

## GLOBAL SWEETENERS 2024 FIRST HALF CONSOLIDATED REVENUE SURGES BY MORE THAN 70%

20 August 2024 -- Global Sweeteners Holdings Limited (“Global Sweeteners” or the “Company”, stock code: 03889) together with its subsidiaries (the “Group”) announced its unaudited financial results for the six months ended 30 June 2024 (the “Reporting Period”). The Group’s sales volume and consolidated revenue from continuing operations increased by approximately 106.3% and 71.7%, respectively to approximately 99,000 metric tonnes (“MT”) (2023: 48,000 MT) and HK\$332,500,000 (2023: HK\$193,700,000). During the Reporting Period, the net profit of the Company arising from continuing operations amounted to approximately HK\$165,600,000 (2023: net loss of the Company arising from continuing operations of approximately HK\$65,400,000).

The completion of the Group’s debt restructuring plan in relation to the Yuancheng CCB Loans in the first quarter of this year has led to the recognition of a one-off gain on debt restructuring of approximately HK\$167,600,000. In April 2024, the Group completed the transfer of Global Sweeteners Retail Investment Company Limited and its subsidiaries to an independent third party and thereby recognised a one-off gain of approximately HK\$54,100,000. Owing to the above, the Group returned to profitability during the Reporting Period.

The average unit production cost of the Group’s sweeteners products during the Reporting Period decreased by approximately 9.8% as a result of the increase in total output. However, the average unit selling price of sweeteners products dropped by 16.3% during the Reporting Period, causing the consolidated gross profit of the Group to decrease by approximately 43.0% to approximately HK\$11,400,000 (2023: HK\$20,000,000), while the gross profit margin decreased to 3.4% (2023: 10.3%) during the Reporting Period.

During the Reporting Period, no sale of upstream products was recorded as the Group suspended all its upstream operations, while its inventory had been fully sold in 2021.

During the Reporting Period, the revenue of the corn syrup segment and corn syrup solid segment increased by approximately 51.8% and 268.0% to approximately HK\$267,000,000 (2023: HK\$175,900,000) and HK\$65,500,000 (2023: HK\$17,800,000), respectively. Such increases were attributable to the Group’s enhancement of the facilities utilisation rate in its Shanghai production site, as well as increases in the sales volume of each of the corn syrup segment and the corn syrup solid segment.

To expedite resumption of the Jinzhou production facilities, the Company completed issuances of two convertible bonds, one in May 2024 and one in July 2024 respectively, with an aggregate principal amount of RMB120,000,000, of which RMB60,000,000 will be used for the refurbishment and preparation of the Jinzhou production facilities for resumption. With respect to the Shanghai production facilities, the Group will also carry out technological revamp. In the fourth quarter of 2024, the completion of the technological revamp of the Shanghai production facilities and the resumption of the

Jinzhou production facilities will begin to contribute to the Group's operating performance.

In the second half of the year, the Group will continue to optimise its production while maintaining its market share. It will further improve the cost effectiveness and product mix through continuous research and development. It will also enhance its capability in developing high value-added products and introduce strategic business alliance with prominent market leaders. Simultaneously, the Group will continue to closely monitor the market conditions as well as its financial conditions, and exercise caution when utilising internal resources to prepare for the resumption of the Group's Jinzhou production facilities to enhance operating cash flow and maintain market competitiveness.

### **About Global Sweeteners**

Global Sweeteners (stock code: 03889.HK) is listed on the Main Board of The Stock Exchange of Hong Kong Limited in September 2007 and is principally engaged in the production and sale of corn refined products (including corn starch, corn oil, gluten meal and fibre feed), and various corn sweeteners (including glucose syrup, maltose syrup, HFCS and maltodextrin) for food and beverage, chemical, confectionery, daily, cosmetics and pharmaceutical products manufacturers.

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### **Global Sweeteners' financial highlights**

	For the six months ended 30 June		
	2024	2023	Change%
	(Unaudited)	(Unaudited)	
<b>Revenue (HK\$ million)</b>	<b>332.5</b>	193.7	71.7
<b>Gross profit (HK\$ million)</b>	<b>11.4</b>	20.0	(43.0)
<b>Profit (Loss) from continuing operations (HK\$ million)</b>	<b>165.6</b>	(65.4)	N/A
<b>Loss from discontinued operations (HK\$ million)</b>	-	(18.5)	N/A
<b>Profit (Loss) for the period (HK\$ million)</b>	<b>165.6</b>	(83.9)	N/A
<b>Profit (Loss) attributable to owners of the Company arising from</b>			
- <b>Continuing operations (HK\$ million)</b>	<b>165.6</b>	(65.4)	N/A

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- Discontinued operations (HK\$ million)	-	(18.5)	N/A
<b>Earnings (Loss) per share (HK cents), arising from</b>			
- Continuing operations	<b>10.3</b>	(4.3)	N/A
- Discontinued operations	<b>Nil</b>	(1.2)	N/A
<b>Diluted earnings (loss) per share (HK cents), arising from</b>			
- Continuing operations	<b>9.6</b>	(4.3)	N/A
- Discontinued operations	<b>Nil</b>	(1.2)	N/A