relation to the underwriting and certain other arrangements in respect of a rights issue of one rights share for every Company share held at a price of HK$0.108 per rights share (the "Rights Issue"). The Rights Issue was completed on 11th August 2008, raising approximately HK$130,000,000 for the Company.

As a result of the Rights Issue, the Company's issued share capital increased by 1,267,422,572 to 2,534,845,144 shares and the conversion price of the convertible loan notes, the exercise prices of the outstanding share options and the aggregate number of shares subject to the share options were duly adjusted.

On 21st July 2008, the shareholders of the Company passed a resolution to approve the increase in the authorised share capital of the Company from HK$300,000,000 divided into 3,000,000,000 shares of HK$0.10 each to HK$800,000,000 divided into 8,000,000,000 shares of HK$0.10 each by the creation of an additional 5,000,000,000 shares.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The Group reported a turnover from continuing operations of approximately HK$57,251,000 (2007: approximately HK$21,180,000) in the first half of 2008, which represented an increase of approximately 1.7 times. The increase in turnover was largely attributed to the new source of income generated from the sale of jatropha saplings amounting to approximately HK$19,139,000 for the first six months of 2008 as well as the increases in the sale of alternative financial services products and ATM maintenance service provision.

Gross profit from continuing operations increased by approximately 2.7 times to approximately HK$21,485,000 (2007: approximately HK$5,843,000) in the first half of 2008 mainly from the sale of jatropha saplings which has a higher gross profit margin compared to the non-agriculture products.

The Group recorded an increase in its profit attributable to equity holders of approximately 10.8 times to approximately HK$40,258,000 as compared to approximately HK$3,422,000 for the same period last year. Apart from the above mentioned reasons, the increase in profit attributable to equity holders was also due to the gains arising from the changes in the fair values of the biological assets of approximately HK$23,150,000 and HK$24,990,000 from the agro-conservation and bio-energy divisions, respectively.

Earnings per share for the first half of 2008 were HK$3.39 cents, compared with HK$0.36 cents per share for the same period in 2007.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30th June 2008 (2007: Nil).

REVIEW OF CORE BUSINESSES

Following the Group's strategic investments into the agro-conservation and bio-energy sectors in 2007, the Group continued to develop and build on its investments during the first half of 2008.

The year started off with the signing of several cooperation agreements with public and private entities for the joint development of the Group's new investments in the agro-conservation and bio-energy sectors. The Group's joint venture in Hainan, pursuant to the Hainan Cooperation Agreement (as explained below), has made considerable progress in the cultivation of Jatropha curcas saplings and the subsequent sale of Jatropha curcas saplings to our local partner for further cultivation.

Pursuant to the Inner Mongolia Cooperation Agreement (as explained below) and with the support of the Municipal Government of Hang Jin Qi for the 5532 Project (as explained below) the Group has moved forward swiftly to complete the cultivation of 8,000 Chinese *mu* (~533 hectares) of licorice and 200,000 Chinese *mu* (~13,300 hectares) of salix in 2007 and has cultivated another approximately 50,000 Chinese *mu* (~3,300 hectares) of licorice and approximately 180,000 Chinese *mu* (~12,000 hectares) of salix during the first six months of 2008.

The Company's new name, "Green Global Resources Limited", became effective in April 2008. The changing of the Company's name mirrors the transformation of the Company's business focus and direction toward the more sustainable sectors of agro-conservation and renewable energy resources.

Agro-Conservation

In 2007, the Group acquired two companies, Green Global Licorice China Limited ("Green Global Licorice") (formerly known as Huge Value Development Limited) and Green Global Salix China Limited ("Green Global Salix") (formerly known as Quest Asia Development Limited), which conduct agro-conservation businesses in Inner Mongolia.

5532 Project

Because of the serious depletion of vegetation and rapid desert encroachment in Inner Mongolia, the Chinese government strongly encourages anti-desertification projects by the private sector. 內蒙古天蘭科技治沙產業有限公司 (Inner Mongolia Tian Lan Technology Sand Control Estate Limited*) ("Tian Lan"), our partner in Inner Mongolia, entered into an agreement with the Municipal Government of Hang Jin Qi for the cultivation of 5,000,000 Chinese *mu* (~333,000 hectares) of salix over the next five years and 200,000 Chinese *mu* (~13,300 hectares) of licorice over the next three years (the "5532 Project"). Pursuant to the agreement, the Municipal Government of Hang Jin Qi agreed to assign land use rights to Tian Lan which is obligated to cultivate salix and licorice on the land provided. Both of these crops are effective in preventing desertification and are also of substantial commercial value.

With strong governmental support and considering the large market potential of licorice and salix, Green Global Agro-Conservation Resources Limited (a wholly owned subsidiary of the Company and the holding company of Green Global Licorice and Green Global Salix) ("Green Global Agro-Conservation") and Tian Lan have entered into a Cooperation Agreement for the joint execution of Tian Lan's commitments relating to the 5532 Project (the "Inner Mongolia Cooperation Agreement").

Green Global Agro-Conservation cooperated with the Academy of Forest Inventory and Planning (the "AFIP") to design the 5532 Project. The AFIP is a top-grade national research institution engaged in technical project design and development of national environmental projects. AFIP is a direct subsidiary of the State Forestry Administration of China. This cooperation will enhance the status of the 5532 Project and further attests that the plan meets the criteria of the Company, the Inner Mongolia Government, the Municipal Government of Hang Jin Qi, and the Chinese National Government for ecological conservation and anti-desertification. Planting under the 5532 project has begun in Hang Jin Qi in Ordos, Inner Mongolia, the area where Green Global Licorice, Green Global Salix and Tian Lan have land use rights.

* The English transliteration of this Chinese name is for reference only

Green Global Licorice

Green Global Licorice provides management and consultancy services to Tian Lan for the cultivation of licorice in an area of approximately 1,000,000 Chinese *mu* (~67,000 hectares) of grassland in 伊克昭盟杭錦旗 (Yi Ke Zhao Meng Hang Jin Qi) in the Inner Mongolia Autonomous Region of China.

Licorice is an essential ingredient in many traditional Chinese medicines. It is also used in a diverse range of products including food, candies, cosmetics and other health products. The licorice plant can withstand the harsh conditions of desert areas and is effective in preventing desertification. The licorice root penetrates deep into the soil, holding the layers together, and thereby preventing soil erosion.

Commercial demand for licorice has increased steadily for the last 5 years. Because of this demand and the relatively high value of licorice, illegal farming and harvesting of wild licorice have increased. This has accelerated desertification in Inner Mongolia. The supply of licorice roots in the PRC has been under pressure in recent years due to a diminishing supply of wild grown licorice and a dearth of planted licorice.

Local and national government entities are supportive of the private sector's involvement in land management and conservation efforts in order to prevent unlawful and ecologically harmful practices. Through Green Global Licorice, the Company employs its public-private partnership business model to assist government authorities in these anti-desertification efforts.

The Board and the Company's management believe that the market for licorice roots is substantial and will continue to grow in China and elsewhere and that the high demand will drive up prices for licorice roots in the coming years. Organized and large-scale cultivation of licorice will ensure a stable supply and quality of licorice roots, while assisting with land preservation and anti-desertification efforts.

Since its acquisition by the Company, Green Global Licorice has successfully completed the plantation of 8,000 Chinese *mu* (~533 hectares) of licorice in 2007. In the first half of 2008, Green Global Licorice completed the planting of approximately another 50,000 Chinese *mu* (~3,300 hectares) of licorice. The timing and quantity of licorice roots to be harvested annually is in accordance with a prescribed schedule in order to achieve a balance between soil preservation and commercial objectives.

Green Global Salix

Green Global Salix provides management and consultancy services to Tian Lan for the cultivation of approximately 2,200,000 Chinese *mu* (~147,000 hectares) of salix and also approximately 800,000 Chinese *mu* (~53,000 ha) of licorice in Inner Mongolia.

Salix, or sand willow, is a low growing indigenous shrub predominantly found in the Inner Mongolia Autonomous Region, which spreads widely across the ground and is generally regarded as a weed. Salix may also be cultivated, most notably for its erosion control characteristics. The interlacing roots of the salix plant protect the soil against the erosive action of wind and water. Salix is easy to cultivate and takes root readily from cuttings.

In recent years, salix has become sought as a raw material for fiber board and paper pulp, and as a biomass fuel, for power plants. Salix is also fast becoming a serious candidate as a lignocellulosic biomass feedstock for synthesizing bio-ethanol, which can be used as a fuel.

In view of global concerns over escalating fuel prices, the Company's Board and management believe that the demand for salix as a viable renewable resource in China, as well as an important anti-desertification agent, will increase in the coming years.

During 2007, Green Global Salix planted 200,000 Chinese *mu* (~13,300 hectares) of salix in Inner Mongolia. Green Global Salix planted another approximately 180,000 Chinese *mu* (~12,000 hectares) of salix in Inner Monoglia in the first half of 2008.

Overall Results for the Agro-conservation Sector

For the first half of 2008, biological asset gains from the cultivation of licorice and salix amounted to approximately HK$23,150,000. This value was determined by Greater China Appraisal Limited ("Greater China"), an independent professional valuer, based on the fair value of licorice and salix less estimated point-of-sale costs with reference to most recent market transaction prices. In the first half of 2008, operating profit from this business sector amounted to approximately HK$17,713,000.

Bio-energy

In the first half of 2008, oil prices soared across the world reached a high of US$147 per barrel. Consistent with the global increase in the prices of oil-based products, China's National Development and Reform Commission raised the heavily-subsidized Chinese diesel and gasoline prices on 20th June, 2008, resulting in overnight price hikes of up to 18%. Asia, home to approximately 53% of the world's population, has the world's highest economic growth rate, and currently consumes approximately 43% of the world's liquid fuel supply.

Biodiesel is currently one of the world's most suitable renewable energy resources. With the right feedstock, this highly desirable alternative fuel source provides a more affordable source of clean and renewable energy. The Group seeks to satisfy a portion of the world's increased demand for renewable energy resources and the social goals of substantially reducing environmental pollution and poor land management.

Hainan Venture

In December 2007, the Company established Hainan Venture Zhengke Bioenergy Development Company Limited* (海南宏昌正科生物能源有限公司) ("Hainan Venture"). Hainan Venture is a joint venture, 90% owned by the Company and 10% owned by 北京東方正科科技有限公司 (Beijing Oriental Zhengke Technology Company Limited*), a PRC company principally engaged in investments in, and operation of businesses related to, research and technology. Hainan Venture was established to conduct Jatropha curcas-based bio-energy activities in Hainan.

On 25th March 2008, Hainan Venture entered into a Cooperation Agreement (the "Hainan Cooperation Agreement") with 海南東方林昌生物能源發展有限公司 (Hainan Oriental Linchang Bioenergy Development Limited*) (the "Hainan Partner"), a limited liability company established in the PRC, pursuant to which Hainan Venture will finance the Hainan Partner to plant and maintain Jatropha curcas trees in Hainan. The Hainan partner agreed that, in the three year period commencing in 2008, it will plant an area of approximately 1,300,000 Chinese *mu* (~87,000 ha) of Jatropha in Hainan and will sell all qualified seeds harvested from the Jatropha curcas trees in such land exclusively to the Hainan Venture for 30 years.

The Chinese government's alternative energy policy specifically prohibits alternative energy activities that use edible crops for alternative energy feedstock or occupy farmland that could otherwise be used for growing food crops. Jatropha seeds contain a large concentration of oil with an ideal biodiesel profile, making it a highly economical and practical raw material for the sustained production of environmentally-friendly biodiesel. Because Jatropha is not suitable for human and animal consumption and can be grown in marginally arable soil, the Jatropha biodiesel value chain epitomizes the Chinese government's alternative energy policies. Hainan's combination of warm temperatures and substantial annual rainfall is ideal for the cultivation of Jatropha.

With technical assistance from the Sichuan University College of Life Sciences, the Hainan Venture completed the establishment of approximately 150 Chinese *mu* (~10 hectares) of Jatropha curcas sapling nurseries in 2007. During the first six months in 2008, another 475 Chinese *mu* (~32 hectares) area was added to the nurseries. In addition, the Hainan Partner planted 45,000 Chinese *mu* (~3,000 hectares) of Jatropha trees in the first six months of 2008.

Lao-Agro

In December 2007, the Group entered into another joint venture in Laos, Lao Agro-Promotion Limited ("Lao-Agro"). Lao-Agro is an 80% owned subsidiary of the Company which was established to conduct Jatropha-based bio-energy business activities in Laos.

* The English transliteration of this Chinese name is for reference only

On 26th March 2008, Lao-Agro entered into a Cooperation Agreement (the "Lao Cooperation Agreement") with the Lao National Authority for Science and Technology ("NAST") for the purpose of establishing three fully-equipped centers to perform in-depth research and development of Jatropha curcas for the production of biodiesel. The Lao Cooperation Agreement has a term of 30 years. Lao-Agro has agreed to invest a total of US$3,000,000 in both equipment and cash for the cooperation project. The profits generated from the cooperation project will be shared 80% and 20% respectively, by Lao-Agro and NAST.

Lao-Agro, in cooperation with NAST, has identified 3 strategic locations totaling 1.4 hectares of land owned by NAST for the establishment of Jatropha curcas research, development, and training centers and construction planning has begun.

Similar to Hainan, the climate of Laos is highly suitable for the cultivation of Jatropha curcas. Moreover, Laos has a plentiful supply of cheap land and farm labor to support Jatropha plantations. The Company's presence in Laos via Lao-Agro will act as a platform for further development and commercialization in the Jatropha-based bio-energy sector and similar activities in Laos and other Greater Mekong Sub-region countries with the additional benefit of revitalizing local communities and creating employment opportunities.

Lao-Agro has completed four Jatropha nurseries covering an area totaling approximately 825 Chinese *mu* (~55 hectares) in the first half of 2008. Furthermore Lao-Agro, together with its local partner, has planted approximately 75,000 Chinese *mu* (~5,000 hectares) of land with Jatropha trees in the same period.

Overall Results for the Bio-energy Sector

The Company's bio-energy sector generated approximately HK$19,139,000 in revenue from sapling sales in the first half of 2008. Furthermore, the biological asset gains from the cultivation of Jatropha saplings during the first half of 2008 amounted to approximately HK$24,990,000. The biological assets gain was determined by Greater China based on the fair value of Jatropha saplings less estimated point-of-sale costs with reference to the most recent market transaction prices.

Non-agricultural Businesses

Banking and Finance systems integration services: TopAsia Group ("TopAsia")

In the first half of 2008, the macroeconomic regulatory climate in the PRC was severe. At the same time, snowstorms, earthquakes, and other natural disasters occurred frequently in the PRC. These natural phenomena, coupled with the continued depreciation of the U.S. Dollar, soaring oil prices, and worsening inflation led to fears of a rapid slowdown in the Chinese economy in the later half of 2008. As a result of this gloomy economic outlook, TopAsia faced many challenges and difficulties.

The first half of 2008 also saw a marked reduction in the demand for self-service equipment in the banking sector. Competing manufacturers resorted to price cutting and extensions of warranty periods in order to promote their products and meet their sales quotas. This led to a smaller profit margin from the sale of such equipment for the first half of 2008. TopAsia also experienced a reduction in sales of self-service machines in the first half of 2008. The Company's management believes that this situation is unlikely to improve in the second half of 2008.

In view of the above factors, TopAsia has been looking for alternative products to supplement its ATM and self-service equipment products. During the year, TopAsia, in cooperation with the data storage systems vendor company, EMC Corporation, signed a contract to upgrade and maintain the data storage systems of the Shanghai Post Office. TopAsia and EMC also signed a contract with Shanghai Securities Central Clearing Company for similar services. A cooperative effort between TopAsia and IBM to develop data compilation software has also seen positive results.

The frequent occurrences of natural disasters in 2008 have resulted in a tremendous loss of stored data. As such, Chinese enterprises are beginning to emphasize information security, integrity and disaster management. Internet security is also a serious concern for the financial industry. Increasing incidents of internet crimes has the financial sector heavily investing in network security management. TopAsia is cooperating with Symantec, a security products manufacturer, to provide total security solutions to financial service companies, insurance companies, foreign exchange trading centers, and other enterprises.

In spite of the tough conditions during the first half of 2008, Topasia's revenue amounted to approximately HK$37,827,000 representing an increase of approximately 91.4% compared to the same period last year. This was largely attributed to increases in the sale of financial services products arising from the division's intensified efforts in promoting the sale of these products to supplement the self service equipment sales and an increase in income from ATM maintenance services flowing from the company's existing loyal customer base. However, Topasia's direct and operating costs remained high during the period resulting in a lower gross profit margin of approximately 19.5% (2007: approximately 28.2%) and a net loss of approximately HK$44,000 (2007: loss of approximately HK$3,102,000).

Outlook

While new products and opportunities exist for the systems integration services business in the PRC, the Company's management recognizes that the market will remain challenging in the near future as a result of worldwide credit crunch and difficult economic outlook. The Group is however, confident of the future prospects of its agro-conservation and bio-energy businesses.

The Group's total cultivation of approximately 58,000 Chinese *mu* (~3,800 hectares) of licorice and approximately 380,000 Chinese *mu* (~25,300 hectares) of salix in Inner Mongolia are growing very well. The Company's Board and management believe that its agro-conservation businesses will make significant contributions to the revenue and profits of the Group in the near future.

During the first six months of 2008, the Company established important foundations for its bio-energy businesses in Hainan and Laos. The Hainan Venture intends to further expand its nursery area by year end to a scale which will ensure an adequate supply of Jatropha saplings to plant larger areas with Jatropha trees. Sales of Jatropha saplings from the Hainan Venture in the first half of 2008 were strong and the Company looks forward to reaping the benefits of receiving a stable supply of high quality Jatropha seeds currently being cultivated.

Excellent progress was also made in the Laos Jatropha nurseries and sapling sales from Lao-Agro during the first half of 2008. Lao-Agro currently has 825 Chinese *mu* (~55 hectares) of Jatropha nurseries in 3 provinces across the country. The Jatropha seeds planted in these nurseries grew well during the first six months of 2008 and the saplings grown were successfully sold. The Company's management intends to continue to expand these nurseries during the second half of 2008 and to ensure a stable and quality supply of saplings for sale to and cultivation by our agricultural partners. The Company's board and management believe that the current status of the global petro-economy, coupled with increasing interest in environmentally friendly and renewable fuel resources, will ensure a strong demand for alternative energy resources such as bio-diesel in the foreseeable future.

LIQUIDITY AND FINANCIAL RESOURCES

Net Assets

At 30th June 2008, the Group recorded total assets of approximately HK$660,775,000 which were financed by liabilities of approximately HK$222,402,000 and equity of approximately HK$438,373,000. The Group's net asset value as at 30th June 2008 increased by 34.7% to HK$438,373,000, compared to approximately HK$325,350,000 as at 31st December 2007.

Liquidity

The Group had total cash and bank balances of approximately HK$47,144,000 as at 30th June 2008 (At 31st December 2007: approximately HK$72,939,000). The Company's net cash balance as at 30th June 2008 was HK$4,144,000 (At 31st December 2007: approximately HK$72,939,000) after deducting short term loan of HK$43,000,000 (At 31st December 2007: Nil).

As at 30th June 2008, the Company's current ratio was 1.40 (At 31st December 2007: 1.58) and its gearing ratio was 0.25 (At 31st December 2007: 0.24) which was comprised of the Group's convertible loan notes and short term loan over its equity attributable to equity holders.

Charges on Assets

At 30th June 2008, no fixed deposits were pledged to banks to secure banking facilities (At 31st December 2007: Nil).

Treasury Policies

The Group generally finances its operations with internally generated resources, proceeds from the disposal of its available-for-sale-investments, and the proceeds of equity fund raising activities. All financing methods, including equity, debt, and other means, will be considered so long as such methods are beneficial to the Company's shareholders as a whole. Subsidiaries in the PRC use internally generated resources to finance their working capital requirements. Bank deposits are mainly in Hong Kong dollars and Renminbi.

Contingent Liabilities and Capital Commitments

The Group had no material contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance.

The Group had future capital commitments which were authorized but not contracted for totaling HK$19,716,000 in respect of additional capital injection in a subsidiary as at 30th June 2008 (At 31st December 2007: approximately HK$36,035,000).

Foreign Exchange Exposure

For the period ended 30th June 2008, the Group mainly earns revenue in Renminbi and incurs costs in Hong Kong dollars and Renminbi. Although, the Group currently does not have any foreign currency hedging policies, it manages its currency exposure by ensuring that the revenue earned in Renminbi are used to pay for Renminbi denominated costs. Funds raised from financing activities which are mainly in Hong Kong dollars are used to pay for Hong Kong dollar expenses and Hong Kong dollar costs of acquisitions.

Employee and Remuneration Policies

As at 30th June 2008, the Group employed approximately 175 full time staff in Mainland China, Hong Kong and Laos. The Group remunerates its employees based on their performance, working experience, and prevailing market rates. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs, and a share option scheme.

Post Balance Sheet Events

On 12th June 2008, the Company entered into an Underwriting Agreement with Integrated Capital Asia Limited, Mr. Yam Tak Cheung, Integrated Asset Management (Asia) Limited, and the Company's Chairman, Mr. Tse Michael Nam, in relation to the underwriting and certain other arrangements in respect of a rights issue of one rights share for every Company share held at a price of HK$0.108 per rights share (the "Rights Issue"). The Rights Issue was completed on 11th August 2008, raising approximately HK$130,000,000 for the Company.

As a result of the Rights Issue, the Company's issued share capital increased by 1,267,422,572 to 2,534,845,144 shares and the conversion price of the convertible loan notes, the exercise prices of the outstanding share options and the aggregate number of shares subject to the share options were duly adjusted.

On 21st July 2008, the shareholders of the Company passed a resolution to approve the increase in the authorised share capital of the Company from HK$300,000,000 divided into 3,000,000,000 shares of HK$0.10 each to HK$800,000,000 divided into 8,000,000,000 shares of HK$0.10 each by the creation of an additional 5,000,000,000 shares.

Directors' and Chief Executive's interests and short positions in shares, underlying shares, and debentures

As at 30th June 2008, the interests and short positions of the Directors and Chief Executive Officer of the Company in shares, underlying shares, and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Companies (the "Model Code"), were as follows:

(i) Long position in the shares

Name of Director	Nature of interest	No. of shares held	Position	Approximate percentage of issued share capital as at 30th June 2008
Mr. Tse Michael Nam	Beneficial owner	50,000,000	Long	3.95%

(ii) Long position in the underlying shares

Name of Director	**Nature of interest**	**No. of underlying shares**	**Position**	**Approximate percentage of issued share capital as at 30th June 2008**
Mr. Tse Michael Nam	Beneficial owner	9,896,000 *(Note 1)*	Long	0.78%
Mr. Puongpun Sananikone	Beneficial owner	9,600,000 *(Note 2)*	Long	0.76%
Mr. Lim Yew Kong, John	Beneficial owner	600,000 *(Note 3)*	Long	0.05%
Mr. Albert Theodore Powers	Beneficial owner	1,200,000 *(Note 4)*	Long	0.10%
Mr. Pang Seng Tuong	Beneficial owner	1,200,000 *(Note 4)*	Long	0.10%

Notes:

1. As at 30th June 2008, Mr. Tse Michael Nam, the Chairman and Chief Executive Officer of the Company, held share options entitling him to subscribe for 996,000 and 8,900,000 shares of the Company at subscription prices of HK$0.66 and HK$0.243 per share, respectively.

2. As at 30th June 2008, Mr. Puongpun Sananikone, an Executive Director and the Deputy Chairman of the Company, held share options entitling him to subscribe for 600,000 and 9,000,000 shares of the Company at subscription prices of HK$0.66 and HK$0.243 per share, respectively.

3. As at 30th June 2008, Mr. Lim Yew Kong, John, an Independent Non-Executive Director of the Company, held share options entitling him to subscribe for 600,000 shares of the Company at a subscription price of HK$0.36 per share.

4. As at 30th June 2008, Mr. Albert Theodore Powers and Mr. Pang Seng Tuong, Independent Non-Executive Directors of the Company, each held share options entitling them to subscribe for 1,200,000 shares of the Company each, at a subscription price of HK$0.234 per share.

In addition to the above, as at 30th June 2008, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Substantial Shareholders' and other persons' interests and short positions in shares and underlying shares

(i) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and Substantial Shareholders

So far as is known to the Directors, as at 30th June 2008, the following persons (not being Directors or the Chief Executive Officer of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which are required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

(i) Interests in the shares and underlying shares

Name of substantial shareholder	Nature of Interest	No. of shares and/or underlying shares held	Position	Approximate percentage of issued share capital as at 30th June 2008
Mr. Tse Hoi Chau *(Note 1)*	Beneficial owner	104,761,904	Long	8.27%
Integrated Asset Management (Asia) Limited *(Note 2)*	Beneficial owner	216,912,000	Long	17.11%
Mr. Yam Tak Cheung *(Note 2)*	Interest of controlled corporation	216,912,000	Long	17.11%

Notes:

1. Mr. Tse Hoi Chau was interested in 104,761,904 underlying shares, respectively, which may be allotted and issued upon the exercise of conversion rights attaching to convertible loan notes issued by the Company.

2. Integrated Asset Management (Asia) Limited was interested in 216,912,000 shares. Integrated Asset Management (Asia) Limited is wholly and beneficially owned by Mr. Yam Tak Cheung.

(ii) Interests in shares of associated corporations of the Company

Name of subsidiary	Name of entity	Class and no. of securities	Percentage shareholdings
TVH Cyber Technology Ltd.	Yi Jun Yong	200 ordinary shares of HK$1 each (L)	20%
BMC Software (China) Ltd.	BMC Software (HK) Ltd.	1 ordinary share of HK$1 (L)	10%

L: represents a long position in the securities

Except as disclosed above and so far as the Directors are aware, as at 30th June 2008, no other party (other than the Directors and the Chief Executive Officer of the Company) had any interest or short position in the shares, the underlying shares or debentures of the Company which would be required to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to herein.

Purchase, Sale or Redemption of shares

There was no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the six months ended 30th June 2008.

Review by Audit Committee

The interim results have been reviewed by the Audit Committee.

Code on Corporate Governance Practices

Throughout the six month-period ended 30th June 2008, the Company has complied with the code provisions and recommended best practices of the Code on Corporate Governance Practices (the "Code") under Appendix 14 of the Listing Rules, except for certain deviations as set out below.

Under Code provision A.2.1, the roles of the Chairman and Chief Executive Office ("CEO") should be separate and should not be performed by the same individual. From 1st March 2007 to the date of this announcement, both roles were performed by Mr. Tse Michael Nam. The Board considers Mr. Tse's experience and knowledge crucial in managing and executing the transformation of the focus of the Company and its subsidiaries into the agro-conservation and bio-energy sectors. The Board does not believe that the current situation will impair the balance of power and authority between the Board and the Company's Management and does not currently propose to separate the functions.

The Company did not establish a nomination committee. The Board considers that the appointment and removal of Directors are the collective decisions of the Board and thus does not intend to adopt the recommended best practice under Code A.4.4 to establish a nomination committee.

Appreciation

On behalf of the Board, I would like to take this opportunity to thank our shareholders for their support and dedication to our Company. I also want to thank our staff for their continued hard work in striving to achieve our goals and vision. Together, we shall reap the success from the seeds we are sowing.

By Order of the Board
Mr. Tse Michael Nam
Chairman

Hong Kong, 19th September 2008