

GLOBAL SWEETENERS RECORDS NET PROFIT OF APPROXIMATELY HK\$290 MILLION

28 March 2024 – Global Sweeteners Holdings Limited (“Global Sweeteners” or the “Company”, stock code: 03889) together with its subsidiaries (the “Group”) announced that its consolidated revenue for the year ended 31 December 2023 (the “Year”) amounted to approximately HK\$440.8 million (2022: HK\$359.6 million), representing a year-on-year increase of 22.6%, with a consolidated gross profit of approximately HK\$36.6 million (2022: HK\$27.3 million) and gross profit margin of 8.3% (2022: 7.6%). The 34.1% year-on-year upsurge in consolidated gross profit was mainly attributable to the increase in sales volume in 2023.

Along with the receding pandemic, the corn price decrease and sugar price increase were driving up the production capacity of the Group’s Shanghai sites, as well as the production volume in the sweeteners segment of the Group. Besides, owing to the Company’s disposal of the entire equity interests of Changchun Dihao Crystal Sugar Industry Development Co., Ltd. and Changchun Dihao Foodstuff Development Co., Ltd. (collectively, the “Dihao Companies”) (the “Dihao Transfer”) to Global Bio-chem Technology Group Company Limited (“GBT”, together with its subsidiaries, the “GBT Group”), the Group recorded gain on disposal of the subsidiaries of approximately HK\$477.0 million. As a result, the Group realised profit attributable to owners of the Company of approximately HK\$289.5 million (2022: loss of approximately HK\$212.5 million), and the net liabilities of the Dihao Companies were no longer consolidated into the consolidated financial statements of the Group.

The completion of the Group’s restructuring plan during the Year in relation to, among others, the Dihao Transfer and the disposal of 47% interest in the issued share capital of the Company by GBT Group to Mr. Kong Zhanpeng and Mr. Wang Tiegung (the “New Controlling Shareholders”) significantly improved the Group’s financial position, while the New Controlling Shareholders shall facilitate better development and create different opportunities for the Group.

During the Year, no sale of upstream products was recorded as the Group’s upstream operations were suspended. The revenue of the corn syrup segment and corn syrup solid segment increased by approximately 22.1% and approximately 26.0% to approximately HK\$383.1 million (2022: HK\$313.8 million) and approximately HK\$57.7 million (2022: HK\$45.8 million) respectively during the Year due to increase in their respective sales volume.

To further improve the performance and the financial position of the Group, the New Controlling Shareholders will facilitate the completion of the convertible bonds subscription and utilise a portion of the net proceeds for the preparation of the resumption of the Group’s Jinzhou production facilities to improve the Group’s operating cash flow. In addition, the New Controlling Shareholders will continue to provide financial support including but not limited to facilitate the supply of corn starch and sugar syrup with a better commercial terms to the Group for the production of corn sweetener pursuant to the Master Purchase Agreements (agreements entered into between an indirect wholly-owned subsidiary of the Company, as purchaser and associates of the New Controlling

Shareholders, as sellers for the supply and purchase of corn starch and sugar syrup) respectively to improve the financial liquidity of the Group.

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), and various corn sweeteners (including glucose and 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 year ended 31 December		
	2023	2022 (Re-presented)	Change %
Revenue (HK\$ million)	440.8	359.6	22.6
Gross profit (HK\$ million)	36.6	27.3	34.1
Loss from continuing operations (HK\$ million)	(139.8)	(141.4)	N/A
Profit (Loss) from discontinued operations (HK\$ million)	429.3	(71.1)	N/A
Profit (Loss) for the year (HK\$ million)	289.5	(212.5)	N/A
Profit (Loss) attributable to owners of the Company arising from:			
Continuing operations (HK\$ million)	(139.8)	(141.4)	N/A
Discontinued operations (HK\$ million)	429.3	(71.1)	N/A
	289.5	(212.5)	N/A
Basic earnings (loss) per share (HK cents), arising from			
Continuing operations	(9.2)	(9.3)	N/A
Discontinued operation	28.1	(4.6)	N/A
Diluted earnings (loss) per share (HK cents), arising from			
Continuing operations	(9.2)	(9.3)	N/A
Discontinued operation	28.1	(4.6)	N/A
Proposed final dividend per share (HK cents)	-	-	N/A