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GREEN GLOBAL RESOURCES LIMITED

綠色環球資源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 61)

PROPOSED CAPITAL REORGANISATION AND CHANGE OF BOARD LOT SIZE

The Board announces that the Company proposes to effect a Capital Reorganisation by way of:

- (i) the Share Consolidation of every ten (10) Existing Shares of HK\$0.10 each into one (1) Consolidated Share of HK\$1.00;
- (ii) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.99 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$1.00 to HK\$0.01;
- (iii) the subdivision of each authorised but unissued Consolidated Share of HK\$1.00 (including the unissued Shares arising from the Capital Reduction) into 100 New Shares of HK\$0.01 each; immediately after the subdivision, the total number of issued New Shares will be 253,484,514.4 New Shares;
- (iv) the cancellation of approximately HK\$521,158,000 standing to the credit of the share premium account of the Company as at 30 June 2008 based on the latest published financial statements of the Company for the six months ended 30 June 2008;
- (v) the transfer of the credit arising from the Capital Reduction and the Share Premium Cancellation to the contributed surplus account of the Company; and
- (vi) the utilization of the contributed surplus account of the Company to offset the entire balance of the Accumulated Losses.

* For identification purpose only

An SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s) in respect of the Capital Reorganisation.

A circular containing, among other matters, information regarding the Capital Reorganisation together with a notice of the SGM will be despatched to the Shareholders as soon as practicable.

PROPOSED CAPITAL REORGANISATION

The Board announces that the Company proposes to effect a Capital Reorganisation by way of:

- (i) the Share Consolidation of every ten (10) Existing Shares of HK\$0.10 each into one (1) Consolidated Share of HK\$1.00;
- (ii) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.99 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$1.00 to HK\$0.01;
- (iii) the subdivision of each authorised but unissued Consolidated Share of HK\$1.00 (including the unissued Shares arising from the Capital Reduction) into 100 New Shares of HK\$0.01 each; immediately after the subdivision, the total number of issued New Shares will be 253,484,514.4 New Shares on the assumption that there is no change in the issued share capital prior to the Capital Reorganisation becoming effective;
- (iv) the cancellation of approximately HK\$521,158,000 standing to the credit of the share premium account of the Company as at 30 June 2008 based on the latest published financial statements of the Company for the six months ended 30 June 2008;
- (v) the transfer of the credit arising from the Capital Reduction and the Share Premium Cancellation to the contributed surplus account of the Company; and
- (vi) the utilization of the contributed surplus account of the Company to offset the entire balance of the Accumulated Losses.

As at the date of this announcement, the authorised share capital of the Company is HK\$800,000,000 divided into 8,000,000,000 Existing Shares of HK\$0.10 each, of which 2,534,845,144 Existing Shares have been allotted and issued and fully paid. As set out in the interim report of the Company for the six months ended 30 June 2008, the share premium of the Company amounted to approximately HK\$521,158,000 as at 30 June 2008. On the assumption that there is no change in the issued share capital prior to the Capital Reorganisation becoming effective, a credit will arise from the Capital Reduction and the Share Premium Cancellation and will be transferred to the contributed surplus account of the Company. Part of the amount standing to the credit of the contributed surplus account of the Company upon the Capital Reorganisation becoming effective will then be applied to set off against the entire balance of the Accumulated Losses, which amounted to approximately HK\$403,271,000 as at 30 June 2008.

The board lot for trading on the Stock Exchange will be changed from 2,000 Existing Shares to 5,000 New Shares upon the Capital Reorganisation becoming effective.

Fractional Consolidated Shares will not be allocated to individual Shareholders but will be aggregated and sold and retained for the benefit of the Company.

For the avoidance of doubt, the authorised share capital of the Company shall remain HK\$800,000,000 prior to and immediately after completion of the Capital Reorganisation.

Upon the Capital Reorganisation becoming effective, after the share subdivision of each authorised but unissued Consolidated Share of HK\$1.00 each into 100 New Shares of HK\$0.01 each, the authorised share capital will be HK\$800,000,000 divided into 80,000,000,000 New Shares of HK\$0.01 each, of which 253,484,514.4 Shares will be issued New Shares.

Under the Capital Reorganisation, one (1) Consolidated Share will be issued for every ten (10) Existing Shares.

The issued New Shares will rank pari passu with each other in all respects, including the rights as to dividends, voting and return of capital. Other than the expenses incurred in relation to the Capital Reorganisation, its implementation will not in itself, alter the underlying assets, business operations, management or financial position of the Group or the proportionate interests or rights of the Shareholders, save that any fractional New Shares will not be allocated to individual Shareholders but will be aggregated and sold and, if a premium (net of expenses) can be obtained, such premium will be retained for the benefit of the Company. The Capital Reorganisation itself will not have any material adverse effect on the financial position of the Group.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (a) the passing of the necessary ordinary and/or special resolution(s) by the Shareholders at the SGM to approve the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Premium Cancellation;
- (b) the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation; and
- (c) compliance with the relevant procedures and requirements under Bermuda law and the Listing Rules to effect the Capital Reorganisation.

Application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation.

Adjustments to Share Options and Convertible Bonds

As at the date of this announcement, there are 308,043,518 outstanding Options granted under the share option schemes adopted by the Company entitling the holders thereof to subscribe for a total of 308,043,518 Existing Shares and the Convertible Bonds entitling the holders thereof to convert into 173,152,173 Existing Shares. Save for the Options and the Convertible Bonds, the Company has no outstanding options, warrants or other securities convertible into Existing Shares and/or Consolidated Shares and/or New Shares.

Adjustments to the conversion price of the outstanding Convertible Bonds in issue and the exercise prices and numbers of the outstanding Options will be required under the relevant terms of the instrument constituting the Convertible Bonds and the share option schemes of the Company.

The conversion price of the Convertible Bonds will be adjusted from HK\$0.460 per Existing Share to HK\$4.60 per New Share with effect from the date on which the Capital Reorganisation becomes effective. The exercise prices of the Options and the aggregate number of New Shares subject to the exercise of the Options will be adjusted with effect from the date on which the Capital Reorganisation becomes effective as follows:

Existing subscription prices (per Existing Share)	Number of Existing Shares subject to the Options	Adjusted exercise prices (per New Share) as a result of the Capital Reorganisation	Adjusted number of New Shares subject to the Options as a result of the Capital Reorganisation
HK\$2.498	1,338,084	HK\$24.98	133,808
HK\$0.651	75,871,390	HK\$6.51	7,587,138
HK\$0.375	8,186,494	HK\$3.75	818,649
HK\$0.355	608,220	HK\$3.55	60,822
HK\$0.240	103,143,975	HK\$2.40	10,314,396
HK\$0.108	94,176,805	HK\$1.08	9,417,678
HK\$0.100	24,718,550	HK\$1.00	2,471,855

Optima Capital Limited has been appointed to certify the above necessary adjustments to the conversion price of the outstanding Convertible Bonds and the exercise prices and numbers of New Shares subject to the exercise of the Options.

REASONS FOR THE CAPITAL REORGANISATION

The Capital Reorganisation involves the Share Consolidation, the Capital Reduction and the Share Premium Cancellation.

The Board believes that the Share Consolidation will reduce the transaction costs for dealing in the Shares, including charges by reference to the number of Share certificates issued.

Under the laws of Bermuda, a company may not issue shares at a discount to the nominal value of such shares. Accordingly, the Directors propose the Capital Reduction by which the nominal value of the Shares will be reduced which allows greater flexibility in the pricing of any issue of new Shares in the future.

The accumulated losses of the Company as at 30 June 2008 amounted to approximately HK\$403,271,000. Upon the Capital Reorganisation becoming effective, the Accumulated Losses will be eliminated and the Company will have the flexibility to declare dividends to the Shareholders from future profits of the Company. As such, the Directors consider that the Capital Reorganisation is in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has not yet declared any future dividends. Even in circumstances where the Capital Reorganisation becomes effective, there can be no assurance that a dividend will be declared or paid in future.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the New Shares, the Company will appoint a securities firm to provide a matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares. Details of the odd lot matching arrangements will be set out in the circular in relation to the Capital Reorganisation to be despatched to the Shareholders.

Exchange of share certificates

Subject to the Capital Reorganisation becoming effective, the Shareholders may, on or after 9 March 2009 until 16 April 2009 (both days inclusive) submit share certificates for Existing Shares to the Company's branch registrar in Hong Kong (the "Branch Registrar"), Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of the Company, for certificates for the New Shares. It is expected that the new certificates for the New Shares will be available for collection within 10 business days after the submission of the existing share certificates to the Branch Registrar for exchange.

Thereafter, certificates for Existing Shares will remain effective as documents of legal title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per certificate issued or cancelled, whichever is higher, payable by Shareholders to the Branch Registrar.

EXPECTED TIMETABLE

Set out below is the indicative timetable for the Capital Reorganisation.

Despatch of the circular regarding, among other matters,
the Capital Reorganisation. 11 February 2009

Publication of the notice of SGM 11 February 2009

Latest time for lodging the form of proxy for the SGM	10:30 a.m. 4 March 2009
SGM	10:30 a.m. 6 March 2009
Effective date of the Capital Reorganisation	9 March 2009
Original counter for trading in Shares in board lots of 2,000 Shares (in the form of existing share certificates in green) temporarily closes	9:30 a.m. 9 March 2009
Temporary counter for trading in New Shares in board lots of 200 New Shares (in the form of existing share certificates in green) opens	9:30 a.m. 9 March 2009
First day for free exchange of existing share certificates in green for new share certificates in blue	9 March 2009
First day of operation of odd lot trading facility	9 March 2009
Original counter for trading in New Shares in board lots of 5,000 New Shares (in the form of new share certificates in blue) reopens	9:30 a.m. 23 March 2009
Parallel trading in New Shares commences	9:30 a.m. 23 March 2009
Temporary counter for trading in Consolidated Shares in board lots of 200 New Shares (in the form of existing share certificates in green) closes	4:10 p.m. 14 April 2009
Parallel trading ends	4:10 p.m. 14 April 2009
Last day of operation of odd lot trading facility.	14 April 2009
Latest time for free exchange of share certificates.	4:00 p.m. 16 April 2009

GENERAL

A SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s) in respect of the Capital Reorganisation.

A circular containing, among other matters, information regarding the Capital Reorganisation together with a notice of the SGM will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Accumulated Losses”	the accumulated losses of the Company on the date the Capital Reorganisation becomes effective
“Board”	the board of Directors
“Capital Reduction”	the proposed reduction in the issued share capital of the Company and the proposed subdivision of each authorised but unissued Consolidated Share of HK\$1.00 into 100 New Shares of HK\$0.01 each as detailed in the section headed “Proposed Capital Reorganisation” of this announcement
“Capital Reorganisation”	the Share Consolidation, the Capital Reduction and the Share Premium Cancellation
“Company”	Green Global Resources Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda
“Consolidated Shares”	issued and unissued shares of HK\$1.00 each of the Company immediately upon the Share Consolidation becoming effective
“Convertible Bonds”	the convertible bonds due 2010 issued by the Company which entitle the holders thereof to convert the outstanding principal amount into new Existing Shares at the prevailing conversion price of HK\$0.460 per Share (subject to adjustment) at any time from the date of issue up to and including 1 October 2010
“Director(s)”	director(s) of the Company
“Existing Shares”	issued and unissued existing shares of HK\$0.10 each of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“New Shares”	shares of HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“Option(s)”	the 308,043,518 share options granted under the share option scheme adopted by the Company and remaining outstanding as at the date of this announcement
“SGM”	the special general meeting of the Company to be convened and held to consider and, if appropriate, to approve the Capital Reorganisation
“Share(s)”	the Existing Share(s), the Consolidated Share(s) or the New Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of ten Existing Shares into one Consolidated Share
“Shareholder(s)”	holder(s) of Share(s)
“Share Premium Cancellation”	the cancellation of approximately HK\$521,158,000 standing to the credit of the share premium account of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawfully currency of Hong Kong

By order of the Board
Green Global Resources Limited
Tse Michael Nam
Chairman

Hong Kong, 21 January 2009

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Tse Michael Nam

Mr. Puongpun Sananikone

Independent Non-executive Directors:

Mr. Lim Yew Kong, John

Mr. Albert Theodore Powers

Mr. Pang Seng Tuong