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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)**

### **FURTHER UPDATE ON DEBT RESTRUCTURING PLAN; AND CHANGE IN USE OF PROCEEDS**

Reference is made to (i) the announcement of Global Sweeteners Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 24 July 2023 in relation to, among others, the update on debt restructuring plan (the “**Update Announcement**”); (ii) (a) the announcement of the Company dated 6 April 2023 and (b) the circular of the Company dated 31 May 2023 (the “**Circular**”) in relation to, among others, the CB Subscription Agreement; and (iii) the joint announcement of Mr. Kong Zhanpeng, Mr. Wang Tieuang, Global Bio-chem Technology Group Company Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 809) and the Company dated 21 December 2023 in relation to, among others, the completion of the Dihao Transfer (the “**Completion Announcement**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

#### **FURTHER UPDATE ON DEBT RESTRUCTURING PLAN**

The Company would like to provide further updated information to the shareholders of the Company in relation to the principal loan amount of approximately RMB189.0 million, together with outstanding interest, which was initially owed by Jinzhou Yuencheng to Jinzhou CCB (the “**Jinzhou CCB Loan**”). In November 2023, all of the rights (including security rights) and benefit of the Jinzhou CCB Loan have been transferred to Jilin Cinda.

On 28 December 2023, (i) Jilin Cinda, as creditor, (ii) Jinzhou Yuancheng, as debtor, and (iii) 上海好成食品發展有限公司 (Shanghai Haocheng Foods Development Co., Ltd\*), a wholly-owned subsidiary of the Company, as guarantor, entered into a debt restructuring agreement (the “**Debt Restructuring Agreement**”), pursuant to which the Group has agreed to repay to Jilin Cinda RMB88.0 million (the “**Settlement Amount**”) within 30 days from the date of the Debt Restructuring Agreement (i.e. on or before 26 January 2024) for the settlement of the Jinzhou CCB Loan. Upon the repayment of the Settlement Amount, the remaining balance of the loan amount and interest under the Jinzhou CCB Loan will be waived. As at the date of this announcement, the Group has transferred a total of RMB88.0 million to Jilin Cinda for the purpose of the Settlement. Upon receipt of the Settlement Amount by Jilin Cinda, all repayment obligations of the Group under the Debt Restructuring Agreement shall be considered fulfilled.

Upon the settlement of the Settlement Amount, the Group will no longer have the obligations to settle the remaining balance of the Jinzhou CCB Loan, as such, based on the unaudited financial statements of the Group as at 30 November 2023, the Directors expects that the Group could recognise other income of not less than HK\$130,000,000 on the date of completion of the Debt Restructuring Agreement.

#### **CHANGE IN USE OF PROCEEDS AND REASON FOR THE CHANGE**

As disclosed in the paragraph headed “**4. ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE – Reasons for the CB Subscription and the Use of Proceeds**” in the Circular, the gross proceeds and net proceeds from the issue of the Convertible Bonds will be RMB120.0 million (equivalent to approximately HK\$138.0 million) and the Company intended to apply, among others, RMB60.0 million of the net proceeds from the issue of the Convertible Bonds for repayment of part of the Jinzhou CCB Loans.

However, as set out above in the paragraph headed “**FURTHER UPDATE ON DEBT RESTRUCTURING PLAN**” in this announcement, the Debt Restructuring Agreement requires the Group to repay to Jilin Cinda the Settlement Amount within 30 days from the date of the Debt Restructuring Agreement. Given that CB First Completion is only expected to take place on 21 March 2024, being the 60<sup>th</sup> Business Day following the date on which the CB Conditions Precedent are fulfilled or waived (as the case may be), the Company will not be able to receive the proceeds from the issue of the Convertible Bonds until the CB First Completion Date.

Pursuant to the Debt Restructuring Agreement, the Company is required to fulfill its repayment obligation within the scheduled time. As CB First Completion is yet to take place and will not take place on or before the latest date of settlement as stipulated under the Debt Restructuring Agreement, the Company has transferred a total of RMB88.0 million to Jilin Cinda for the purpose of the repayment of the Settlement Amount by internal resources from the rescheduling of the repayment of the Group’s account payables and obtaining borrowings from an independent third party as at the date of this announcement.

Upon considering the new debt restructuring arrangement, especially the repayment schedule of the Settlement Amount under the Debt Restructuring Agreement, the Directors have resolved to change the use of the proceeds from the issue of the Convertible Bonds of RMB60.0 million for the repayment to the relevant creditors of the Group and the independent third party lender in respect of the loan provided, instead of for the direct settlement of the Jinzhou CCB Loan (the “**Change in Use of Proceeds**”).

The usage of the remaining net proceeds of RMB60.0 million from the issue of the Convertible Bonds will remain unchanged and for the preparation for the resumption of Jinzhou production facilities, such as the expenses in relation to trial run and the procurement of raw materials.

The Directors are of the view that the Change in the Use of Proceeds is essential for the Group to comply with the repayment schedule of the Settlement Amount, and the ultimate usage of the proceeds, despite being paid to different creditors as originally intended, remains to be for the settlement of the Jinzhou CCB Loan.

The Directors confirm that there are no material changes in the nature of the business of the Group and that the Change in Use of Proceeds will allow the Group to honour the Debt Restructuring Agreement and improve its financial conditions and therefore is in the interests of the Company and its shareholders as a whole and will not have any material adverse effect on the existing business and operations of the Group.

Save as disclosed in this announcement, the Board does not anticipate any other change in the use of proceeds from the issue of the Convertible Bonds.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

For and on behalf of the Board  
**Global Sweeteners Holdings Limited**  
**Wang Tieguang**  
*Joint Chairman*

Hong Kong, 4 January 2024

*As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Wang Tieguang, Mr. Kong Zhanpeng, Mr. Wang Guicheng 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 purposes only*