



To: Business Editor  
[For Immediate Release]

# GREENS

## Greens Holdings Ltd 格菱控股有限公司

Greens reports net profit of RMB65 million for 2010

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*Notable achievements made in expanding Chinese and Indian markets  
Greens continues to widen the applications of its waste heat recovery products*

Financial Highlights (For the year ended 31 December)		
	2010 (RMB '000)	2009 (RMB '000)
Revenue	710,954	555,440
Gross profit	173,199	179,796
Profit attributable to shareholders	65,311	68,317
Basic earnings per share (RMB)	0.052	0.072
Final dividend per share (HK cents)	1.54cents	2.17cents
Gearing ratio (%)	39.0	47.2

[15 March 2011, Hong Kong] **Greens Holdings Ltd** (“Greens” or the “Company”, together with its subsidiaries, the “Group”; stock code: 01318.HK), a leading supplier of key heat transfer products designed to enhance energy efficiency, today announced its annual results for the year ended 31 December 2010 (the “year under review”).

During the year under review, revenue of the Group rose by approximately 28% year-on-year to approximately RMB711 million. Gross profit remained stable at approximately RMB173 million, while profit attributable to shareholders amounted to approximately RMB65.3 million. Basic earnings per share were approximately RMB0.052, compared to approximately RMB0.072 in 2009. The Board proposed a final dividend payout of HK 1.54 cents for the year ended 31 December 2010.

**Mr. Frank Ellis, Chairman, CEO and Executive Director of Greens**, said, “Greens constantly demonstrates its ability to react to market changes. While there is a slowdown in major developed countries markets, other countries like China and India have maintained their strong commitment to meeting growth and environmental targets, which were also the Group’s focuses in 2010.”

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After the past two years of construction, Greens completed most of its core development projects during the year for enhancing productivity. The construction of its core production base for waste heat recovery products located in Jingjiang City, Jiangsu Province, China was completed. With these two well-equipped workshops commencing operations, the output in this segment significantly increased during the second half of 2010. Total output of the Group for the year also grew as the wind turbine towers production facilities at the Group's new plant in Inner Mongolia started operations in the fourth quarter of 2010. The enhancement in productivity strengthened the development of the Group's products as a whole.

As one of the largest economiser producers in the world, the Group recorded RMB 219.3 million sales of economisers, a 3.8% rise from the previous year. The gross profit margin of this product category lowered to approximately 34.5%. China continues to be the Group's major market for economisers which have become standard equipment for coal-fired power plants.

The significant growth of waste heat recovery products means that this segment is now the largest source of revenue to the Group. During the year under review, turnover from waste heat recovery products (especially Heat Recovery Steam Generators (HRSGs) which is mainly installed in gas / oil fired power plants) grew to approximately RMB 369.1 million (2009: approximately [RMB 239.2 million]).

In 2010, the shipbuilding industry in Asia experienced a marked recovery with the demand for boilers to be applied to medium sized vessels increasing substantially. Sales of marine products increased by approximately 158.7% to approximately RMB 37.3 million.

Starting from the fourth quarter of 2010, Greens has engaged in the manufacture and sales of wind turbine towers through its wholly owned subsidiary, Tongliao Greens Wind Power Equipment Co.,Ltd. ("Tongliao Greens"). The major construction of Tongliao Greens' production facilities was completed and the wind turbine towers generated revenue of approximately RMB41.0 million for the year (2009: Nil).

Looking forward, the Group will benefit from its direct sales to engineering, procurement and construction contract providers (EPCs) in both China and international markets and, at the same time, take advantage of being a qualified equipment supplier for the three leading boiler manufacturers in China. These companies have received a large number of orders from both the Chinese and Indian governments for new thermal power generation facilities, which are expected to be delivered in the next five years. The Group will continue to enhance its competitive edge and strengthen its leading position by maintaining growth with the following three strategies:

- I. **Extending presence into China, India and US markets:** Besides China and India, the Group will also focus on Japan where several major utility customers are to replace steel H economisers originally supplied by Greens in the early 1990s and on other south Asian markets where the demand for products similar to those being supplied in India and China is increasing. Development plans for markets in US and Brazil are still under consideration by the management, and the plans for US are likely to be implemented in the second quarter of 2011.

- II. **Continuing to have joint operations with leading biomass EPCs:** The Group will continue to have joint operations with leading biomass EPCs so as to open up a new market for its waste heat recovery products in the foreseeable future. As the Group's products can now be applied in lower temperature conditions that could meet the latest more stringent emission reduction legislation in China and other Asian countries, this is expected to present new opportunities to further boost the follow-on sales and retrofit business of the Group..
- III. **Seeking opportunities to develop new product applications:** The Group will continue to utilize its existing capabilities to further develop its engineering expertise and production technologies for more sizable HRSGs and specialty boilers.

Commenting on future development, **Mr. Ellis** concluded, "Looking ahead, Greens will continue to adhere to its goal of becoming one of the world's most respected enterprises by providing key heat transfer and alternative energy products and solutions designed to enhance energy efficiency for a greener world. 2011 will be the year for China and India, two of the fastest growing developing countries in the world, to finalize their next five-year plans, setting targets for building additional power generation facilities. It is expected that the two countries will keep stepping up their investments in such area in order to meet their growing demand for electricity in industrial and commercial activities. Greens will capture this opportunity and put its effort into maintaining growth in revenue and profit as well as generating better returns for the shareholders."

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#### **About Greens Holdings Ltd (01318.HK)**

Greens Holdings Ltd is a leading international supplier of key heat transfer products and solutions designed to enhance energy efficiency and help reduce heat and carbon dioxide emissions. Based in China and the UK with manufacturing facilities in Shanghai and Jiangsu Province of the Yangtze River Delta, the PRC, Greens focuses on the manufacture of high quality economisers used in coal-fired power plants, waste heat recovery products such as Heat Recovery Steam Generators (HRSGs), waste heat boilers, marine products, boiler components as well as providing related services and repairs. Recently, Greens has diversified into other alternative energy solutions such as waste heat power generation and the production of wind turbine towers to benefit from the rising demand for alternative energy

Greens has a global sales network which covers Europe, China, Japan, South and North America and other parts of Asia. It received certifications from leading agencies around the world, including ASME certificates in the U.S. and the EN certificate in Europe.

Issued by Porda Havas International Finance Communications Group for and on behalf of **Greens Holdings Ltd**. For further information, please contact:

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