

Chairman's Statement

On behalf of the Board, I am pleased to announce the annual results of Global Green Tech Group Limited ("Global Green"/the "Group") for the year ended 31 December 2005.

BUSINESS REVIEW

During the year under review, the Group recorded a turnover of HK\$769.87 million (2004: HK\$624.89 million). Profit attributable to shareholders was HK\$223.31 million, an increase of 112.47% over the HK\$105.1 million reported in 2004. Basic earnings per share were 24.14 HK cents (2004: 12.01 HK cents).

Our traditional businesses – industrial surfactants and home and personal care products – continued to generate stable recurring income for the Group. That plus the excellent contribution from the cosmetics and skincare products business attributed to the Group's satisfactory results for the year ended 31 December 2005. In spite of the rising crude oil price, our effective cost control measures alleviated pressure from high raw material prices on the Group. In addition, we raised the prices of various products to transfer part of the cost to customers. The above achievements testified to the effectiveness of our business strategies.

OPERATIONAL REVIEW

I. Industrial Surfactants

Turnover of industrial surfactants was increased to HK\$224.21 million, contributing approximately 29.12% of the Group's turnover.

With a long operational history and a solid customer base, industrial surfactants has been the Group's primary business. In 2005, we succeeded in transferring some cost to customers to alleviate raw material price pressure. In addition, adopting stringent cost control measures, such as lowering the research and development expense, we were able to boost the profit margin of the segment. The Group also benefited from the Chinese government's policy to phase out phosphorus surfactants, as it has been continuous developing environmental-friendly industrial surfactants. The Group believes the segment will maintain stable growth.

Chairman's Statement

II. Home and Personal Care Products

For the year ended 31 December 2005, home and personal care products continued to generate recurring and stable income for the Group, recording a turnover of HK\$167.05 million, accounting for approximately 21.7% of the Group's total turnover.

The Group is committed to developing new products to meet the ever-changing needs of customers. To enhance our competitiveness and expand market share, we launched 20 new products during the year. Thanks to the strong demand for its quality products, the Group was able to increase the prices of certain home and personal care products, thus shifted part of the cost to customers and improved the segment's overall profit margin.

To broaden our revenue source, we strategically diversified into the OEM market and premium business targeting overseas customers.

III. Cosmetics and Skincare Products – Marjorie Bertagne (“MB”)

During the year, MB recorded a turnover of HK\$351.97 million, 91.82% higher than last year. Its operating profit rose 54.64% to HK\$139.45 million. The segment contributed approximately 45.72% to the total turnover of the Group and became the key revenue contributor among the Group's four major businesses.

The rapid economic development in Mainland China has boosted people's consumption power. The demand for high quality cosmetics and skincare products in the country continued to surge. With a state-of-the-art GMP compliant manufacturing base, we are capable of developing the finest cosmetics and skincare products in great demand in the Greater China market. In addition, using our “hEGF” as a major ingredient, we will be able to maintain production cost at a low level without compromising the supreme quality of our cosmetics and skincare products.

Chairman's Statement

The Group's effective branding strategy contributed to the encouraging results of MB. In the first half of 2005, the Group appointed Ms Rosmund Kwun as its spokesperson for the Greater China market to emboss MB's premium image. Through launching of a series of commercials on television, complemented by print and billboard advertising in the first half of the year, the MB brand achieved market reach far and wide. Currently, MB's widespread retail network comprises a total of 140 outlets in Mainland China and 18 counters in Hong Kong and Macau.

During the year, we launched a series of salon and professional skincare products in the PRC market. The series has enabled us to extend our customer reach and we target to capture more larger beauty salon as our customers. The Group expects MB to remain as its major growth driver in the year to come.

IV. Biotechnology Products and New Production Facilities for Raw Materials

The biotechnology products business consists mainly of production of patented biotech raw materials for medical and cosmetic companies. Its products include a range of biotechnology products, such as "hEGF", which is effective in revitalizing human skin and heal surface wounds. During the year under review, the business recorded turnover of HK\$18.15 million, representing 2.36% of the Group's total turnover. "hEGF" is one of the key ingredients for MB's products, as such, it is mainly produced for internally consumption.

The Group's demand for solvent-based raw materials ("replacement materials"), essential for production, is rising. Thus, it has been proactively expanding the production capacity for the materials. Construction of the new factory for producing replacement materials such as industrial enzymes and L- Lactic acid will complete in the second quarter of 2006; trial run is scheduled in third quarter 2006. The production of replacement materials will help to minimise the Group's exposure to risks from increase or fluctuation of production cost.

Chairman's Statement

PROSPECTS

The Group has devised a two-pronged strategy to expand its businesses. It will seek to maintain a reasonable profit margin for its traditional industrial surfactants and home and personal care products businesses, as they generate stable income for the Group, giving it the resources required to fund new business developments with promising potential; and at the same time, it will capture the tremendous opportunities in the cosmetics and skincare products market and the green recycling energy business.

The cosmetics and skincare products business will remain as the Group's growth driver in the coming year. The Group's effective branding strategy has seen MB established a premier image in Hong Kong, which is expected to help it bring in strong recurring income to the Group. We also expect to see the demand for MB in the Mainland China to grow continuously. The Group will focus on the Mainland China market and target to capture more market share for MB by expanding its sales network.

NEW BUSINESS WITH ENORMOUS POTENTIAL – GREEN RECYCLE ENERGY

In view of the volatile crude oil price and unstable international oil supply, the Group has stepped up development of environmental friendly power technology. We have been successful in developing technology for recycling waste plastic materials and are partnering with a petroleum refinement company to recycle waste plastics, tyres, PVC foam and used oil into highly efficient gasoline, diesel and natural gas. Patented in the PRC, the technology applies the integrative pyrolysis procedure in treating waste materials.

The technology has been patented in the PRC (Patent Number: 03284657-6) and licensed by the National Quality and Techniques Investigation Bureau (Reference Number: 2101-38-335-2001, Inspection Number: 01W8904). Global Green is in the process to patent the new technology in 102 countries including the US, Europe and South East Asia.

The Hong Kong Science and Technology Parks Corporation of HKSAR Government,

Chairman's Statement

having assessed and satisfied with our sophisticated recycle energy technology, approved the Group's application for a site at the Yuen Long Industrial Estate for setting up its recycle energy business. The investment in the recycle energy plant will be approximately HK\$250 million. The construction of the plant will start in the third quarter of 2006 and is scheduled for completion by the end second quarter of 2007 with production to commence in the end 2007 at the initial daily production capacity of about 120 tons of high quality petroleum products.

With the HKSAR Government's recognition and support, we plan to develop this business in the Hong Kong market, mainly through wholesaling the high quality petroleum products to different public transportation corporations, such as bus, taxi and ferry companies. The Group is currently discussing with the authority about tax exemption arrangement and other entitlements. When the new plant is fully functional, we will consider expanding this business overseas to markets facing high oil price pressure, such as Singapore, Taiwan and Japan. The Group aims to become a major provider of green recycled energy to the community in the years to come.

APPRECIATION

On behalf of the Board, I would like to extend my sincere gratitude to our customers and business partners for their business and support. I would also like to thank my management team and staff for their hard work over the past year. Last but not least, my thanks go also to our shareholders for their full confidence in the Group.

In summary, we have full confidence in our future. Our growth strategy is well-mapped out and we have an experienced and capable management team and enjoy a healthy financial outlook. We are well positioned to grow our business, enhance profitability and deliver strong shareholder value.

By Order of the Board

Lau Jin Wei, Jim

Chairman

27 April 2006