



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

2008 Annual Results Presentation

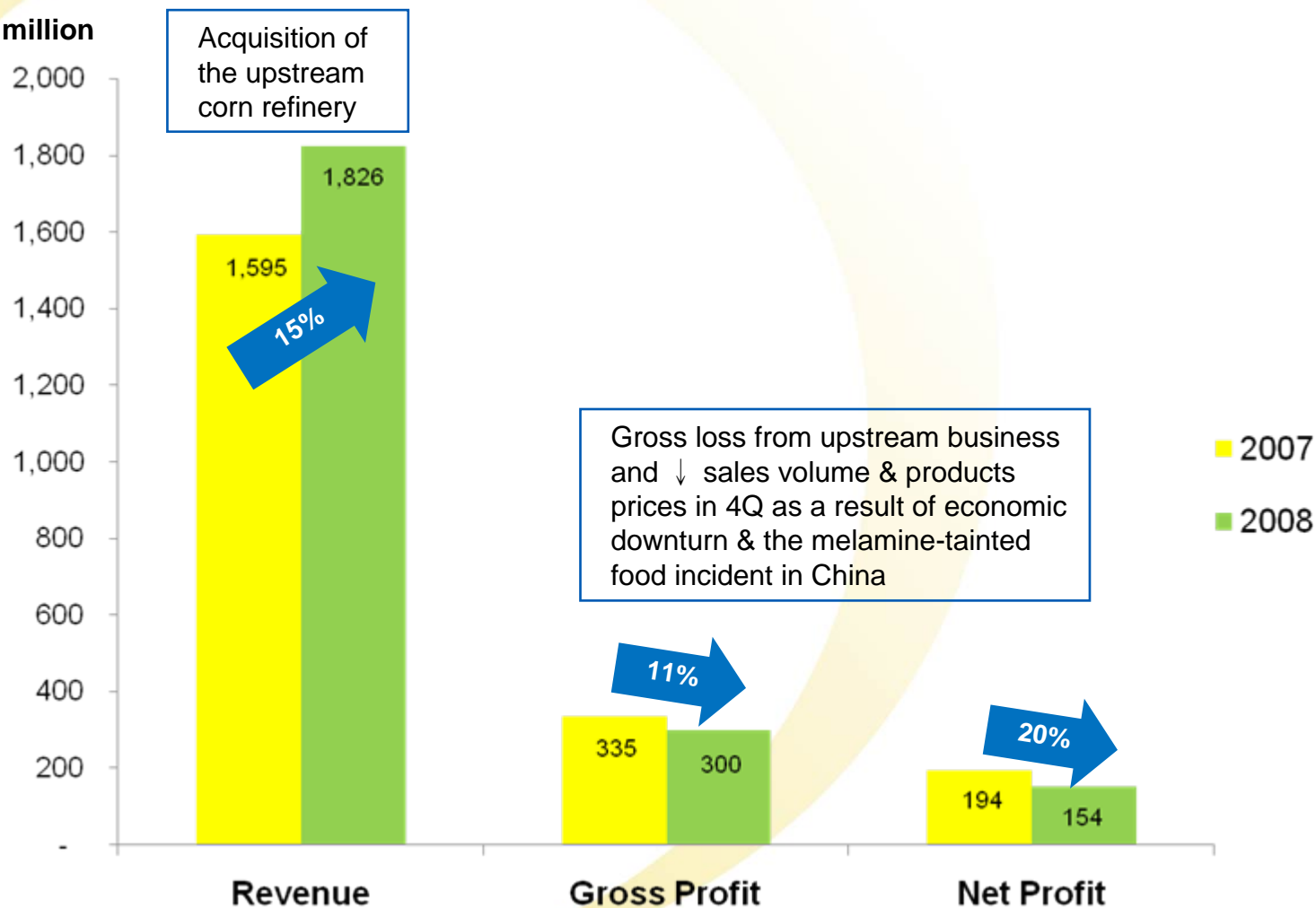
23 April 2009

AGENDA

- Financial Review
- Operation Overview
- Business Outlook & Development Plans

RESULTS HIGHLIGHTS

HK\$ million



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2008 FINANCIAL REVIEW

OPERATING RESULTS

HK\$ million	2008	2007	Change
Revenue	1,826	1,595	15%
• Corn Refined Products*	216	-	N/A
• Corn Sweeteners	1,610	1,595	1%
Gross Profit	300	335	(11%)
• Corn Refined Products*	(12)	-	N/A
• Corn Sweeteners	312	335	(7%)
Gross Margin	16%	21%	(5%)
• Corn Refined Products*	(5%)	-	N/A
• Corn Sweeteners	19%	21%	(2%)
EBITDA	273	291	(6%)
Net Profit	154	194	(20%)
• Net Margin	8%	12%	(4%)
Basic Earnings Per Share (HK cents)	14.8	18.5	
Dividend Per Share (HK cents)	-	-	

* After the completion in September 2008, Jinzhou Yuancheng, a corn refinery in Jinzhou, became a wholly-owned subsidiary of the Group.

BALANCE SHEET

HK\$ million	31 Dec 2008	31 Dec 2007	Change
Non-current Assets	1,604	789	103%
Current Assets	1,100	1,394	(21%)
Current Liabilities	831	500	66%
Cash and Bank Balances	456	906	(50%)
Shareholder's Equity	1,526	1,280	19%
Interest Bearing Loan	622	525	19%

KEY FINANCIAL RATIOS

	31 Dec 2008	31 Dec 2007
Current Ratio	1.32	2.79
Quick Ratio	1.02	2.69
Gearing Ratio (net debt/equity)	11%	(30%)
ROE	10%	15%
Inventories Turnover Days	60 days	15 days
Trade Receivables Turnover Days	56 days	81 days
Trade Payables Turnover Days	21 days	11 days

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2008

OPERATION OVERVIEW

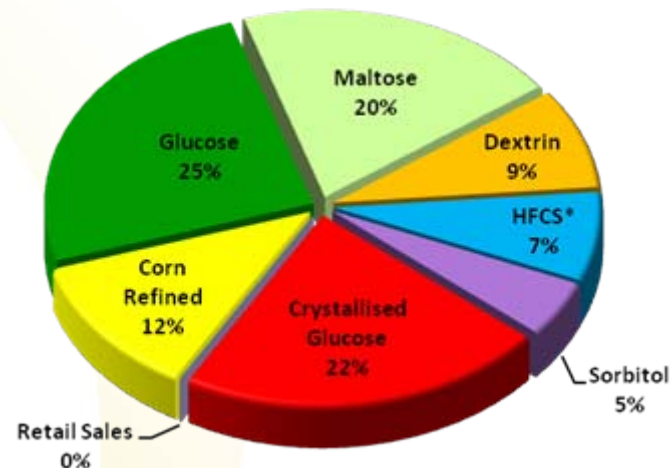
REVENUE BREAKDOWN

Revenue (HK\$ million)	2008	2007	Change
Upstream			
Corn Refined Products**	216	-	N/A
Downstream			
Glucose Syrup	455	696	(35%)
Maltose Syrup	364	405	(10%)
Maltodextrin	158	133	19%
HFCS *	140	128	9%
Sorbitol **	88	11	696%
Crystallised Glucose	405	222	82%

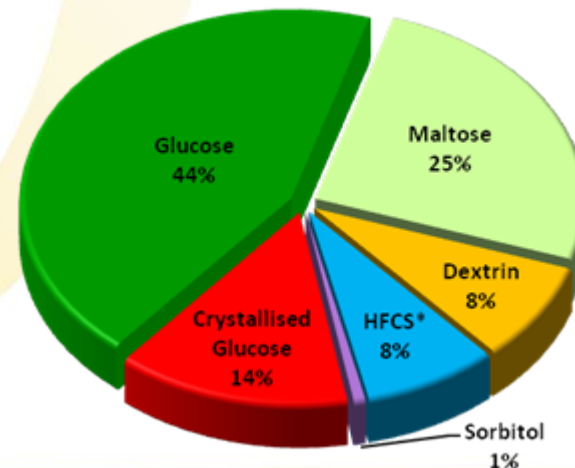
* Amount attributable to the Group in the JV.

** The Group completed the acquisitions of the 49% interests in the sorbitol plant in Feb 2008 and an upstream corn refinery in Sep 2008 which made them its wholly-owned subsidiaries since then.

2008 REVENUE BY PRODUCTS



2007 REVENUE BY PRODUCTS



GROSS PROFIT BREAKDOWN

Gross Profit (HK\$ million)	2008	2007	Change
Upstream			
Corn Refined Products**	(12)	-	N/A
Downstream			
Glucose Syrup	88	153	(42%)
Maltose Syrup	64	99	(35%)
Maltodextrin	20	23	(14%)
HFCS *	17	22	(23%)
Sorbitol **	20	0	N/A
Crystallised Glucose	103	38	172%

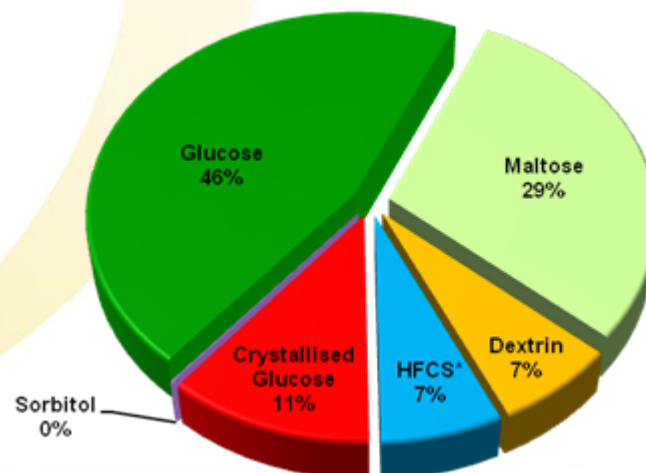
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2008 GROSS PROFIT BY PRODUCTS



2007 GROSS PROFIT BY PRODUCTS



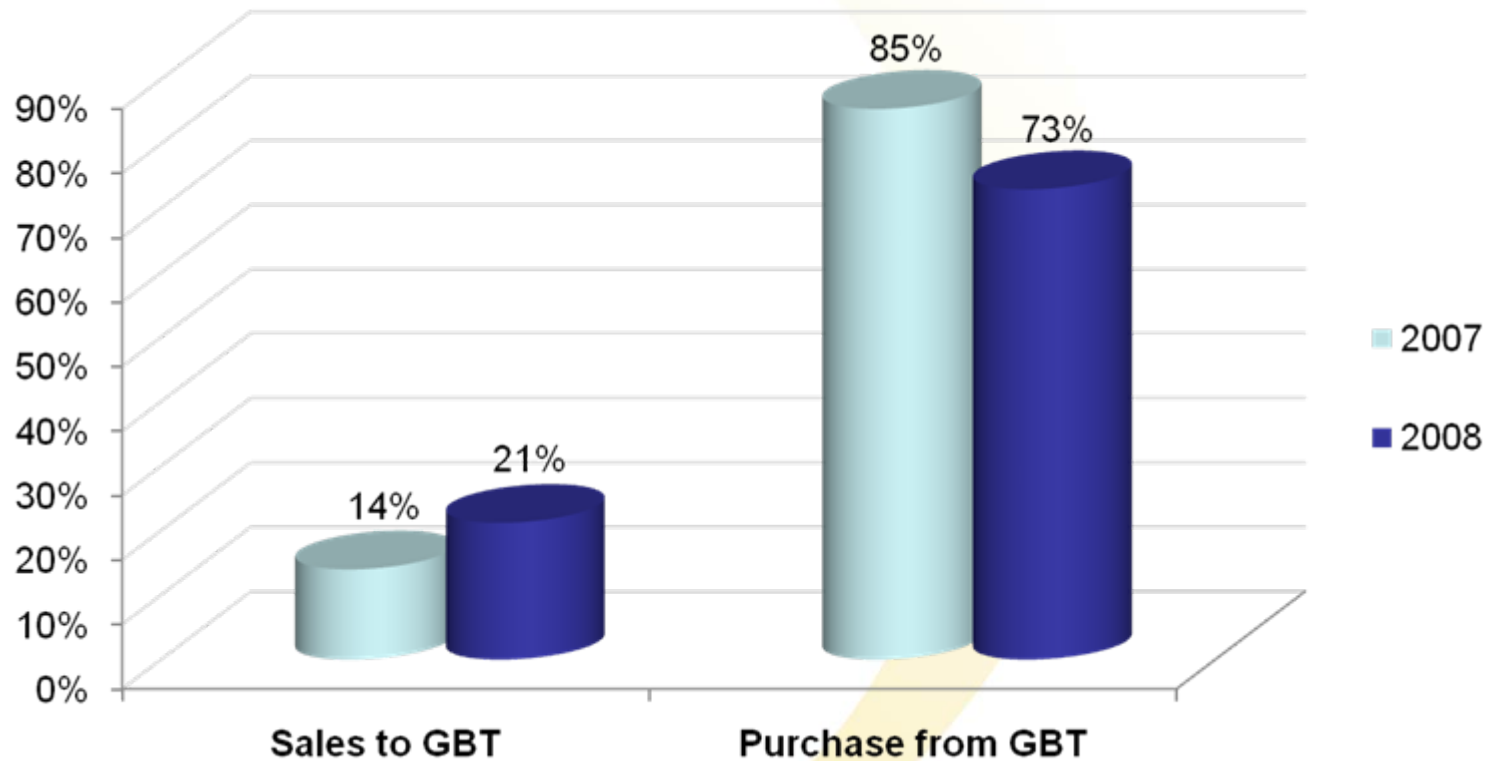
SALES ANALYSIS

	Sales Volume ('000 MT)			Gross Profit Margin		
	2008	2007	Change	2008	2007	Change
<u>Upstream</u>						
Corn Refined Products	107	-	N/A	(5%)	-	N/A
<u>Downstream</u>						
Glucose Syrup*	233	406	(43%)	19%	22%	(3%)
Maltose Syrup	152	202	(25%)	18%	24%	(6%)
Maltodextrin	63	56	12%	12%	17%	(5%)
HFCS **	59	55	8%	12%	18%	(6%)
Sorbitol	27	4	572%	23%	3%	20%
Crystallised Glucose	242	110	120%	25%	17%	8%
TOTAL	883	833	6%			

* During 2008, approx. 344,000 MT of glucose syrup (2007: 193,000 MT) has been consumed internally for downstream production.

** Amount attributable to the Group in the JV.

SALES TO AND PURCHASE FROM PARENT GROUP



OPERATING COST STRUCTURE

	2008	2007
Raw Material	76.0%	81.0%
Utilities	9.1%	6.6%
Labour	0.6%	0.8%
Depreciation	3.4%	2.5%
Production Overhead	2.4%	1.6%
Selling and Distribution Expenses	4.8%	3.5%
Administrative Expenses	3.7%	2.7%
Other Operating Expenses	-	1.3%

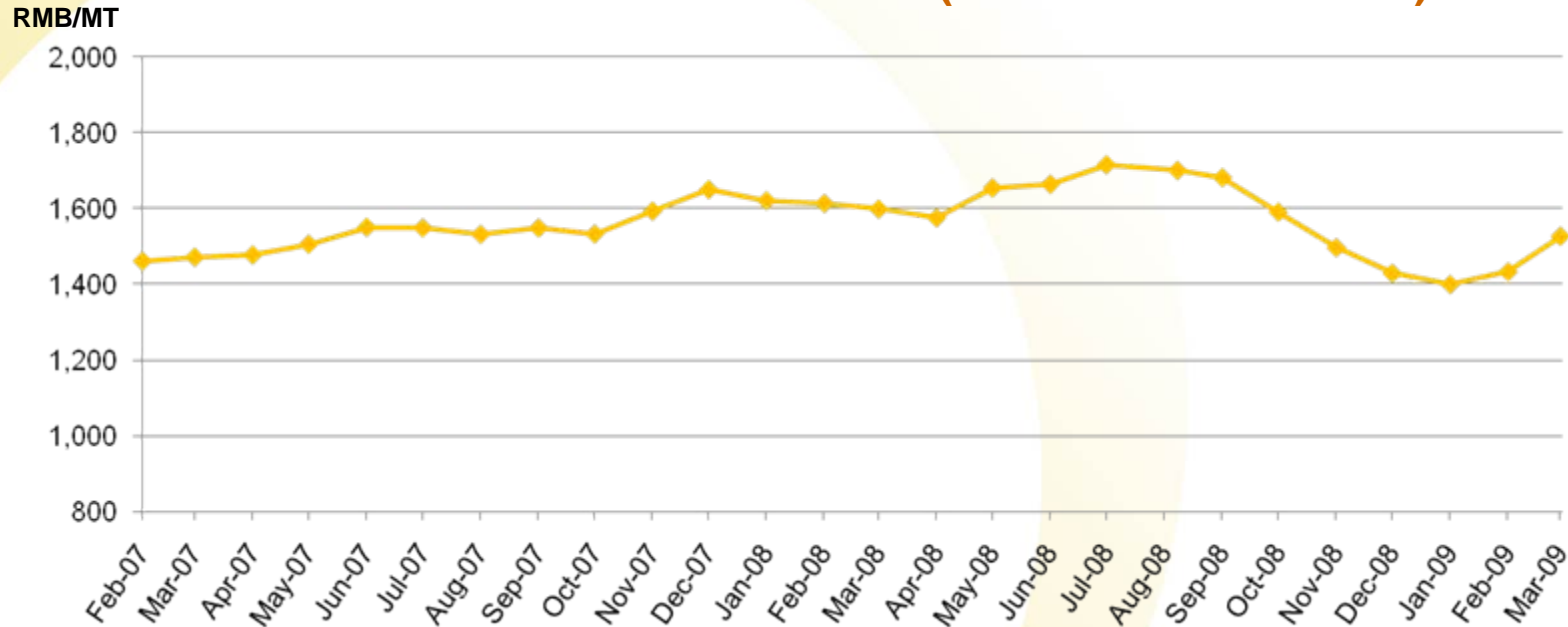
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2008

**BUSINESS OUTLOOK &
DEVELOPMENT PLANS**

UPSTREAM: RAW MATERIAL - CORN

Corn Price Movement in China (Jan 2007 – Mar 2009)

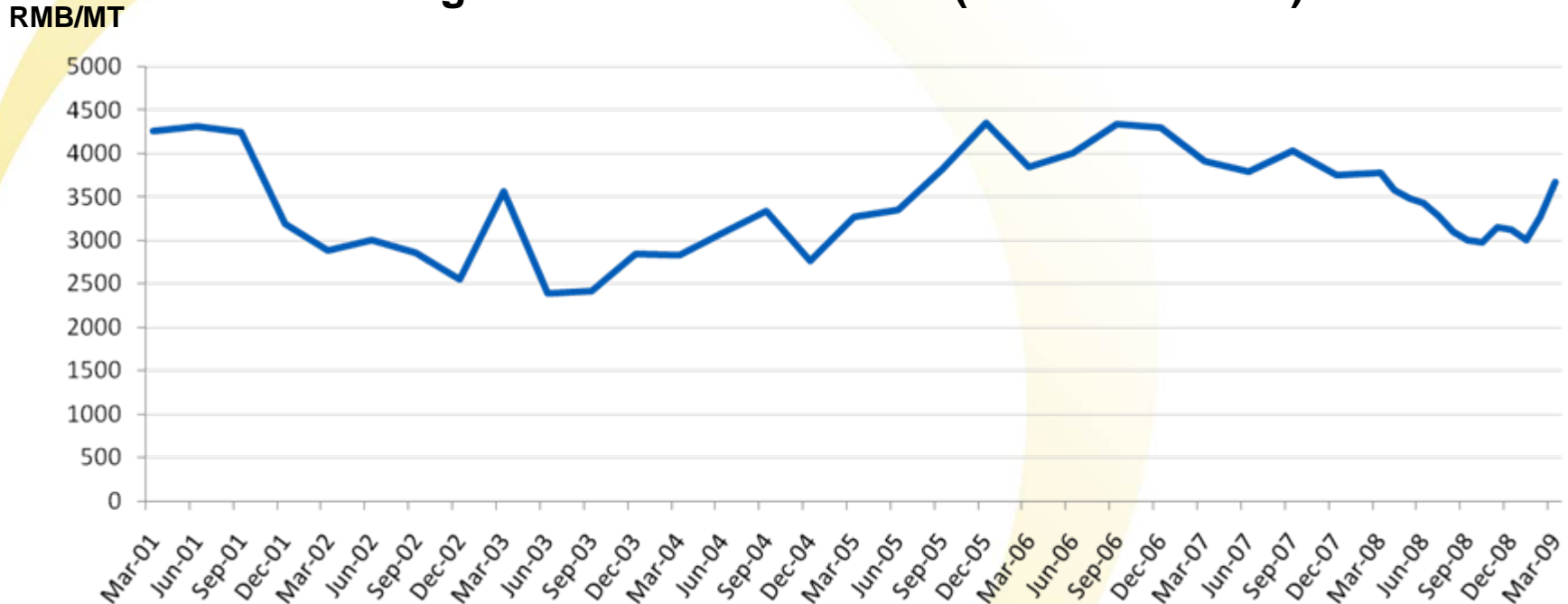


Source: eFeedlink. Based on average price from Northeast China (Jilin, Dalian and Shangdong)

- Current corn purchasing price (incl. VAT) in Jinzhou area: approx. RMB 1,650 / MT
- Harvest in 2008: approx. 156 million MT (Industrial use: approx. 20%)
- Positive outlook on corn refinery: price recovery on corn starch since mid-March
- Vertical integration: the Group's corn processing annual capacity: approx. 600,000 MT

PRC SUGAR PRICE

Sugar Price Trend in China (Mar 01 – Mar 09)



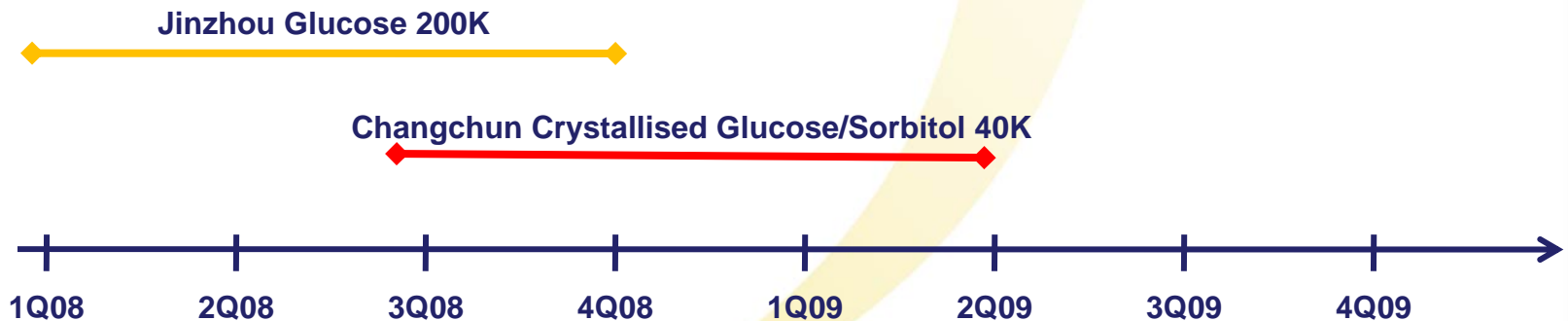
Source: www.ec-sugar.com

- Current cane sugar price rose to approx. RMB 3,800/MT from the lowest in 2008 (\leq RMB 2,900/MT)
- Expect sugar price would be stabilised in 2009

CAPACITY EXPANSION

- Flexible expansion timetable according to market needs
- Minimise CapEx in face of economic downturn
- Expect to complete current construction plan by 2Q 2009
- 200,000 mtpa glucose/maltose plant in Jinzhou (*Completed; Commercial production expects to commence by end of 2Q 2009*)
- 40,000 mtpa crystallised glucose production line (with sorbitol production capability) in Changchun

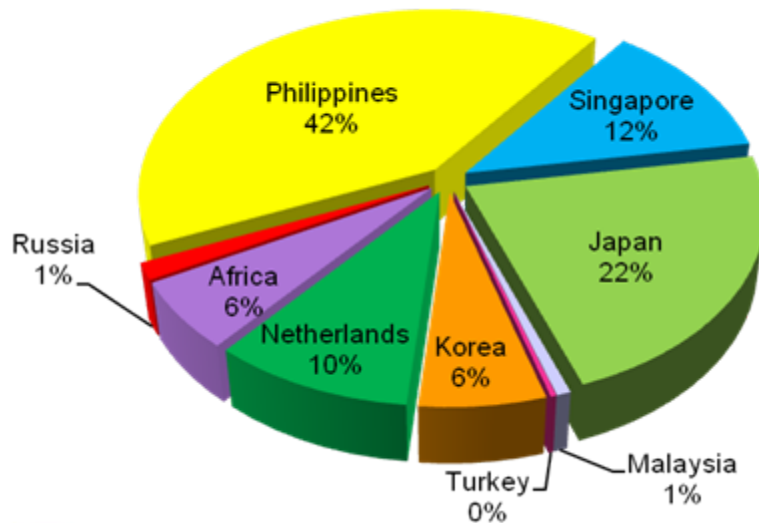
Construction Timetable:



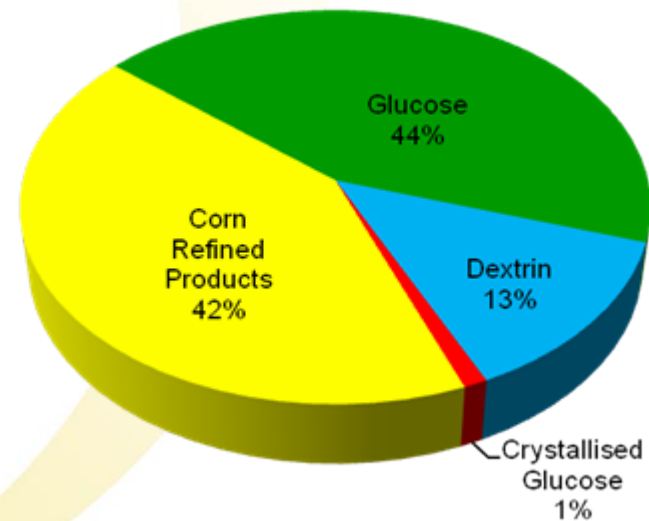
SALES & MARKETING

- Strive to increase the Group's domestic market share taking adv. on its leading position with present sweeteners capacity → 1.22 million MT
- Continue to explore new markets with a target of 20% of exports to turnover
 - In 2008, exports to turnover: approx. 5.5%; export volume: approx. 32,658 MT

Exports Breakdown By Region



Exports Breakdown By Products



RETAIL BUSINESS

- ➔ Established sales and marketing strategies for our retail brand:



- ➔ Target customers:
 - Food catering industries: hotels, cafes and restaurants
 - Domestic users: supermarkets and chain stores
- ➔ Small amount of sales by end of 4Q 08, expects to breakeven by end of 2009

DESIGNED CAPACITY

Designed Capacity (mtpa)	2008	2009	2010
<u>Upstream</u> ¹			
Corn Starch ³	420,000	420,000	420,000
Other Corn Refined Products	180,000	180,000	180,000
<u>Downstream</u>			
Glucose/Maltose Syrup ³	820,000	820,000	820,000
Maltodextrin	20,000	20,000	20,000
HFCS ²	120,000	120,000	120,000
Sorbitol ¹	60,000	60,000	60,000
Crystallised Glucose	200,000	240,000	240,000
TOTAL	1,820,000	1,860,000	1,860,000

¹ The Group completed the acquisitions of the 49% interests in the sorbitol plant in Feb 2008 and an upstream corn refinery in Sep 2008 which made them its wholly-owned subsidiaries since then.

² Amount attributable to the Group in the JV.

³ Starting from 2009, approx. 250,000 MT of corn starch & 400,000 MT of glucose will be used for internal consumption.



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