

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 2006.

BUSINESS REVIEW

Turnover for the year ended 31 December 2006 was HK\$846.92 million, representing a decrease of 6.11% from that of HK\$902.02 million (restated) in the preceding year. As compared the turnover for the year ended 31 December 2006 with that of preceding year, the disposal of marketable securities in year 2005 contributed HK\$132.15 million to the turnover, however, it had only contributed HK\$6.1 million to turnover in year 2006. Profit for the year increased from HK\$249.35 million in 2005, which included the profit on disposal of marketable securities amounting to HK\$92.44 million, to HK\$271.14 million in 2006. Basic earnings per share were HK\$0.1972 (2005: HK\$0.2414).

The satisfactory results were mainly attributable to the excellent contribution from the cosmetics and skincare products, investment in securities and bonds which were either listed in Hong Kong or overseas, foreign currencies, other fixed income assets portfolio. Despite the increase in crude oil price, our traditional businesses, industrial surfactants and home and personal care products, continued to generate stable recurring income for the Group.

OPERATIONAL REVIEW

I. Industrial Surfactants

For the year ended 31 December 2006, turnover of industrial surfactants increased by 15.08% reaching HK\$258.03 million, accounted for 30.47% of the Group's total turnover.

With a long operational history and a solid customer base, industrial surfactants has been the Group's primary business. With transferring some cost to customers, adopting stringent cost control measures and slightly decrease in materials costs in the second half of the year, 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.

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II. Home and Personal Care Products

For the year ended 31 December 2006, turnover of home and personal care products decreased slightly to HK\$166.18 million, accounted for 19.62% of the Group's total turnover.

With long-standing customers relationship and strong customers database, we believed that home and personal care products continued to generate recurring and stable income and operating profit for the Group even though with continuing keen market competition. 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 regularly reviewed to improve our existing products and developed new products to cater for the customers' needs of the market.

III. Cosmetics and Skin Care Products

For the year ended 31 December 2006, turnover of cosmetics and skincare products increased by 16.34% reaching HK\$409.48 million, accounted for 48.41% of the Group's total turnover. Its operating profit rose 50.88% to HK\$210.4 million. The segment became one of the key growth revenue driver of the Group.

The rapid economic development in Mainland China has boosted people's consumption power. The demand for high quality cosmetics and skin care 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 skin care products which enables us to penetrate into the sophisticated cosmetics market such as European and North America.

Having launched salon and professional skincare products' series in the PRC market, we successfully explore a new market, sales network and new customers' base for our products. Through this network, it enables the products further penetrate into the second tier's and third tier's market and hence contribute much revenues and gross margin to the segment in year 2006.

Relying on the Group's excellent in-house design team, research and development technique, GMP compliant manufacturing base and knowledge in the area of cosmetics and skincare products, the Group successfully opened and extended its arm to the market of cosmetics and skincare's ODM products in Europe and North America which were categorised as gift and premium last year. This fast growing business causes the Group to record a geometrically growth in revenue in year 2006 as compared with last year.

The Group's effective multi-sales channels' strategy contributed to the encouraging results of cosmetics and skincare products. With series of successful promotional campaign during the year, the Group had been able to achieve market reach far and wide. Currently, the retail network comprises a total of 178 outlets in Mainland China and 20 counters in Hong Kong and Macau.

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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\$7.13 million, representing 0.84% 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 during the year.

The new factory for producing replacement materials such as industrial enzymes and L-Lactic acid was completed about in the third quarter of 2006 and machinery and equipments were fully installed in the first quarter of 2007. Trial run is scheduled in about the second quarter of 2007. The production of replacement materials will help to minimise the Group's exposure to risks from increase or fluctuation of production cost.

V. Investments

Due to the economic boom in the past two years, the Group had successfully realised tremendous profits from the trading in listed marketable equity securities, foreign currencies, bonds, various funds and fixed income assets in the secondary market. The Group, with the advice of professional investment expertise, will search for a combination of potential investment portfolios and continue to benefit from this additional sources of income to the Group. During the year ended 31 December 2006, total amount of operating profit generated in this segment amounted to HK\$35.13 as compared with HK\$92.44 in the last year. As at 31 December 2006, total market value of marketable securities held by the Group amounted to HK\$167.73.

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 skin care products market and the green recycling energy business.

The cosmetics and skin care products business will remain as the Group's growth driver in the coming year. The Group's effective branding strategy has been 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.

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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, 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. Due to formalities and bureaucracy of the application procedures, the Group was finally granted that piece of land of approximately 24,000 square metre at low price in Yuen Long Industrial Estate in late December 2006 and the transfer of ownership was subject to fulfillment of certain conditions under the lease agreement. The construction of the plant will start at about the second quarter of 2007 and is scheduled for completion by the first quarter of 2008 with production to commence in the mid of 2008.

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.

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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. I would also like to thank our shareholders for their unwavering confidence in the Group. With their valuable support, Global Green is well positioned to grow its business in the future.

By Order of the Board

Lau Jin Wei, Jim

Chairman

27 April 2007