大成糖業控股有限公司
GLOBAL Sweeteners Holdings Limited

2010 Annual Results Presentation

30 March 2011

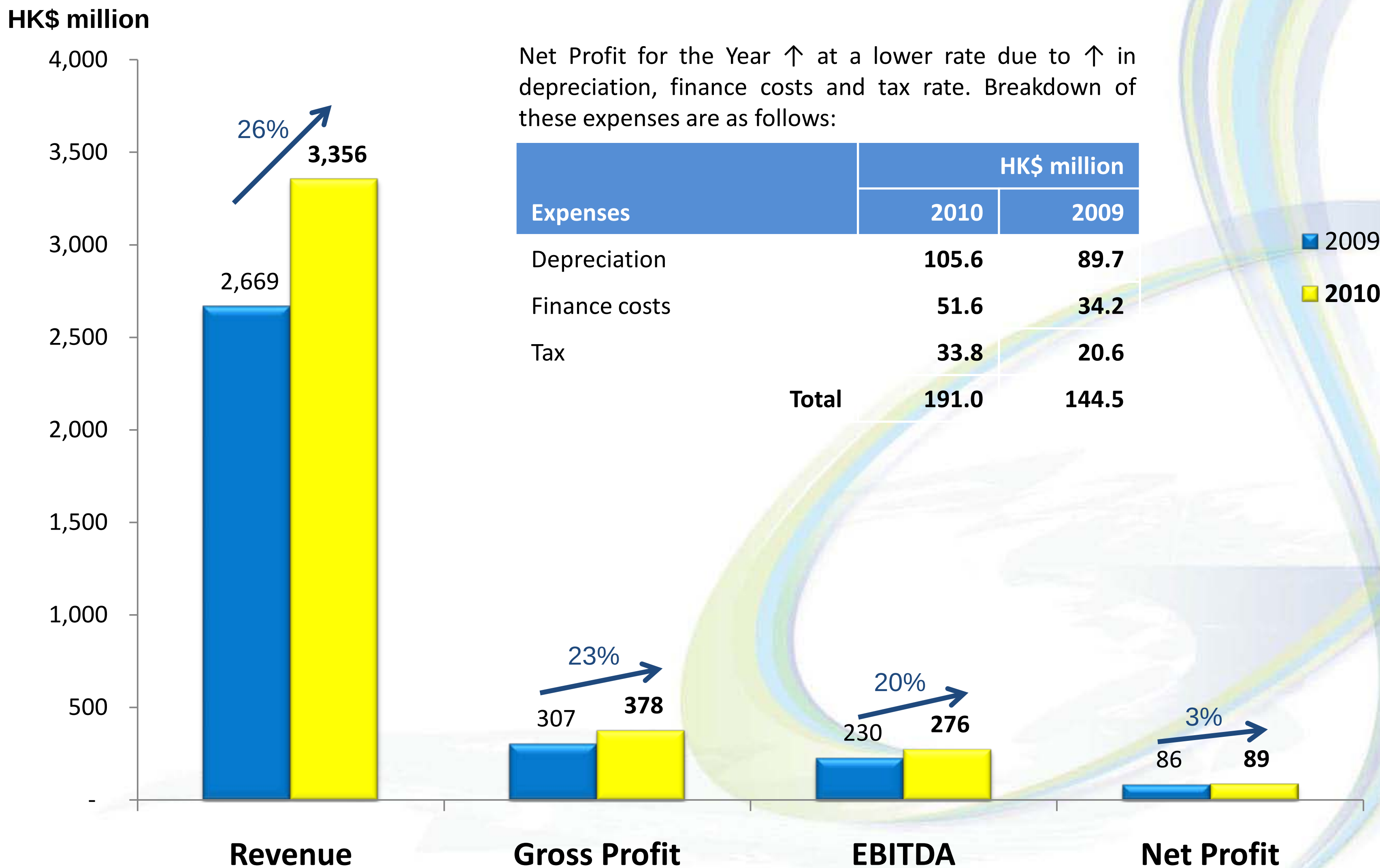
AGENDA

- 2010 Annual Results
  - Financial Overview
  - Operation Overview
- Business Outlook & Development Plans
- Company Profile
- Appendix

2010 ANNUAL RESULTS

Financial Overview

RESULTS HIGHLIGHTS



Net Profit for the Year ↑ at a lower rate due to ↑ in depreciation, finance costs and tax rate. Breakdown of these expenses are as follows:

Expenses	HK$ million 2010	HK$ million 2009
Depreciation	**105.6**	**89.7**
Finance costs	**51.6**	**34.2**
Tax	**33.8**	**20.6**
Total	**191.0**	**144.5**

OPERATING RESULTS

HK$ million	2010	2009	Change
Revenue	**3,356**	2,669	25.7%
• Corn Refined Products	**1,224**	988	23.9%
• Corn Sweeteners	**1,966**	1,544	27.3%
• Retail Business	**166**	137	21.5%
Gross Profit	**378**	307	23.1%
• Corn Refined Products	**127**	97	30.9%
• Corn Sweeteners	**243**	209	16.3%
• Retail Business	**8**	2	445.7%
Gross Margin	**11.2%**	11.5%	(0.3%)
• Corn Refined Products	**10.4%**	9.8%	0.6%
• Corn Sweeteners	**12.4%**	13.5%	(1.1%)
• Retail Business	**4.8%**	1.1%	3.7%
EBITDA	**276**	230	20.0%
Net Profit	**89**	86	3.5%
• **Net Margin**	**2.7%**	3.2%	(0.5%)
Basic Earnings Per Share (HK cents)	**7.9**	8.2	N/A
Dividend Per Share – Final (HK cents)	**-**	1.0	N/A

FINANCIAL POSITION

HK$ million	31 Dec 10	31 Dec 09	Change
Non-current Assets	**1,558**	1,601	(2.7%)
Current Assets	**1,716**	1,253	37.0%
Current Liabilities	**1,025**	1,043	(1.7%)
Cash and Bank Balances	**378**	297	27.3%
Shareholder's Equity	**1,927**	1,636	17.8%
Interest Bearing Borrowings	**879**	801	9.7%

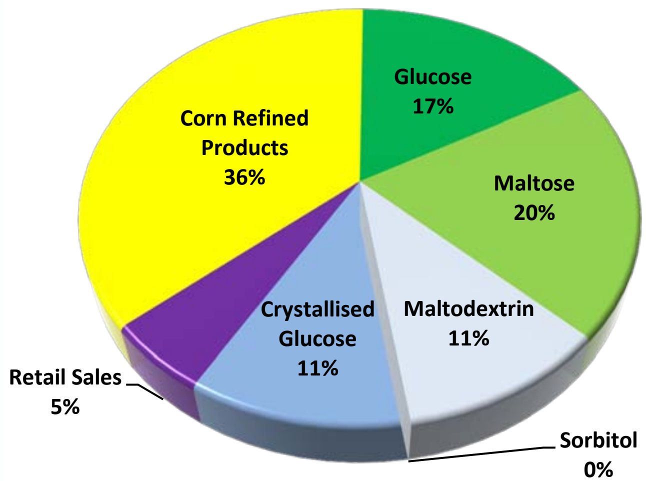
KEY FINANCIAL RATIOS

HK$ million	31 Dec 10	31 Dec 09
Current Ratio	**1.67**	1.20
Quick Ratio	**1.10**	0.85
Gearing Ratio (net debt/equity)	**26.1%**	30.8%
ROE	**4.6%**	5.3%
Inventories Turnover Days	**72 days**	57 days
Trade Receivables Turnover Days	**69 days**	66 days
Trade Payables Turnover Days	**26 days**	8 days

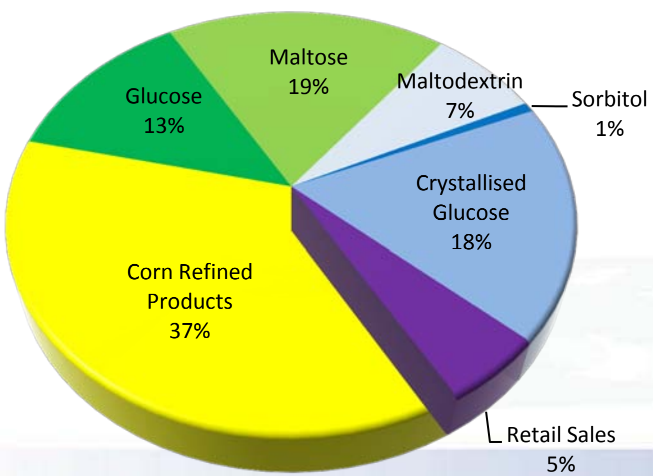
2010 ANNUAL RESULTS
Operation Overview

REVENUE BREAKDOWN

2010 Revenue Breakdown

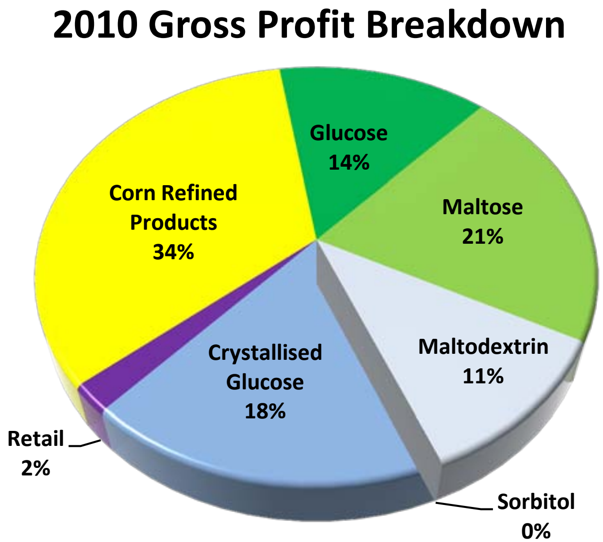


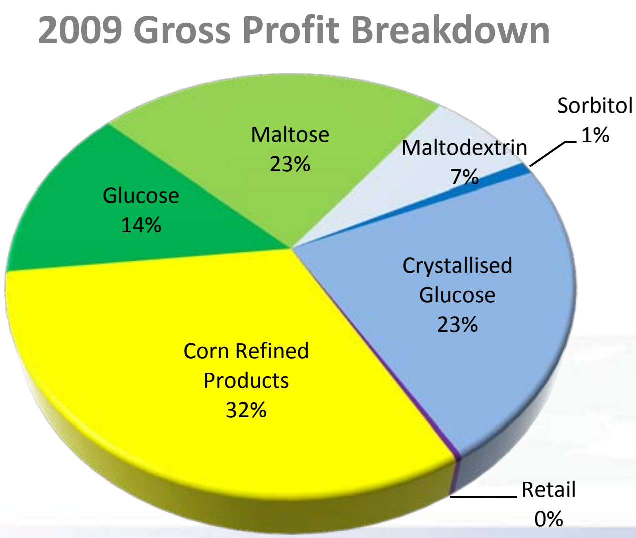
2009 Revenue Breakdown



Revenue (HK$ million)	2010	2009	Change
Upstream			
Corn Refined Products	**1,224**	988	23.9%
Downstream			
Glucose Syrup	**561**	347	61.5%
Maltose Syrup	**678**	500	35.7%
Maltodextrin	**356**	197	80.9%
Sorbitol	**0**	20	N/A
Crystallised Glucose	**371**	480	(22.7%)
Sweeteners Sub-total	**1,966**	1,544	27.3%
Retail	**166**	137	21.5%
Total	**3,356**	2,669	25.7%

GROSS PROFIT BREAKDOWN





Gross Profit (HK$ million)	2010	2009	Change
Upstream			
Corn Refined Products	**127**	97	30.9%
Downstream			
Glucose Syrup	**54**	42	28.6%
Maltose Syrup	**79**	72	9.7%
Maltodextrin	**42**	22	90.9%
Sorbitol	**0**	3	N/A
Crystallised Glucose	**68**	70	(2.9%)
Sweeteners Sub-total	**243**	209	16.3%
Retail	**8**	2	445.7%
Total	**378**	307	23.1%

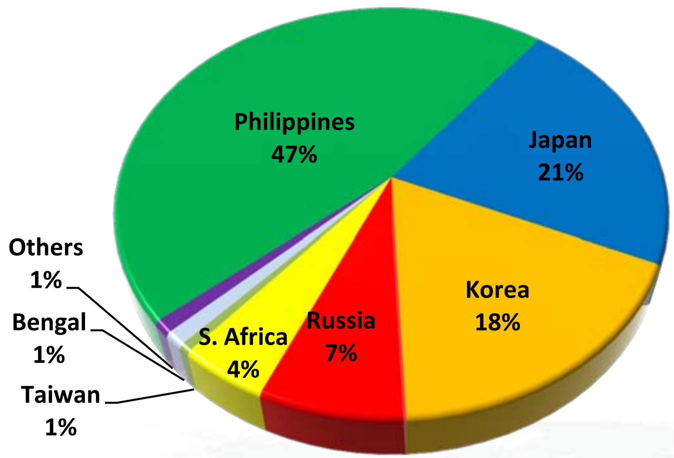
SALES ANALYSIS

	Sales Volume ('000 MT)			Gross Profit Margin		
	2010	2009	Change	2010	2009	Change
Upstream						
Corn Refined Products	**464**	462	0.4%	**10.4%**	9.8%	0.6%
Downstream						
Glucose Syrup	**246**	178	38.2%	**9.6%**	12.0%	(2.4%)
Maltose Syrup	**244**	225	8.6%	**11.7%**	14.4%	(2.7%)
Maltodextrin	**113**	79	44.1%	**11.8%**	11.1%	0.7%
Sorbitol	**0**	6	N/A	**N/A**	16.7%	N/A
Crystallised Glucose	**168**	298	(43.6%)	**18.3%**	14.6%	3.7%
Sweeteners Sub-total	**771**	786	(1.8%)	**12.4%**	13.5%	(1.1%)
Retail	**7**	8	(12.5%)	**4.8%**	1.1%	3.7%
TOTAL	**1,242**	1,256	(1.0%)	**11.2%**	11.5%	(0.3%)

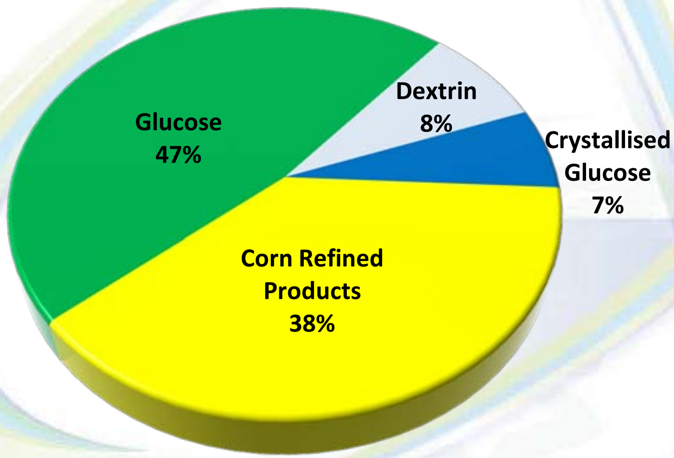
EXPORTS BREAKDOWN

	Sales Volume ('000 MT)			Revenue (HK$ million)		
	2010	2009	Change	2010	2009	Change
Export Sales	**94,000**	75,000	25.3%	**269**	163	65.0%
Export to Revenue (%)	**7.6%**	6.0%	1.6%	**8.0%**	6.1%	1.9%

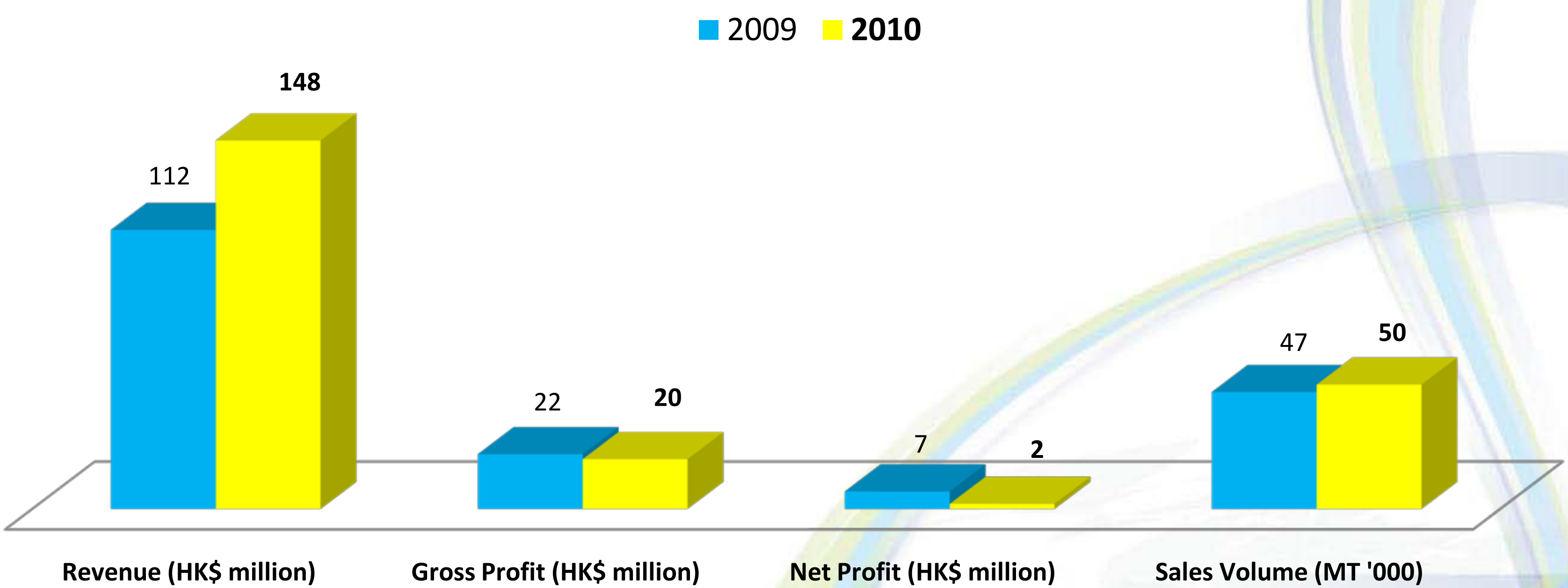
Exports Breakdown by Region 2010



Exports Breakdown by Product 2010



HFCS PERFORMANCE UNDER JV



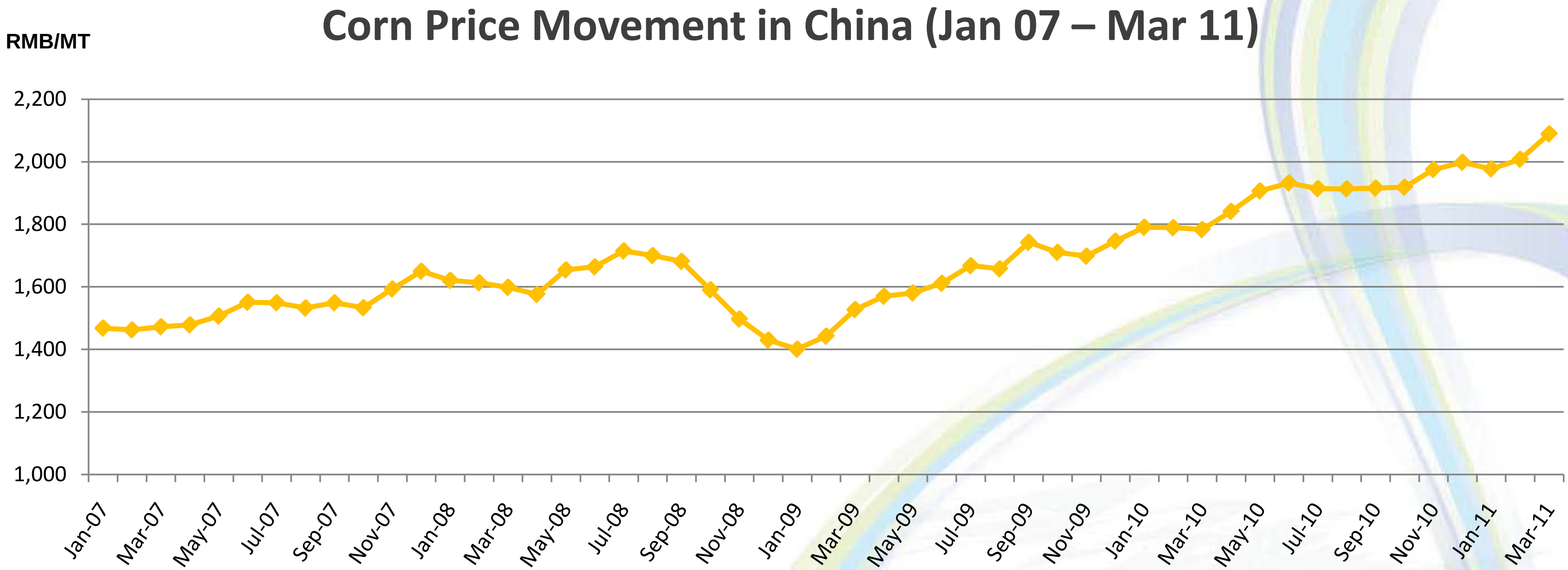
- ASP ↑ → turnover ↑
- Sales volume ↑ with raw material price ↑ & low utilization rate → gross profit and net profit ↓
- HFCS market: users are more inclined to use HFCS 55 which is a closer substitute of cane sugar. The JV is producing HFCS 42 which is only an intermediate product.

OPERATING COST STRUCTURE

	2010	2009
Raw Material	**77.0%**	74.3%
Utilities	**8.9%**	10.9%
Labour	**0.6%**	0.6%
Depreciation	**3.3%**	4.7%
Production Overhead	**2.5%**	2.5%
Selling and Distribution Expenses	**5.3%**	4.3%
Administrative Expenses	**2.4%**	2.7%

Business Outlook & Development Plans

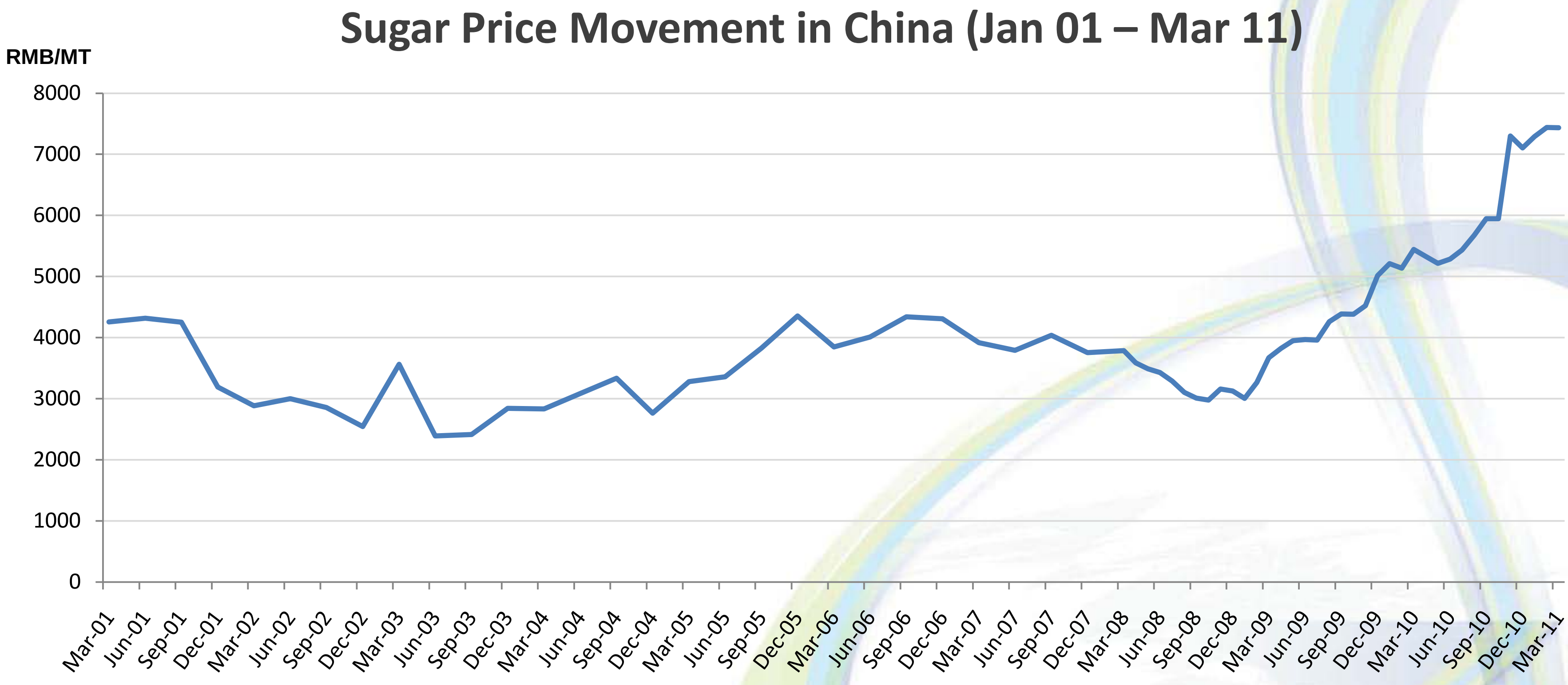
UPSTREAM: RAW MATERIAL – CORN



Source: eFeedlink. Based on average price from Northeast China (Jilin, Liaoning and Shandong)

- Grain prices remain high in China as a result of natural disasters
- Good corn harvest in 2010/2011 : approx. 172 million MT
- The Group's corn purchasing price for 2011 expects to rise by approx. 15% (2010: RMB1,650/MT, VAT excl.)
- Outlook on upstream corn refinery: stable business with sustainable price and demand

SUGAR PRICE IN CHINA



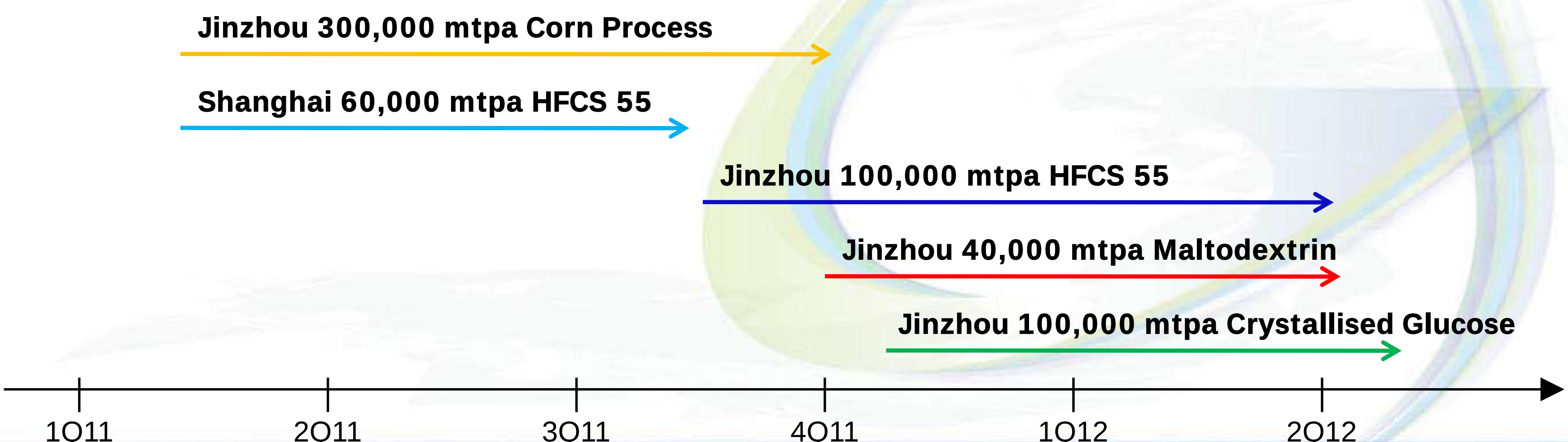
Source: www.ec-sugar.com

- Due to extreme climate conditions in major sugarcane production regions, sugar production dropped by 15% this year
- Sugar price remain high in China (currently at approx. RMB 7,300/MT)
- Positive outlook on sweeteners demand and prices

CAPACITY EXPANSION

Expansion Plans	Designed Capacity (mtpa)	Location	CAPEX (HK$ million)
Corn Refinery	300,000	Jinzhou	100
HFCS 55	60,000	Shanghai	100
HFCS 55	100,000	Jinzhou	200
Maltodextrin	40,000	Jinzhou	50
Crystallised Glucose	100,000	Jinzhou	150
		Total	600

Expansion Timetable:

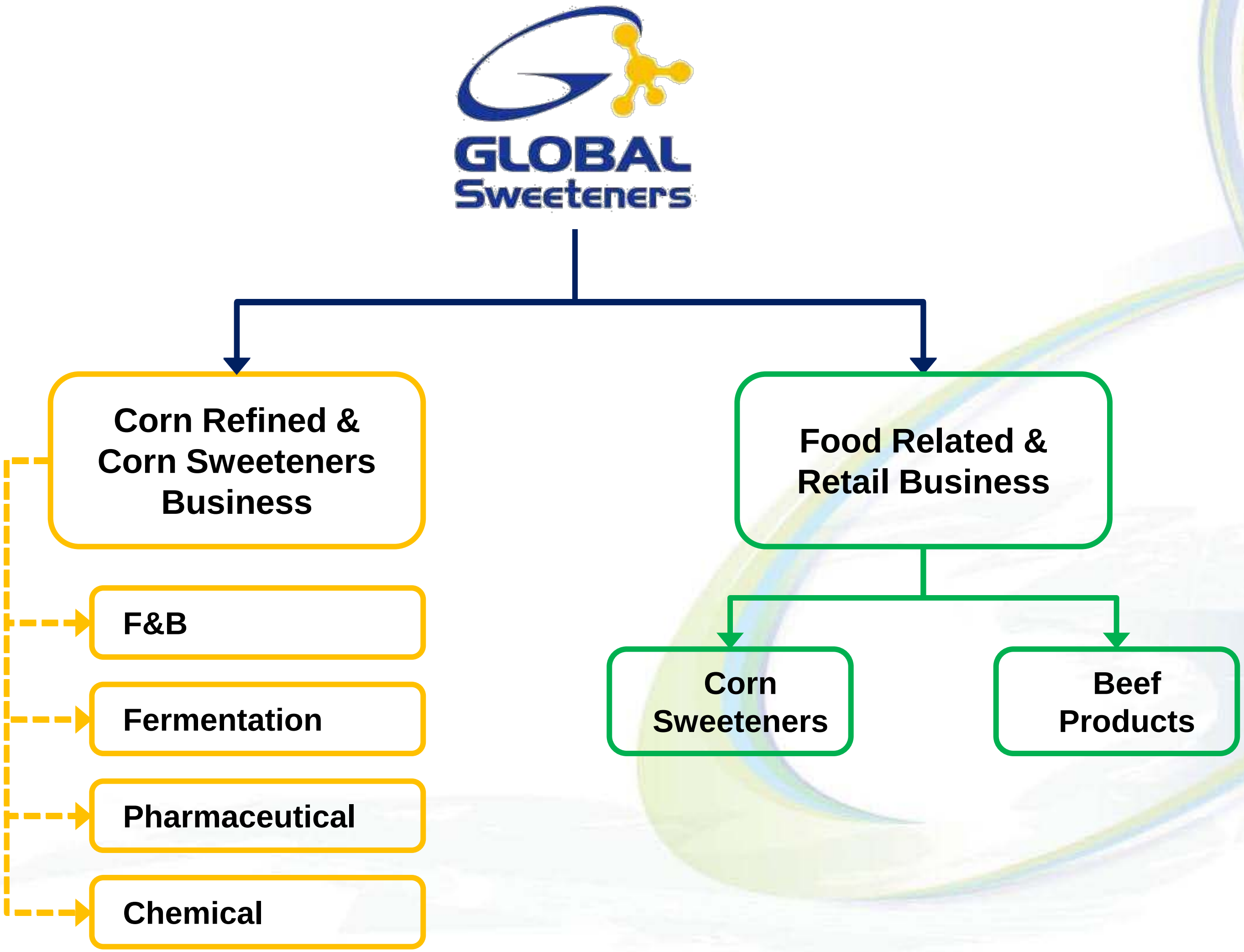


CAPACITY OVERVIEW

Designed Capacity (mtpa)	2011	2012	2013
Upstream			
Corn Starch	630,000	630,000	1,050,000
Corn Refined Products	270,000	270,000	450,000
Upstream Sub-total	**900,000**	**900,000**	**1,500,000**
Downstream			
Glucose / Maltose Syrup	820,000	820,000	820,000
Maltodextrin	20,000	60,000	60,000
HFCS*	180,000	280,000	480,000
Sorbitol	60,000	60,000	60,000
Crystallised Glucose	240,000	340,000	340,000
Downstream Sub-total	**1,320,000**	**1,560,000**	**1,760,000**
Total	**2,220,000**	**2,460,000**	**3,260,000**

** JV total capacity: 120,000 mtpa*

FOOD RELATED & RETAIL BUSINESS



INVESTMENT HIGHTLIGHTS

- Supported by sustainable international oil price, sugar price is expected to stay at high level
- Foreign investment in China's agricultural sector ↑ → reflects the market value of the industry
- ↑ flexibility in product mix adjustment → captures the opportunity of sugar price increase
  - HFCS 42 → HFCS 55
  - Liquid glucose → crystallised glucose
- ↑ upstream corn processing capacity → secures raw material supply further in response to market changes

Company Profile

CORPORATE MILESTONES

Hao Cheng was established in Shanghai with a designed production capacity of 60,000 mtpa

CDNP (Global-Nikken JV) established to produce sorbitol with a designed production capacity of 60,000 mtpa

Acquired the 75% interest in **Changchun Dihao**

Dihao Crystal was established to manufacture crystallised glucose with a designed production capacity of 200,000 mtpa

Acquired the remaining 49% interest in **CDNP**, which is now a wholly-owned subsidiary of the Group

Entered into an S&P agreement to acquire **Jinzhou Yuancheng** (corn refinery) from the GBT Group

Changchun 40,000 mtpa crystallised glucose production line completed

Set up JV in Dalian for the Group's beef business

1998 | 2001 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010

GCHF (GBT-Cargill JV) established and was engaged in the manufacture of HFCS with a designed production capacity of 100,000 mtpa

Acquired the remaining 25% interest in **Changchun Dihao**

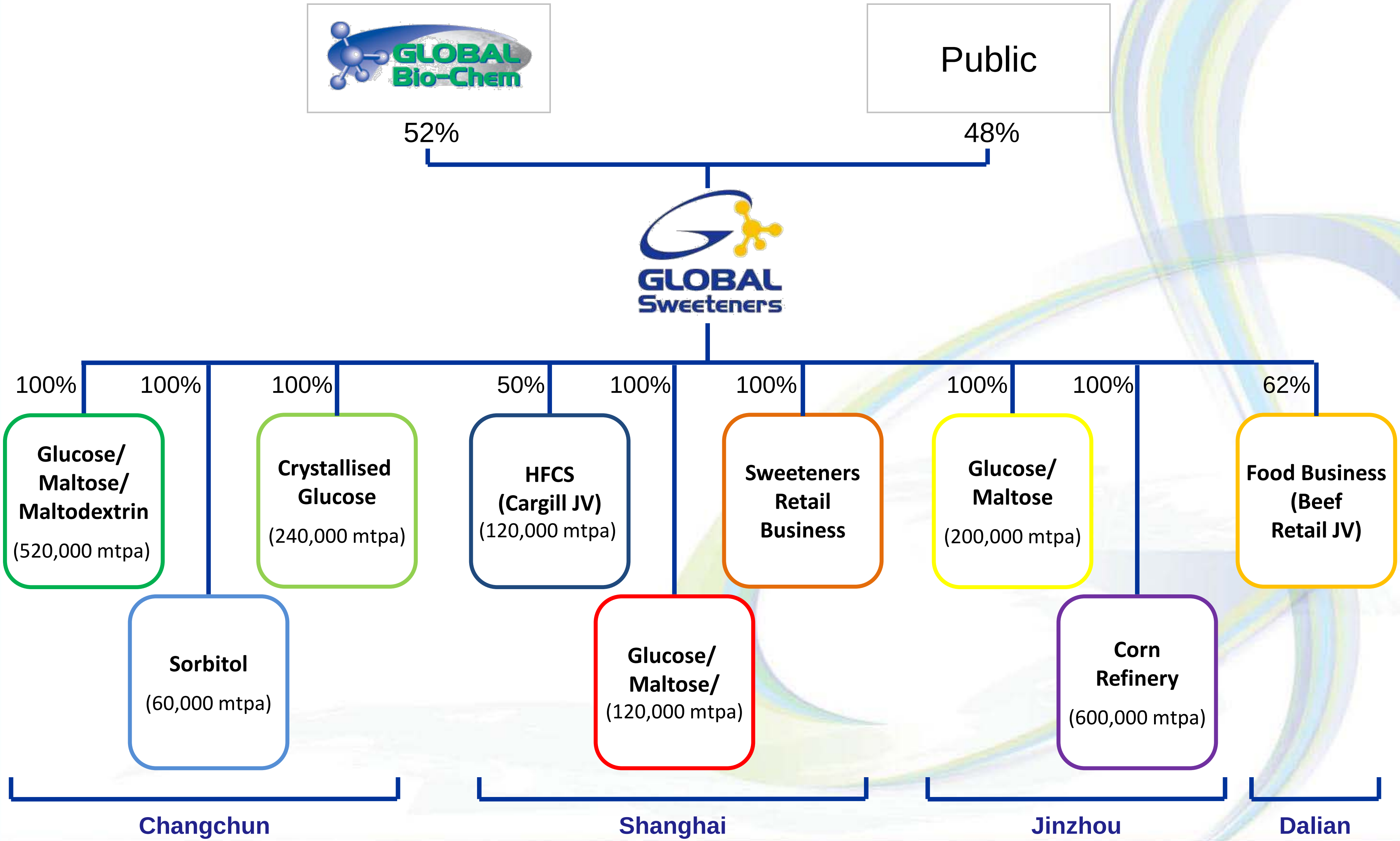
Global Sweeteners (stock code: 03889.HK) was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 20 September

Jinzhou Dacheng with a designed capacity of 200,000 mtpa of liquid glucose and maltose commenced production

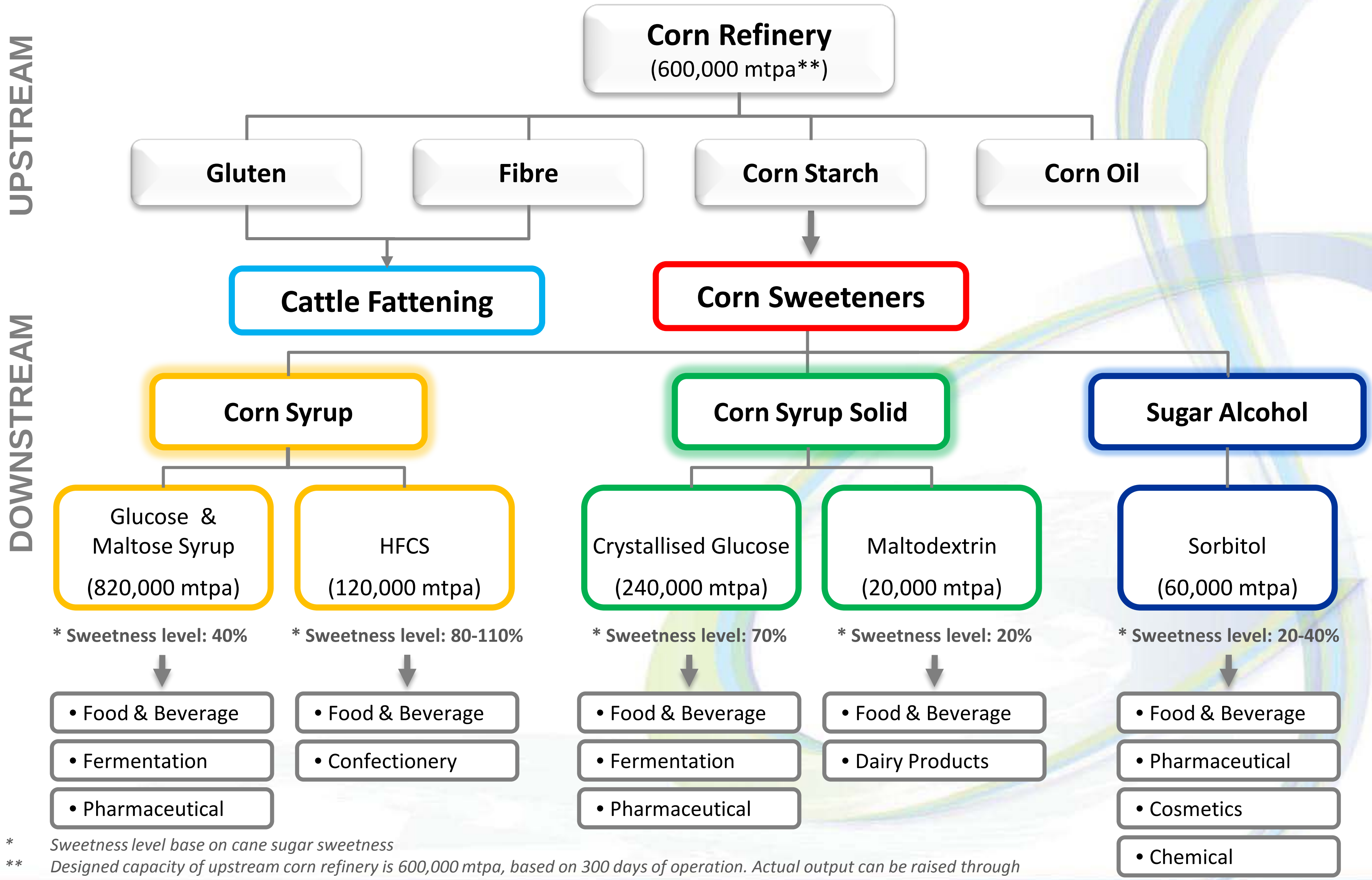
Corn Essence was established in Shanghai principally for the Group's retail business

The listing of TDR of **Global Sweeteners** (stock code: 913889.TW) on the Taiwan Stock Exchange Corporation on 25 March

CORPORATE STRUCTURE



DIVERSIFIED PRODUCT MIX



* *Sweetness level base on cane sugar sweetness*

** *Designed capacity of upstream corn refinery is 600,000 mtpa, based on 300 days of operation. Actual output can be raised through facilities adjustment and increasing operation days*

GEOGRAPHIC ADVANTAGE

Changchun

- Production area of about 107,500 sq m
- Located in China's Golden Corn Belt
- Abundant supply of the major production MATERIAL at competitive cost

Jinzhou

- Production area of about 370,000 sq m
- Located in China's Golden Corn Belt
- Abundant supply of the major production MATERIAL at competitive cost
- A major traffic hub (next to a deep sea port)

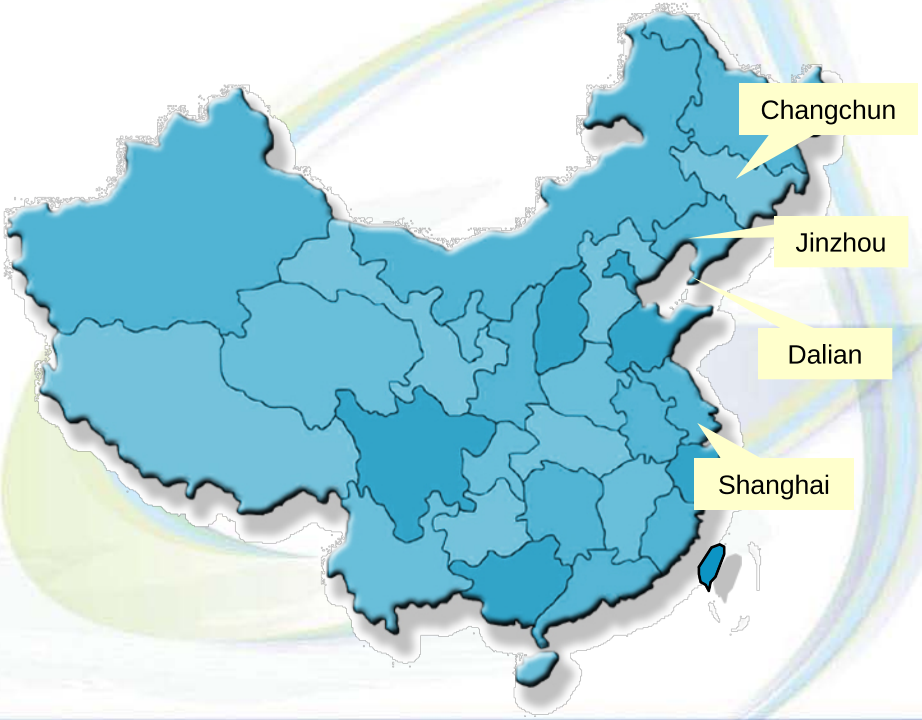
Dalian

- MATERIAL advantage → in proximity to nearby cattle farm
- Well-established infrastructure → nearby slaughterhouses
- A major traffic hub

Shanghai

- Production area of about 30,000 sq m
- Access to CUSTOMERS a number of large food and beverage producers in the Yangtze River Delta
- A major traffic hub

Cost Advantage	Changchun	Jinzhou	Shanghai
Corn	√√√	√√√	√√
Coal	√√√	√√√	√√
Transportation	√√	√√√	√√√



Appendix

PRC SUGAR & SWEETENERS PRODUCTION

Natural Sweeteners

Sugar

Raw Material:

Cane, Beet

Regions:

- Cane: Southern parts of China (e.g. Guangxi)
- Beet: Northern parts of China

Starch Sweeteners

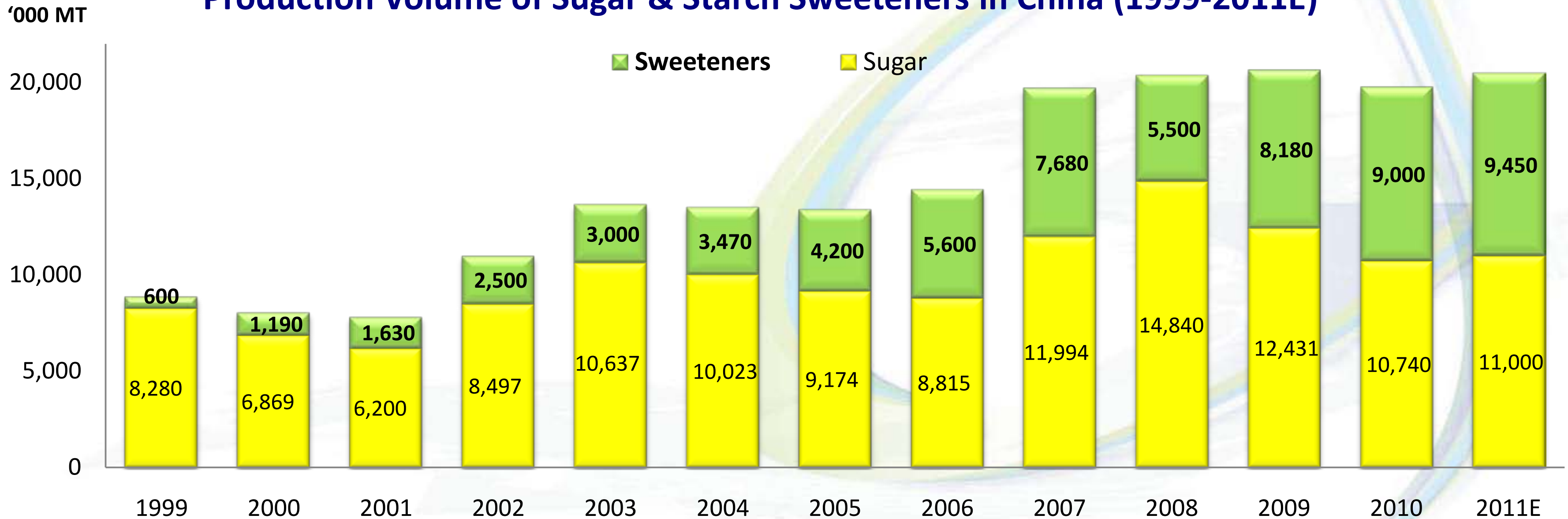
Raw Material:

Corn, Potatoes, Tapioca

Regions:

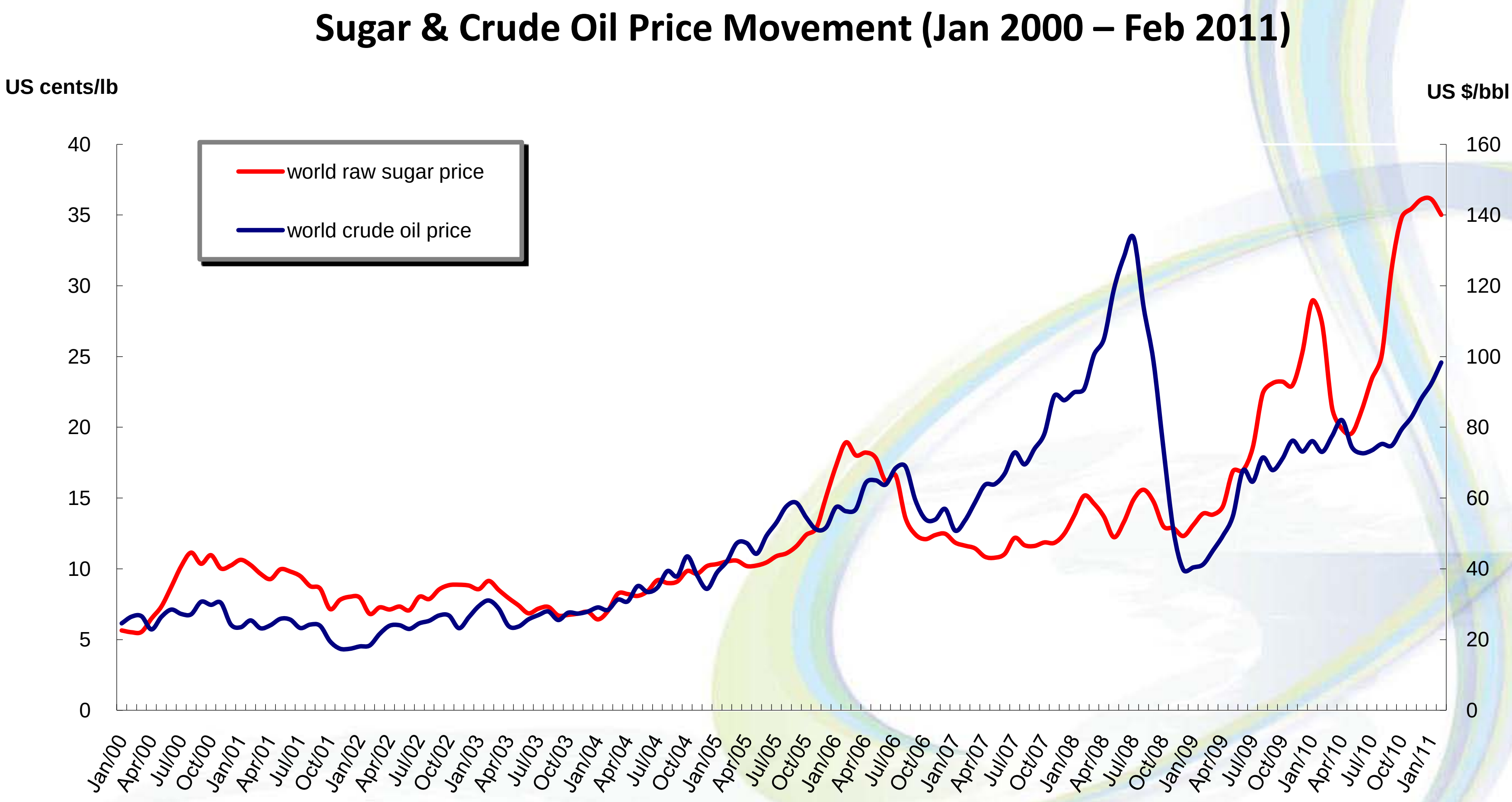
Corn is produced mainly in NE China: Jilin, Shandong & Hebei

Production Volume of Sugar & Starch Sweeteners in China (1999-2011E)



Source DNCNET, Guangxi Sugar Association (GSA) and USDA

SUGAR & OIL PRICES CORRELATIONS



Source: New York Board of Trade and Energy Information Administration

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