

GLOBAL SWEETENERS REPORTS AN UNAUDITED REVENUE OF HK\$728.1 MILLION

31 March 2022 – Global Sweeteners Holdings Limited (“Global Sweeteners” or the “Company”, stock code: 03889) together with its subsidiaries (the “Group”) announced unaudited results for the year ended 31 December 2021 (the “Year”). The Group reported a consolidated revenue of HK\$728.1 million and a net loss of HK\$96.3 million, with EBITDA (i.e. earnings before interest, taxation, depreciation and amortisation) of HK\$48.2 million.

As announced by the Company on 29 March 2022, the audit procedures for the Group’s annual results for the Year have been delayed due to travel, logistics and other restrictions caused by the recent outbreak of the COVID-19 pandemic in Mainland China and Hong Kong. Subject to the completion of the auditing process, the Company will publish the 2021 audited annual results as agreed by the Company’s auditors on or before 30 April 2022.

The Group recognised a one-off gain on debt restructuring of approximately HK\$128.3 million during the Year. However, in the previous financial year, the Group recognised a one-off gain from resumption of the Dihao Properties of approximately HK\$289.4 million. The Group therefore recorded a decrease in other income and gains.

During the Year, the continued impact of the COVID-19 pandemic and high corn price in China have narrowed the profit margin of the Group’s products (especially the upstream products). As such, the Group has continued to suspend all of its upstream operation. During the Year, taking advantage on the increase in sugar price, the average selling price of the sweetener products has improved. In addition, the facility utilisation in the Group’s Shanghai site continued to improve, contributing to the 38.3 per cent surge in the sales amount of corn syrup. However, as the increase in the average selling price of sweeteners did not keep up with the rise in raw material cost and cost of energy consumption, the gross profit margin of the Group’s sweetener products dropped, leading to an overall gross profit margin of 5.7% (2020: 10.1%).

To improve the performance and financial position of the Group, the management of the Group will continue to focus its efforts on (1) speeding up the process of resumption of the remaining part of relevant properties owned by the Group in order to reduce the financial burden of the Group; (2) actively negotiating with banks/creditors to push forward the debt restructuring plan to lower the debt level of the Group; and (3) closely monitoring market changes to identify the opportunity for full/partial resumption of production operations of the Group’s suspended facilities to improve the operating cash flow of the Group.

The Group will closely monitor the changing market environment, to determine an appropriate timing for partial resumption of its production facilities. To cater to consumers’ pursuit for healthy life, the Group will leverage on its research and development capability to develop sweetener products that better suit consumers’ taste.

The Group's management will continue to negotiate with its creditors to realise its debt restructuring plan, which is expected to achieve further progress by the end of this year.

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. Global Sweeteners is a non-wholly owned subsidiary of Global Bio-chem Technology Group Company Limited (stock code: 00809.HK), the issued shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

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Global Sweeteners' financial highlights

	For the year ended 31 December		
	2021 (Unaudited)	2020 (Audited)	Change %
Revenue (HK\$ million)	728.1	769.0	(5.3)
Gross profit (HK\$ million)	41.6	77.9	(46.6)
Loss for the year (HK\$ million)	(96.3)	(8.7)	N/A
Loss attributable to owners of the Company (HK\$ million)	(96.3)	(8.7)	N/A
Basic loss per share (HK cents)	(6.3)	(0.6)	N/A
Proposed final dividend per share (HK cents)	-	-	N/A