30 September 2014

GREKA ENGINEERING & TECHNOLOGY LTD.
("Greka Engineering" or the "Company")

Interim Results 2014 Revenue Increases by 61%

Greka Engineering & Technology Ltd. (AIM: GEL), the unconventional gas sector engineering and technology business with pipeline, gas compression and power generation assets in China, announces its unaudited results for the half year ended 30 June 2014.

CORPORATE HIGHLIGHTS

- 27 new customers won during 2014, a 25% increase from 2013. Total of 134 customers in China
- Successfully negotiated increased gas processing and electricity price contracts effective from 1 January 2014
- Expanded to three customers for power supply, of which one is a third party

OPERATIONAL HIGHLIGHTS

- Sales of CNG dispensers/cylinders increased by 23% to 64 (2013: 52 dispensers/cylinders sold)
- 477,720 thousand cubic feet of gas for sale processed, compared to 503,889 thousand cubic feet of gas for sale processed in the same period 2013, a 6% decrease
- 5,486,457 kwh of power sales, a 10% increase compared with 4,970,889 kwh of power sales in the same period 2013
- 37km of well gas gathering pipeline at the end of H1 2014
- 2.5km of power line constructed, 70.5km of power line at the end of H1 2014
- No lost time due to injury or accident in this first half year of 2014

FINANCIAL HIGHLIGHTS

- Revenue increased by 61% to US$2.7m from US$1.7m over the same period in the prior year
- Loss of US$0.61m (H1 2013: loss of US$1.02m)

- Cash and bank deposits of US$2.8m

Randeep S. Grewal, Executive Chairman of Greka Engineering, commented:

"It has become increasingly clear that Greka Engineering & Technology provides a comprehensive solution to companies looking to take full advantage of commercial opportunities offered by the rapidly growing unconventional gas market. Providing a one-stop-shop to the many new entrants into the sector, that can overcome engineering, infra-structure and technology challenges of creating a cash flow from their producing gas resources, is the immediate and clear opportunity for us".

For more information of Greka Engineering, please visit the company website at: www.grekaengineering.com.

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About Greka Engineering & Technology

Greka Engineering & Technology Ltd., (AIM; GEL) was demerged from Green Dragon Gas Ltd. (AIM; GDG) via a dividend in specie and was admitted to trading on AIM in September 2013.

Greka Engineering offers turnkey solutions to over 100 upstream, midstream and downstream gas suppliers. The Company's technologies include Compressed Natural Gas/Liquefied Natural Gas (CNG/LNG) compressor equipment, CNG retail dispenser equipment and CBM wellhead extraction technologies. The Company also supplies proprietary Integrated Circuit Card Point of Sale (ICC POS) and Supervisory Control and Data Acquisition (SCADA) software and hardware solutions for the remote management of transmission systems, power facilities, vehicle management and retail services.

In addition, the Company invests in, operates and maintains wholly owned assets for its customers in return for service contracts based on the volume management.

The Company has historically completed several Engineering, Procurement, Construction and Management (EPCM) contracts including the design, construction and management of gas gathering systems, a gas pipeline in Shanxi Province to the China West-East pipeline, the installation and commissioning of a 10MW gas-fired power facility in the Shanxi province and the construction of CNG retail stations.

CHAIRMAN STATEMENT

During the first half of 2014 the Company made significant progress in all areas of business including the introduction of a new client for our power plant, improving operational efficiencies and growth in customer base. As a result, I am pleased to report the 61% increase in revenues to US$2.7m for this period, as compared to the previous year. The Company is on track with its objectives to increase utilization of the current infra-structure assets while expanding the customer base for our equipment sales.

Operationally, the Company benefited from cost savings in electricity production by increasing generator efficiency through preventative maintenance and tighter operational overview. At the same time, substantial progress on customer development has been made and we expect steady growth in our gas dispenser sales. In line with the corporate strategy to diversify the customer base, the Company signed an additional power supply contract with a 3rd party customer to supply electricity to their factory. The Company will continue its focus on further building our power supply customer base.

The Company successfully renegotiated its gas gathering system usage, power sales and compression fees with its key client Green Dragon Gas. Effective the beginning of the year, the gas processing price was increased to US$1.625/Mcf (RMB 0.35 per cubic meter) for the first 3,530 Mcf/day (100,000 cubic meters) and reduces on a sliding scale to US$0.14/Mcf (RMB 0.03 per cubic meter) for volumes above 17,700 Mcf/day (500,000 cubic meters). Similarly, the electricity price was renegotiated up to US$0.197 per kilowatt-hour (RMB 1.2 per kilowatt-hour) for the first 30,000 kilowatt-hour per day, reducing on a sliding scale to US$0.008 per kilowatt-hour (RMB 0.05 per kilowatt-hour) for volumes above 150,000 kilowatt-hours. The previous price was fixed at US$0.105 per kilowatt-hour (RMB 0.64 per kilowatt-hour). This agreement provides a balanced pricing structure that covers our recurring costs while providing a volume discount to our client when utilization rates are higher.

In our equipment and manufacturing division the Company achieved sales of 54 dispensers, 1 cylinder, 9 un-loading cylinders and two IC card management systems. A steady business segment with a diversified clientele which includes small entrepreneurial companies to the large state owned enterprises such as PetroChina.

We successfully developed twenty-six new equipment sales customers and secured a landmark power sales contract to a third party, Jiaqin Agriculture Co.,Ltd for a period of three years. Our environmentally progressive, reliable and stable power plant facilitated a premium above market rates. We expect to continue to expand our power sale clients so as to avail higher utilization in our 10MW power plant.

The diversity of our customers over our wide suite of products and services strategically widens the foundation we are building within the niche gas industry in China. We expect to build sales on this lucrative foundation in the years to come.

I look forward to providing similar updates on the continued steady progress that our motivated management and employees are accomplishing within an exponentially growing gas market within China.

Randeep S. Grewal
Chairman
29 September, 2014

Consolidated Statement of Comprehensive Income

		Six months ended 30 June 2014 US$'000 Unaudited	Six months ended 30 June 2013 US$'000 Unaudited	Year ended 31 December 2013 US$'000 Audited
Revenue	3	2,674	1,663	3,701
Cost of sales		(2,116)	(1,382)	(3,349)
Gross profit		**558**	**281**	**352**
Selling and distribution		(126)	-	(224)
Administrative expenses		(1,196)	(1,150)	(1,975)
Other operating income/(costs)		1	-	(24)
Total administrative expenses		(1,321)	(1,150)	(2,223)
Loss from operations		**(763)**	**(869)**	**(1,871)**
Finance income	4	-	35	1
Finance costs	4	(24)	-	(3)
Loss before income tax		**(787)**	**(834)**	**(1,873)**
Income tax credit	6	45	38	71
Loss for the period from continuing operations		**(742)**	**(796)**	**(1,802)**
Profit/(loss) from discontinuing operations	7	135	(224)	(133)
Loss for the period attributable to owners of the company		**(607)**	**(1,020)**	**(1,935)**
		-	-	-
Other comprehensive (expense)/income:		-	-	-
Exchange differences on translation foreign operations		(159)	556	606
Total comprehensive expense for the period attributable to owners of the company		**(766)**	**(464)**	**(1,329)**
Earnings per share (Basic and diluted)				
- Continuing operations	**5**	**(0.18)**	**(0.19)**	**(0.44)**
- Discontinuing operations	**5**	**0.03**	**(0.05)**	**(0.03)**
- Total	**5**	**(0.15)**	**(0.24)**	**(0.47)**

Consolidated Statement of Financial Position

		As at 30 June 2014	As at 30 June 2013	As at 31 December 2013
		US$'000 Unaudited	US$'000 Unaudited	US$'000 Audited
ASSETS				
Non current Assets				
Property, Plant and Equipment	8	24,476	25,488	25,407
Intangible assets		2,151	2,643	2,399
		26,627	**28,131**	**27,806**
Current assets				
Inventories	9	1,778	2,086	2,009
Trade and other receivables	10	8,049	7,316	7,623
Cash and cash equivalents		2,829	3,699	3,494
		12,656	13,101	13,126
Assets held for sale	7	1,753	1,753	1,753
Total assets		**41,036**	**42,985**	**42,685**
LIABILITIES				
Current liabilities				
Trade and other payables	11	5,066	41,739	5,915
Loans and borrowings	12	4,680	4,098	4,656
Current tax liabilities		17	67	13
		9,763	**45,904**	**10,584**
Non current liabilities				
Deferred taxation liabilities	13	537	667	599
		537	667	599
TOTAL LIABILITIES		**10,300**	**46,571**	**11,183**
Total net assets /(liabilities)		**30,736**	**(3,586)**	**31,502**
Capital and reserves				
Share capital		4	-	4
Share premium account		35,949	-	35,949
Foreign exchange reserve		476	585	635
Accumulated losses		(5,693)	(4,171)	(5,086)
Total equity/(deficit) attributable to owners of the Company		**30,736**	**(3,586)**	**31,502**

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Foreign exchange reserve	Accumulated losses	Total
At 1 January 2013					

Consolidated Statement of Cash Flows

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000 Unaudited	US$'000 Unaudited	US$'000 Audited
Operating activities			
(Loss) / profit before income tax	(787)	(834)	(1,873)
Profit/(loss) before tax from discontinuing operations	135	(224)	(133)
	(652)	(1,058)	(2,006)
Adjustments for:			
Depreciation	663	453	1,120
Amortisation of other intangible assets	247	247	494
Finance income	-	(35)	(1)
Finance costs	24	-	3
Operating cash flows before changes in working capital	282	(393)	(390)
Movement in inventories	230	(36)	114
Movement in trade and other receivables	(423)	1,154	847
Movement in trade and other payables	(515)	(1,180)	260
Cash (utilized by) / generated from operations	(426)	(455)	831
Income tax payment	(13)	(27)	(83)
Net cash (utilized by) / generated from operating activities	(439)	(482)	748
Investing activities			
Payments for purchase of property, plant and equipment	-	(327)	(1,827)
Payments for intangible assets	-	35	-
Interest received	-	-	1
Net cash used in investing activities	**-**	**(292)**	**(1,826)**
Financing activities			
Proceeds from the issue of share, net of issue costs	-	-	
Proceeds of short term loan	607	-	656
Repayment of short term loan	(650)	-	-
Finance costs paid	(24)	-	(3)
Net cash (used in)/generated from financing activities	**(67)**	**-**	**653**
Net decrease in cash and cash equivalents	(506)	(774)	(425)
Cash and cash equivalents at the beginning of the year	3,494	3,882	3,882
	2,988	3,108	3,457
Effect of foreign exchange rate changes	(159)	591	37
Cash and cash equivalents at end of year	**2,829**	**3,699**	**3,494**

1. GENERAL

Greka Engineering & Technology Limited ("the Company") is incorporated in Cayman Islands under the Companies Law (2010 Revision) of the Cayman Islands. The registered office and principal place of business of the Company are located at PO Box 472, 2nd floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands and 12/F., No. 5 Building, Hua Meilong Plaza, Jing Wu Nan Road, Economy and Technology Development District, Zhengzhou, PRC respectively.
The Company is an investment holding company for a group of companies whose principal activities consist of the provision of engineering, procurement, construction and management for infrastructure projects in the PRC. These businesses are hereinafter collectively referred to as the "Group".

2. PRINCIPAL ACCOUNTING POLICIES

The interim financial statements are presented in United States dollars which is same as the functional currency of the Company. The functional currency of the subsidiaries of the Group is the Chinese Renminbi.

Basis of preparation

The condensed financial information for the six months ended 30 June 2014 and 30 June 2013 is unaudited and does not constitute the Group's statutory financial statements for those periods. The condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union except for IAS 34. The financial statements of the Group for the 6 months ended 30 June 2014 were approved and authorized for issue by the Audit Committee and the Board on 29 September 2014.

The interim financial statements have been prepared in accordance with the accounting policies that are consistent with the December 2013 financial statements and the same policies are expected to applied for the year ended 31 December 2014. The financial information for the six months to 30 June 2014 does not constitute audited accounts of the Company or the Group. The accounts for the year ended 31 December 2013 were audited and the auditor's report for the year ended 31 December 2013 was unqualified add did not include any references to any matters to which auditors drew attention by way of emphasis.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the half-yearly condensed financial statements.

The financial information is presented in United States dollars and all values are rounded to the nearest thousand dollars (US$'000) except when otherwise indicated.

The preparation of financial information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision only affects that period or in the period of revision and future periods if the revision affects both current and future periods.

3. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers ("CODMs") that are used to make strategic decisions.

The Group reports its operations as two reportable segments: gas equipment sales and the provision of contract infrastructure services in the People's Republic of China (the "PRC"). The division of the engineering and technology operations into two reportable segments is reflective of how the CODMs manage the business.

The accounting policies of the reportable segments are the same as those described in the summary of principal accounting policies (see Note 2). We evaluate the performance of our operating segments based on revenues from external customers and segmental profits.

Six months Ended 30 June 2014 - unaudited

	Gas equipment sales US$'000	Infrastructure services US$'000	Consolidated from continuing operations US$'000
Revenue	1,326	1,348	2,674
Cost of sales	(1,049)	(1,067)	(2,116)
Gross profit	277	281	558

As at 30 June 2014 - unaudited

	Gas equipment sales US$'000	Infrastructure services US$'000	Transportation Services (Discontinued Operations) US$'000	Intercompany US$'000	Consolidated US$'000
Segment assets	7,060	32,267	1,753	(44)	41,036
Segment liabilities	9,868	36,429	-	(35,997)	10,300

Six months Ended 30 June 2013 - unaudited

	Gas equipment sales US$'000	Infrastructure services US$'000	Consolidated from continuing operations US$'000
Revenue	1,026	637	1,663
Cost of sales	(736)	(646)	(1,382)
Gross profit/(loss)	290	(9)	281

As at 30 June 2013 - unaudited

	Gas equipment sales US$'000	Infrastructure services US$'000	Transportation Services (Discontinued Operations) US$'000	Intercompany US$'000	Consolidated US$'000
Segment assets	7,873	33,398	1,753	(39)	42,985
Segment liabilities	9,508	37,690		(627)	46,571

Year Ended 31 December 2013--Audited

	Gas equipment sales	Infrastructure services	Intercompa ny	Consolidated from continuing operations
	US$'000	US$'000	US$'000	US$'000
Revenue	2,423	1,400	(122)	3,701
Cost of sales	(1,818)	(1,649)	118	(3,349)

Gross profit/(loss)	605	(249)	(4)		352

As at 31 December 2013

	Gas equipment sales US$'000	Infrastructure services US$'000	Transportation Services (Discontinued Operations) US$'000	Intercompany US$'000	Consolidated US$'000
Segment assets	7,702	33,685	1,753	(455)	42,685
Segment liabilities	10,033	37,471	-	(36,321)	11,183

Gas equipment sales represent the net invoiced value of gas equipment sales provided to 63 (2012:56) customers for the period. Infrastructure services represent sales to wholly owned subsidiaries of the Green Dragon Gas Ltd. group and the Greka Drilling Limited group.

4. FINANCE INCOME / EXPENSES

	Six months ended 30 June 2014 US$'000	Six months ended 30 June 2013 US$'000	Year ended 31 December 2013 US$'000
	Unaudited	Unaudited	Audited
Bank interest income	-	35	1
Bank interest expenses	24	-	3

5. LOSS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June 2014 US$'000	Six months ended 30 June 2013 US$'000	Year ended 31 December 2013 US$'000
	Unaudited	Unaudited	Audited
LOSS PER SHARE			
Profit/(loss) for the period			
-Continuing operations	(742)	(796)	(1,802)
-Discontinuing operations	135	(224)	(133)
Loss for the purpose of basic and diluted loss per share	(607)	(1,020)	(1,935)
Denominators			
Number of shares used in basic and diluted loss calculations	409,622,133	409,622,133	409,622,133
Basic and diluted loss per share (cents)			
- Continuing operations	(0.18)	(0.19)	(0.44)
- Discontinuing operations	0.03	(0.05)	(0.03)

There were no potentially dilutive instruments. The basic and diluted loss per share are equal as the Company has no dilutive instruments. There have been no shares or potentially dilutive instruments issued between year-end and the date these financial statements were approved.

6. TAXATION

The Company is incorporated in the Cayman Islands and is not subject to income tax. The primary operating companies are incorporated in the PRC and are subject to 25% tax rates.

7. ASSETS HELD FOR SALE / DISCONTINUING OPERATIONS

The strategy of the Group is to develop its engineering and technology operations. In order to focus on the delivery of this strategy, prior to the demerger from Green Dragon Gas Ltd, during 2012 one of the Company's subsidiaries agreed a proposal to sell its non-core transportation operations to subsidiaries being retained within the Green Dragon Gas Ltd group following the demerger. Subsequently, it entered a legal agreement with Green Dragon Gas Limited on 1 July 2013 to dispose of motor vehicles and equipment for $1,753,357 of cash consideration in line with the previously agreed proposals. Notwithstanding the period that has elapsed between meeting the requirements for classification as assets held for sale, the Group remains committed to the disposal and expects it to complete in due course. The completion of the transaction is subject to obtaining necessary legislative approvals.

The following are the totals for the major classes of assets relating to the Group's transportation operation at the end of the reporting period:

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Motor vehicles	1,733	1,733	1,733
Fixtures, fittings and equipment	17	17	17
Plant and machinery	3	3	3
	1,753	1,753	1,753

The profit/(loss) on discontinuing operations in the Consolidated Statement of Comprehensive Income can be analysed, as follows:

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Transportation service revenue	190	373	589
Cost of sales	(55)	(436)	(553)
Administrative expenses		(161)	(169)
	135	(224)	(133)

The Consolidated Statement of Cash Flows contains the following elements related to discontinuing operations:

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000

	Unaudited	Unaudited	Audited
Net cash flows attributable to operating activities	135	(224)	(133)
Net cash flows attributable to investing activities	-	(482)	(482)
Net cash flows attributable to financing activities	-	-	-

The discontinued operations and assets held for sale are classified within the transportation services segment in Note 3.

8. PROPERTY, PLANT AND EQUIPMENT

The net movement in the Group's property, plant and equipment assets is primarily due depreciation of the assets and a $269,000 release of an over-accrual at 31 December 2013 upon receipt of final invoices from vendors. The Group has not made any additions to property, plant and equipment during the period.

9. INVENTORIES

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Raw materials and consumables	638	615	1,243
Work-in-progress	554	839	27
Finished goods	586	632	739
	1,778	2,086	2,009

The amount of cost of sales recognised in respect of inventories utilised was $733,844 (2013: $1,695,000) which is recognised in cost of sales. There has been no significant impairment of inventories.

10. TRADE AND OTHER RECEIVABLES

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Trade receivable	1,887	1,004	1,318
Prepayments	384	66	575
Other receivables	4,051	4,160	4,024
Amounts due from related parties (note 14)	1,727	2,086	1,706
	8,049	7,316	7,623

The fair values of trade and other receivables approximate their respective carrying amounts at the end of each reporting periods due to their short maturities.

11. TRADE AND OTHER PAYABLES

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Trade payables	1,007	3,688	1,238
Other current liabilities	4,054	345	4,609
Amounts due to related parties (note 14)	5	37,706	68
	5,066	41,739	5,915

Trade and other payables are expected to be settled within one year. Their fair values approximate their respective carrying amounts at the end of each reporting periods due to their short maturities.

12. LOANS AND BORROWINGS

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Loans and borrowing - secured	4,680	4,098	4,656

Included within loans and borrowings is a bank loan of US$650,000 (2013: 656,000) which is secured by buildings and structures with a book value of US$1,253,000(2013:US$1,265,000).

13. DEFERRED TAXATION

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Deferred tax liabilities			
At the beginning of the year	599	723	723
Reversal of temporary differences	(62)	(56)	(124)
At the end of the year	537	667	599

There were no unrecognised deferred tax assets or liabilities in either year. Tax losses in the PRC expire after 5 years. The Group have not offset deferred tax assets and liabilities across different jurisdictions.

14. RELATED PARTY TRANSACTIONS

The related parties of the Group, which are noted below, are companies that are all fellow subsidiaries of Green Dragon Gas Limited which are under common management and control.

Amounts due from/to related parties comprise:

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	US$'000	US$'000	US$'000
	Unaudited	Unaudited	Audited
Amounts due from related companies:			
- Zhengzhou Greka Gas Co., Ltd		107	2
- Greka (Zhengzhou) Technical Services Co., Ltd	62	35	33
- Greka Energy (International) B.V.	1,306	1,788	1,405
- Pindingshan Sinoenergy Ltd	359	156	266
Total of the above (note 10)	1,727	2,086	1,706
	-	-	-
Amounts due to related companies (note (i)):			
- Greka Gas China Ltd		32,691	62
- Zhengzhou Greka Gas Co., Ltd		5,015	-
- Greka Energy (International) B.V.	5		6
- Pindingshan Sinoenergy Ltd			-
Total of the above (note 11)	5	37,706	68

Notes:
(i) These balances are unsecured, interest-free and are repayable on demand.

Transactions between the Company and its subsidiary undertakings which are related parties, have been eliminated on consolidation and are not disclosed in this note.

15. EVENTS AFTER THE REPORTING PERIOD

A new subsidy was successfully incorporated on 21 April 2014 in Shanxi Province in the People's Republic of China (the "PRC"), and the Group received formal approval to operate infrastructure services on 2 September 2014. This is a necessary step which allows the Group to transfer relevant assets of GTIG (excluding the transportation and logistics assets) to the new company and subsequently complete the sale of its assets held for sale (the transportation and logistics assets) to Green Dragon Gas Ltd.