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GLOBAL SWEETENERS HOLDINGS LIMITED

大成糖業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03889)

(1) FURTHER ANNOUNCEMENT ON THE 2021 AUDITED ANNUAL RESULTS; AND (2) CHANGE OF THE DATE OF THE AGM AND THE PERIOD OF BOOK CLOSURE

Reference is made to the announcement of Global Sweeteners Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 31 March 2022 in relation to the unaudited annual results of the Group for the year ended 31 December 2021 (the “**Year**”) (the “**Preliminary Results Announcement**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as defined in the Preliminary Results Announcement.

(1) FURTHER ANNOUNCEMENT ON THE 2021 AUDITED ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the Company’s auditor, Mazars CPA Limited (the “**Auditor**”), Certified Public Accountants, has completed its audit of the consolidated financial statements of the Group for the Year (the “**2021 Audited Annual Results**”) in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

The Auditor has confirmed that the figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the Year as set out in the Preliminary Results Announcement remain unchanged and are in agreement with the 2021 Audited Annual Results. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Auditor on the Preliminary Results Announcement and this announcement.

AUDIT OPINION

The Auditor has expressed a disclaimer of opinion on the 2021 Audited Annual Results. An extract of the independent auditor’s report on the Group’s consolidated financial statements for the Year is set out in the section headed “Extract of the Independent Auditor’s Report” below.

EXTRACT OF THE INDEPENDENT AUDITOR’S REPORT

Disclaimer of opinion

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

Basis for Disclaimer of Opinion

As a result of similar limitations of audit scope as mentioned below, a disclaimer of opinion was expressed by us in our report dated 31 March 2021 on the consolidated financial statements of the Group for the year ended 31 December 2020.

(i) *Financial guarantee contracts*

As mentioned in notes 2.2 and 26 to the consolidated financial statements, a subsidiary of the Company, together with certain fellow subsidiaries (collectively, the “**Guarantor Subsidiaries**”), had jointly provided corporate guarantees in connection with financing facilities granted to a former major supplier of the Group which amounted to RMB2.5 billion at 31 December 2020 (the “**Financial Guarantee Contracts**”). In addition, an indirect major shareholder of the ultimate holding company of the Company provided a confirmation in writing that it will undertake all the liabilities that may arise from the Financial Guarantee Contracts (the “**Confirmation**”). The Financial Guarantee Contracts and the Confirmation were not recognised in the consolidated financial statements. As mentioned in note 2.2 to the consolidated financial statements, the obligations of the Guarantor Subsidiaries under the Financial Guarantee Contracts were discharged on 31 March 2021. However, since the management of the Company had not developed and applied an appropriate accounting policy for the Confirmation and had not determined the fair value of the Financial Guarantee Contracts for initial recognition and the carrying amount for subsequent measurement in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), we were unable to determine whether any adjustments in respect of the Financial Guarantee Contracts and the Confirmation at 31 December 2020 were necessary, which may have a significant impact on the financial performance and the elements making up the consolidated statement of cash flows of the Group for the year ended 31 December 2021.

(ii) *Material uncertainty related to going concern*

As discussed in note 2.2 to the consolidated financial statements, at 31 December 2021, the Group had net current liabilities and capital deficiency of HK\$1,126 million and HK\$501 million respectively, and the Group has incurred losses since 2012 and reported a loss of HK\$96 million for the year ended 31 December 2021. These conditions, along with other matters as set forth in note 2.2 to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern.

The validity of the going concern assumption is dependent on the successful and favourable outcomes of the measures being taken by the management of the Company and the development of the events as described in note 2.2 to the consolidated financial statements. The management of the Company is of the opinion that the Group would be able to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis.

We were unable to obtain sufficient appropriate audit evidence regarding the use of going concern assumption in the preparation of the consolidated financial statements. Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts other than which they are currently recorded in the consolidated statement of financial position at 31 December 2021. In addition, the Group may have to recognise further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

The audit committee of the Company has reviewed the 2021 Audited Annual Results. The Board has also reviewed and approved the 2021 Audited Annual Results.

IMPORTANT EVENT AFFECTING THE GROUP SUBSEQUENT TO THE PRELIMINARY RESULTS ANNOUNCEMENT

Reference is made to the joint announcement of the Company and GBT dated 14 April 2022 in relation to the temporary suspension of production operation of the Group's production facilities in Shanghai as a result of the lock down measures implemented in Shanghai in response to the outbreak of COVID-19. The lock down measures have limited the mobility of manpower across different industries and caused disruptions to the logistics network and necessitated the temporary suspension of production operation of the Group's production facilities in Shanghai.

The Board and the board of directors of GBT will continue to monitor closely the development of the COVID-19 pandemic and the relevant measures imposed by the PRC government and will ensure resumption of the operation of the production facilities in Shanghai as soon as possible.

(2) CHANGE OF THE DATE OF THE AGM AND THE PERIOD OF BOOK CLOSURE

The Board announces that the AGM originally scheduled to be held at 10:30 a.m. on Thursday, 26 May 2022 will be rescheduled to be held at 10:30 a.m. on Monday, 6 June 2022. Notice of the AGM will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.global-sweeteners.com) and issued to shareholders of the Company in due course.

With the change of the date of the AGM, the Board further announces that the period during which the register of members of the Company will be closed has been changed from the period from Friday, 20 May 2022 to Thursday, 26 May 2022 (both days inclusive) to the period from Tuesday, 31 May 2022 to Monday, 6 June 2022 (both days inclusive). The record date has been changed from Thursday, 26 May 2022 to Monday, 6 June 2022.

In order to be eligible to attend and vote at the AGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by not later than 4:30 p.m. on Monday, 30 May 2022.

For and on behalf of the Board
Global Sweeteners Holdings Limited
Zhang Zihua
Acting Chairman

Hong Kong, 5 May 2022

As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Zhang Zihua and Mr. Tai Shubin; and three independent non-executive directors, namely, Mr. Fan Yeran, Mr. Fong Wai Ho and Mr. Lo Kwing Yu.

** for identification purpose only*