GLG LIFE TECH CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2013

(Unaudited – Prepared by Management)

Notice of No Auditor Review of Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Board of Directors. The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") for a review of interim financial statements by an entity's auditors.

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statement of Financial Position

As at March 31, 2013 and December 31, 2012

(Unaudited – Expressed in Canadian Dollars)

	Note		March 31, 2013		December 31, 2012
ASSETS					
Current Assets					
Cash and cash equivalents		$	1,857,827	$	3,582,437
Accounts receivable			6,023,236		8,444,038
Sale taxes recoverable			5,239,698		5,652,678
Inventory			29,863,634		31,593,282
Prepaid expenses			3,552,826		3,567,802
Total Current Asset			46,537,221		52,840,237
Property, Plant, and Equipment			51,321,117		49,552,923
Biological Assets			621,866		672,013
Total Assets		$	98,480,204	$	103,065,173
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities					
Short term loans	5	$	59,848,035	$	59,882,876
Accounts payable and accruals			21,598,941		25,048,280
Interest payable			2,438,832		1,762,825
Total Current Liabilities			83,885,808		86,693,981
Due to related parties	6		9,166,443		8,673,137
Deferred income tax liability			(1,914)		9,911
Total Liabilities			93,050,337		95,377,029
EQUITY					
Stockholders' Equity					
Common Stock: no par value; unlimited shares authorized; issued and outstanding: 32,915,634 (December 31, 2012- 32,915,634 shares)	7		190,633,897		190,449,847
Additional paid-in capital	7		26,919,903		26,857,443
Accumulated other comprehensive income			6,743,665		5,585,772
Deficit			(220,441,714)		(216,748,234)
Total GLG Life Tech Corporation Stockholders' Equity			3,855,751		6,144,828
Non-controlling interests			1,574,116		1,543,316
Total Stockholders' Equity			5,429,867		7,688,144
Total Liabilities and Stockholders' Equity		$	98,480,204	$	103,065,173

Going concerns (Note 3)
Commitments (Note 13)
Contingent liabilities (Note 14)
Events after reporting date (Note 16)
See Accompanying Notes to the Interim Consolidated Financial Statements

APPROVED ON BEHALF OF THE BOARD:

"Sophia Leung "	Director
"David Hall "	Director

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Operations and Comprehensive (Loss)
For the Period Ended March 31, 2013 and 2012
(Unaudited – Expressed in Canadian Dollars)

	Three months ended March 31, 2013	2012
REVENUE	$ 3,242,681	$ 892,118
COST OF SALES	3,680,956	974,267
GROSS (LOSS) PROFIT	(438,275)	(82,149)
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	1,741,812	2,734,307
OTHER INCOME (EXPENSES)		
Interest expense	(1,834,742)	(1,373,531)
Interest income	551	1,037
Other income (expenses)	(1,386)	136,799
Foreign exchange (loss) gain	292,404	99,792
	(1,543,173)	(1,135,903)
(LOSS) BEFORE INCOME TAXES	(3,723,260)	(3,952,359)
INCOME TAX (EXPENSE) RECOVERY	(1,110)	(3,504)
NET (LOSS)	(3,724,370)	(3,955,863)
NET (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTEREST	(30,890)	(100,841)
NET (LOSS) ATTRIBUTABLE TO GLG LIFE TECH CORPORATION	(3,693,480)	(3,855,022)
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign Currency Translation Adjustment	1,281,274	(2,223,619)
OTHER COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTEREST	61,690	-
OTHER COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO GLG LIFE TECH CORPORATION	1,219,584	(2,223,619)
COMPREHENSIVE (LOSS) ATTRIBUTABLE TO GLG LIFE TECH CORPORATION	(2,473,896)	(6,078,641)
NET (LOSS) PER SHARE		
Basic & Diluted	(0.11)	(0.12)
Weighted Average Number of Shares Outstanding		
Basic and diluted	32,915,634	32,915,634

See Accompanying Notes to the Interim Consolidated Financial Statements

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

As at March 31, 2013 and December 31, 2012

(Unaudited – Expressed in Canadian Dollars)

	Number of common shares	Common shares amount	Contributed Surplus	Accumulated Other Comprehensive Income ("AOCI")	Deficit	Total Equity Attributable to GLG Life Tech Corporation	Non-controlling Interest	Total Shareholders' Equity
Balance, January 1, 2012 (adjusted Note 24)	32,915,634	$ 189,335,257	$ 26,429,140	$ 8,568,484	$ (136,845,216)	$ 87,487,665	$ 2,394,172	$ 89,881,837
Stock-based compensation	-	1,114,590	428,303	-	-	1,542,893	-	1,542,893
Change in foreign currency translation	-	-	-	(1,661,100)	-	(1,661,100)	(57,970)	(1,719,069)
Non-controlling interest	-	-		-	-	-		-
Net (loss)	-	-	-	-	(40,873,649)	(40,873,649)	(792,886)	(41,666,535)
Balance, December 31, 2012	32,915,634	$ 190,449,847	$ 26,857,443	$ 5,585,772	$ (216,748,234)	$ 6,144,828	$ 1,543,316	$ 7,688,144
Stock-based compensation	-	184,050	62,460	-	-	246,510	-	246,510
Change in foreign currency translation	-	-	-	1,157,893	-	1,096,203	61,690	1,157,893
Net (loss)	-	-	-	-	(3,693,480)	(3,693,480)	(30,890)	(3,724,370)
Balance, March 31, 2013	32,915,634	$ 190,633,897	$ 26,919,903	$ 6,743,665	$ (220,441,714)	$ 3,855,751	$ 1,574,116	$ 5,429,868

See Accompanying Notes to the Condensed Interim Consolidated Financial Statements

GLG LIFE TECH CORPORATION

Condensed Interim Consolidated Statements of Cash Flows
For the periods ended March 31, 2013 and 2012
(Unaudited – Expressed in Canadian Dollars)

	2013	2012
Cash Flows From Operating Activities		
Net (loss)	$ (3,693,480)	$ (3,855,022)
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	247,925	542,230
Depreciation of property, plant and equipment and amortization of intangible assets	734,016	149,274
Goodwill and intangible asset write downs	-	-
Loss on disposal of property, plant and equipment	-	295,693
Allowances for doubtful receivables	-	-
Inventories impairment	-	-
Property, plant and equipment impairment	-	-
Prepaid expenses impairment	-	-
Unrealized foreign exchange loss (gain)	60,649	70,435
Deferred income tax expense (recovery)	-	9,598
Changes in non-cash working capital items (Note 8)	2,601,461	2,629,450
Net cash from (used in) operating activities	(49,429)	(158,342)
Cash Flows From Investing activities		
Proceeds on disposal of property, plant and equipment	-	207,307
Purchase of property, plant and equipment	(1,695)	(27,609)
Net cash used in operating activities	(1,695)	179,698
Cash Flow From Financing activities		
Issuance of short term loans	-	-
Repayment of short term loans	(1,395,870)	(844,574)
Issuance of common shares, net of share issuance costs	-	-
Exercise of stock options	-	-
Equity contribution by non-controlling interests	-	-
Advance from (repayment to) related parties	493,306	1,025,903
Net cash from (used in) financing activities	(902,564)	181,329
Effect of exchange rate changes on cash and cash equivalents	(770,922)	(1,836,587)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,724,610)	(1,633,902)
CASH AND CASH EQUIVALENTS, beginning of period	3,582,437	4,486,838
CASH AND CASH EQUIVALENTS, end of period	$ 1,857,827	$ 2,852,936

See Accompanying Notes to the Interim Consolidated Financial Statements
Supplemental Cash Flow Information (Note 8)

1. NATURE OF OPERATIONS

GLG Life Tech Corporation (the "Company") was incorporated under the Companies Act (British Columbia), Canada. The registered office of the Company is located at Suite 2168, 1050 West Pender Street, Vancouver, British Columbia. The Company's shares trade on the Toronto Stock Exchange ("TSX") under the symbol "GLG".

The Company is a vertically integrated producer of high-grade stevia extract. The Company's business operates primarily through two reportable business segments: the manufacturing and sales of a refined form of stevia which has operations in China and North America; and the sales and distribution of stevia sweetened consumer food and beverage products in China.

2. BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements for the three months ended March 31, 2013, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting".

The notes presented in these unaudited condensed interim consolidated financial statements include only significant events and transactions occurring since the Company's last fiscal year end and they do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards ("IFRS"). As a result, these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2012 annual financial statements which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements have been prepared on a historical costs basis except for biological assets, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting. These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, except when otherwise indicated.

The condensed interim consolidated financial statements of the Company for the three months ended March 31, 2013 were authorized for issue by the Audit Committee on behalf of the Board of Directors on May 27, 2013.

3. GOING CONCERN

These consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. For the three month period ended March 31, 2013, the Company incurred a net loss of $3,693,480 (2012 - $3,855,022). As at March 31, 2013, the Company had an accumulated deficit of $220,441,714 (2012 - $216,748,234), working capital deficit of $37,348,586 (2012 - $33,853,744) and a net cash outflow from operating activities of $49,429 (2012 – $158,342). During the three

3. GOING CONCERN, continued

months ended March 31, 2013, the Company reduced loan balances of $1,406,915 (RMB 8,610,322) with various banks.

On April 18, 2013, the Company has signed a loan refinancing agreement with Agricultural Bank of China. The agreement details the repayment of all existing short term loans totaling $32,567,575 (RMB203,928,387) with Agriculture Bank as of December 31, 2012. The Company will repay $6,108,799 (RMB 38,251,465) during the year ended December 31, 2013, $12,776,083 (RMB 80,000,000) during the year ended December 31, 2014 and $13,682,693 (RMB 85,676,922) during the year ended December 31, 2015. The Company has made the first scheduled payment of $1,348,279 (RMB 8,251,465) as of March 31, 2013. (see Note 5). Excluding the loans with Agricultural Bank of China and Huisheng Bank, short term loans with three banks were matured and not repaid. These banks have not demanded immediate repayment of these loans and the Company is currently in discussion with the banks to formally renew these remaining loans. The Company has had a successful history in renewing its short term loans (see Note 14) and plans to continue to renew these loans as they become due. However, if the Company is unable to refinance these other short term bank loans of $24,296,564, the Company will require alternative forms of financing. There can be no assurance the Company will be successful in this endeavor and these circumstances lead to significant doubt about the ability of the Company to continue as a going concern.

The Company continues to progress with the following measures to manage cash flow of the Company: paying down short term loans and refinancing with longer term debt with its Chairman, reducing accounts payable and negotiating with creditors extended payment terms, working closely with the banks to manage their loans, and reducing operating expenditures including general and administrative expenses and production-related expenses.

These consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company is subject to the considerations and risks of operating in China. These include risks associated with the political and economic environment, foreign currency exchange and the legal system in China.

The economy of China differs significantly from the economies of the “western” industrialized nations in such respects as structure, level of development, gross national product, growth rate, capital reinvestment, resource allocation, self-sufficiency, rate of inflation and balance of payments position, among others. The Chinese economy has experienced significant growth in the past several years, but such growth has been uneven among various sectors of the economy and geographic regions. Actions by the Chinese government to control inflation have significantly restrained economic expansion in the recent past. Similar actions by the Chinese government in the future could have a significant adverse effect on economic conditions in China.

3. GOING CONCERN, continued

The Company's operating assets and primary sources of income and cash flows originate in China. The Chinese economy has, for many years, been a centrally planned economy, operating on the basis of annual, five-year and ten-year state plans adopted by central China governmental authorities, which set out national production and development targets. The government of China has been pursuing economic reforms since it first adopted its "open-door" policy in 1978. There is no assurance that the government of China will continue to pursue economic reforms or that there will not be any significant change in its economic or other policies, particularly in the event of any change in the political leadership of, or the political, economic or social conditions in China. There is also no assurance that the Company will not be adversely affected by any such change in governmental policies or any unfavorable change in the political, economic or social conditions, the laws or regulations, or the rate or method of taxation in China. As many of the economic reforms, which have been or are being implemented by the Chinese government, are unprecedented or experimental, they may be subject to adjustment or refinement, which may have adverse effects on the Company. Further, through state plans and other economic and fiscal measures, it remains possible for the government of China to exert significant influence on the Chinese economy.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed interim financial statements have been prepared using accounting policies consistent with those used in the preparation of the audited consolidated financial statements as at December 31, 2012. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2012 except as noted below.

The Company adopted the following standards and amendments effective January 1, 2013.

IFRS 13, Fair Value Measurement, explains how to measure fair value by providing a clear definition and introducing a single set of guidance for (almost) all fair value measurements. It clarifies how to measure fair value when a market becomes less active and improves transparency through additional disclosures. Disclosures required under IFRS 13 is incorporated in the Company's consolidated financial statements

IAS 28, Investments in Associates and Joint Ventures, was amended and this amendment requires any retained portion of an investment in an associate or joint venture that has not been classified as held for sale to be measured using the equity method until disposal. After disposal, if the retained interest continues to be an associate or joint venture, the amendment requires it to continue to be accounted for under the equity method. The amendment also disallows the re-measurement of any retained interest in an investment upon the cessation of significant influence or joint control. This amendment had no impact on the Company's consolidated financial statements.

(Unaudited – Expressed in Canadian Dollars)

5. SHORT TERM LOANS

The Company's short term loans consisted of borrowings from a private lender and from various banks in China as follows:

Short term borrowing from a private lender:

As at December 31, 2012	$	623,222
Foreign Currency Adjustment		-
As at March 31, 2013	$	623,222

During the year ended December 31, 2012, the Company renewed the short term borrowing from a private lender. The loan principal amount as of March 31, 2013 is $623,222 and bear interest at 11.50 % per annum. The short term borrowing is due on demand and does not have any attached covenants.

Short term bank loans as at March 31, 2013:

Loan amount in CAD	Loan amount in RMB	Maturity Date	Interest rate per annum	Lender
$ 490,196	3,000,000	July 28, 2012	7.71%	Agricultural Bank of China
4,575,163	28,000,000	July 28, 2012	7.71%	Agricultural Bank of China
1,633,987	10,000,000	April 18, 2012	7.71%	Agricultural Bank of China
1,598,039	9,780,000	March 28, 2012	7.71%	Agricultural Bank of China
9,803,922	60,000,000	June 9, 2012	6.81%	Agricultural Bank of China
800,151	4,896,922	June 16, 2012	6.81%	Agricultural Bank of China
13,071,895	80,000,000	June 20, 2012	6.81%	Agricultural Bank of China
13,429,782	82,190,263	February 25, 2012	11.97%	Bank of Communication
3,171,156	19,407,477	August 26, 2012	7.22%	Bank of China
537,994	3,292,523	September 29, 2012	7.22%	Bank of China
1,143,791	7,000,000	September 7, 2013	7.20%	Huishang Bank
1,307,190	8,000,000	September 8, 2013	7.20%	Huishang Bank
4,901,961	30,000,000	December 17, 2011	9.09%	Construction Bank of China
2,759,587	16,888,674	December 23, 2011	9.09%	Construction Bank of China
$ 59,224,814	362,455,859			

(Unaudited – Expressed in Canadian Dollars)

5. SHORT TERM LOANS, continued

Short term bank loans as at December 31, 2012:

Loan amount in CAD	Loan amount in RMB	Maturity Date	Interest rate per annum	Lender
$ 479,103	3,000,000	July 28, 2012	7.71%	Agricultural Bank of China
4,471,629	28,000,000	July 28, 2012	7.71%	Agricultural Bank of China
8,931,821	55,928,387	June 9, 2012	6.81%	Agricultural Bank of China
3,194,021	20,000,000	June 16, 2012	6.81%	Agricultural Bank of China
12,776,083	80,000,000	June 20, 2012	6.81%	Agricultural Bank of China
2,714,918	17,000,000	July 25, 2012	7.08%	Agricultural Bank of China
13,125,870	82,190,263	February 25, 2012	7.98%	Bank of Communication
3,140,734	19,666,333	August 26, 2012	7.22%	Bank of China
525,819	3,292,523	August 26, 2012	7.22%	Bank of China
1,117,907	7,000,000	September 7, 2013	7.20%	Huishang Bank
1,277,608	8,000,000	September 8, 2013	7.20%	Huishang Bank
4,791,031	30,000,000	December 17, 2011	9.09%	Construction Bank of China
2,713,109	16,988,674	December 23, 2011	9.09%	Construction Bank of China
$ 59,259,655	371,066,180			

During the three months ended March 31, 2013, the Company reduced loan balances of $34,841 (RMB 8,610,322) with various banks.

On April 18, 2013, the Company has signed a loan refinancing agreement with Agricultural Bank of China. The agreement details the repayment of all existing short term loans totaling $33,321,632 (RMB 203,928,387) with Agriculture Bank as of December 31, 2012. The Company will repay $6,250,239 (RMB 38,251,465) during the year ended December 31, 2013, $13,071,895 (RMB 80,000,000) during the year ended December 31, 2014 and $13,999,497 (RMB 85,676,922) during the year ended December 31, 2015. The Company has made the first scheduled payment of $1,348,279 (RMB 8,251,465) as of March 31, 2013.

Excluding the loans with Agricultural Bank of China and Huisheng Bank, loans with three banks were matured and not repaid. These banks have not demanded immediate repayment of these remaining loans and the Company is currently in discussion with the banks to formally renew these loans. The Company has had a history of successfully renewing these loans since 2008. There is no certainty that the Company will be successful in renewing these loans (see also Note 3), although the Company believes that these loans will eventually be renewed.

The assets of the Company's subsidiaries including inventory and property, plant and equipment have been pledged as collateral for these bank loans. For the three months ended March 31, 2013, the weighted average interest capitalization was nil% (2012 – nil%).

(Unaudited – Expressed in Canadian Dollars)

6. RELATED PARTIES TRANSACTIONS AND BALANCES

a) Transactions with key management personnel

Key management personnel are those persons who have the authority and responsibility for planning, directing, and controlling activities of the Company directly or indirectly, including any external director of the Company.

Remuneration of key management of the Company is comprised of the following expenses:

	3 Months	
	2013	**2012**
Short-term employee benefits (including salaries, Bonuses, fees and social security benefits)	$ 181,504	$ 280,546
Share-based benefits	$ 329,216	$ 396,938
Total remuneration	$ 510,720	$ 677,484

Certain executive officers are subject to termination benefits. Upon resignation at the Company's request or in the event of a change in control, they are entitled to termination benefits ranging from 24 to 36 months of gross salary, totaling approximately $1,200,000.

Key management did not exercise stock options granted under the Company's stock option plan in the three months ended March 31, 2013.

b) Amount due to related parties

As of March 31, 2013, the Company obtained loans of $8,521,247 from the Company's Chairman and Chief Executive Officer (the "Lender"). These loans bore interest at China's 10-year benchmark government bond rate plus 11% per annum and not to be settled within a year to the balance sheet date. The loan proceeds were used for corporate working capital purposes to fund the operations of the Company. The total amount due to the Lender including accrued interest was $9,166,443.

(Unaudited – Expressed in Canadian Dollars)

6. RELATED PARTIES TRANSACTIONS AND BALANCES, continued

c) Subsidiaries

The following are the subsidiaries of the Company:

Subsidiaries	Jurisdiction of incorporation	Ownership interest 2012	2011
Agriculatural High Tech Development Limited	Marshall Islands	100%	100%
Anhui Bengbu HN Stevia High Tech Development Company Limited	China	100%	100%
Chuzhou Runhai Stevia High Tech Company Limited	China	100%	100%
Dontai Runyang Stevia High Tech Company Limited	China	100%	100%
Qingdao Runde Biotechnology Company Limited	China	100%	100%
Qingdao Runhao Stevia High Tech Company Limited	China	100%	100%
GLG Life Tech US, Inc.	USA	100%	100%
Dr. Zhang's All Natural and Zero Calorie Beverage and Foods Company	Hong Kong, China	80%	80%
Dr. Zhang's All Natural and Zero Calorie Beverage and Foods (Anhui) Limited	China	80%	80%
Dr. Zhang's All Natural and Zero Calorie Beverage and Foods (Shanghai) Limited	China	80%	0%
Dr. Zhang's All Natural and Zero Calorie Stevia Solution Company Ltd.	Hong Kong, China	80%	80%
GLG Weider Sweet Naturals Corporation	Canada	55%	55%

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

7. SHARE CAPITAL

Changes in share capital during the three months ended March 31, 2013 are as follows:

	Number of Shares	Amount
Balance at December 31, 2012	**32,915,634**	**$ 190,449,847**
Stock-based compensation on previously issued restricted shares	-	184,050
Balance at March 31, 2012	**32,915,634**	**$ 190,633,897**

(Unaudited – Expressed in Canadian Dollars)

8. SUPPLEMENTARY INFORMATION

Supplementary cash flow information is as follows:

		2013		**2012**
Accounts receivable	$	2,607,289	$	948,933
Taxes recoverable		541,574		427,124
Inventory		2,649,690		(315,703)
Prepaid expenses		157,050		893,602
Accounts payable and accruals		(3,984,782)		705,848
Interest payable		630,640		84,376
Deferred revenue		-		(114,730)
	$	2,601,461	$	2,629,450
Interest paid		932,767		1,367,672
Taxes paid		-		-

9. COST OF SALES AND EXPENSES

	Three months ended March 31			
		2013		2012
Cost of sales				
Direct cost of sales	$	2,996,680	$	887,592
Depreciation and amortization		664,416		86,675
Transfer from expenses		19,860		-
		3,680,956		974,267
Selling, general and administrative expenses				
Direct expenses	$	1,672,212	$	2,671,708
Depreciation and amortization		69,600		62,599
	$	1,741,812	$	2,734,307
Supplementary information:				
Employee benefits	$	482,071	$	846,477

(Unaudited – Expressed in Canadian Dollars)

10. LOSS PER SHARE

The following table set forth the calculation of the basic and diluted loss per share for the three months ended March 31, 2013 and 2012.

	31-Mar-13	31-Mar-12
Numerator:		
Net Loss after tax	(3,693,480)	(3,855,022)
Denominator:		
Weighted average number of shares outstanding - basic	32,915,634	32,915,634
Effective of diluted securities		
Employeee Stock Options	-	-
Warrants	-	-
Weighted average number of shares outstanding - diluted	32,915,634	32,915,634
Loss per share - basic	(0.11)	(0.12)
Loss per share - diluted	(0.11)	(0.12)

The total number of anti-dilutive options that were out of the money and therefore excluded from the calculation for the three months ended March 31, 2013 was 238,506 (2012 – 133,603).

11. SEGMENTED INFORMATION

The Company's business operates primarily through two reportable business segments, Stevia Products and Consumer Products.

Stevia Products segment is the manufacturing and sales of a refined form of stevia which has operations in China and North America. Consumer Products segment is the sales and distribution of stevia sweetened consumer food and beverage products in China.

The Company's chief operating decision makers are the CEO and CFO. They review the operations and performance of the Company by segments, which include Stevia and Consumer Products. Segment results that are reported to the Company's chief decision makers include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The accounting policies of the segments are the same as those described in Note 2 to the Company's 2012 year end consolidated financial statements.

(Unaudited – Expressed in Canadian Dollars)

11. SEGMENTED INFORMATION, continued

The chief operating decision makers review adjusted operating profit as a key measure of performance for each segment and for purposes of making decisions on resource allocations. Adjusted operating profit is income before stock-based compensation expense, impairment of assets, finance costs, other income, and income taxes. This measure of segment's operating results differs from operating income in the consolidated statements of income. The majority of the segment's assets are located outside of Canada, in China. Information by reportable segments is as follows, which is regularly reported to the chief operating decision makers:

Three months ended March 31, 2013	**Stevia**	**Consumer Products**	**Corporate items & Elminations**	**Consolidated Totals**
Operating Revenue	$ 3,242,681	$ -	$ -	$ 3,242,681
Operating Costs (1)	(5,809,688)	-	140,410	(5,669,278)
Adjusted Operating Loss	$ (2,180,191)	$ -	$ 140,410	(2,426,597)
Stock based compensation expense (1)	246,510			246,510
Operating Loss	$ (2,320,497)	$ -	$ 140,410	$ (2,180,087)
Finance costs	(1,834,191)			(1,834,191)
Other income, net	291,018			291,018
Income before income taxes & Minority Interest	$ (3,863,670)	$ -	$ 140,410	$ (3,723,260)
Additions to PP&E	1,695	-	-	1,695
Total Assets	$ 96,367,098	$ 2,113,106	$ -	$ 98,480,204
Income taxes paid	$ -	$ -		$ -

(1) Included with operating costs in consolidated statements of income.

Three months ended March 31, 2012	**Stevia**	**Consumer Products**	**Corporate items & Elminations**	**Consolidated Totals**
Operating Revenue	$ 827,459	$ 64,659	$ -	$ 892,118
Operating Costs (1)	(374,983)	(2,791,361)		(3,166,344)
Adjusted Operating Profit (loss)	$ 452,476	$ (2,726,703)	$ -	$ (2,274,226)
Stock based compensation expense (1)	(542,230)	-		(542,230)
Operating loss	$ (89,753)	$ (2,726,703)	$ -	$ (2,816,456)
Finance costs	(1,372,494)	-		(1,372,494)
Other income, net	186,963	67,333		236,591
Income before income taxes & Minority Interest	$ (1,275,284)	$ (2,659,370)	$ -	$ (3,952,359)
Additions to PP&E	27,609	-		27,609
Total Assets	$ 133,954,550	$ 7,461,472	$ -	$ 141,416,022
Income taxes paid	$ -	$ -	$ -	$ -

(1) Included with operating costs in consolidated statements of income.

(Unaudited – Expressed in Canadian Dollars)

11. SEGMENTED INFORMATION, continued

Revenue to external customers by geographical locations is as follows:

	Three months ended			
		31-Mar-13		31-Mar-12
China	$	2,487,824	$	744,456
North America		754,857		147,662
	$	3,242,681	$	892,118

During the three months ended March 31, 2013, two customers (2012 – two customers) of the Stevia CGU individually represented 10% or more of total consolidated revenue. The sales to these customers represented 48% (2012 – 23%) of total consolidated revenue.

12. SEASONALITY

GLG's stevia business is affected by seasonality. The harvest of the stevia leaves typically start at the end of July and continue through to the fall of each year. GLG's operations in China are also impacted by Chinese New Year celebrations during the month of January or February each year, during which many businesses close down operations for approximately two weeks. GLG's production year runs from October to September whereby raw materials are converted into WIP and finished goods.

13. COMMITMENTS

a) Operating leases

The Company renewed two five-year operating leases with respect to land and production equipment at the Qingdao factory in China. The leases expire in 2016, and the annual minimum lease payments are approximately $163,000 (RMB 1,000,000).

The Company entered into a thirty-year agreement with the Dongtai City Municipal Government, located in the Jiangsu Province of China, for approximately 50 acres of land for its seed base operation. Rent of approximately $129,000 (RMB 790,000) is paid every 10 years.

The Company entered into a five-year agreement for office premises located in Vancouver, Canada beginning June 1, 2011. The annual minimum lease payments are approximately $145,000.

(Unaudited – Expressed in Canadian Dollars)

13. COMMITMENTS, continued

a) Operating leases, continued

The minimum operating lease cash payments related to the above are summarized as follows:		Amounts
2013	$	264,961
2014		309,917
2015		311,293
2016		224,789
2017		-
Thereafter		258,000
	$	1,368,960

b) Marketing and promotional contracts

The Company entered into various marketing and promotional short term contracts to support the consumer business promotional campaigns. The total commitments as of March 31, 2013 are approximately $35,000 (RMB 216,667).

c) Investment in Juancheng

In April 2008, the Company signed a twenty year agreement with the government of Juancheng County in the Shandong Province of China, which gave the Company exclusive rights to build and operate a stevia processing factory as well as the exclusive right to purchase high quality stevia leaf grown in that region. The agreement requires the Company to make a total investment in the Juancheng County of $58,998,000 (US$60,000,000) over the course of the twenty year agreement to retain its exclusive rights. As of March 31, 2013, the Company has not made any investment in the county and there is no liability if the Company eventually does not make any investment in the region. However, the Company may lose its exclusivity right if no investment is made by the end of the term of the agreement.

14. CONTINGENT LIABILITIES

On December 14, 2011, a putative class action lawsuit was filed against the Company, its Chief Executive Officer and Chief Financial Officer in the U.S. District Court for the Southern District of New York. On January 26, 2012, a very similar putative class action lawsuit against the same defendants was filed in the U.S. District Court for the Southern District of New York. These lawsuits were consolidated into a single case on March 21, 2012, and a consolidated complaint was filed on May 10, 2012. On August 31, 2012, the company was served with proposed class action law suits filed in the Supreme Court of British Columbia and in the Ontario Superior Court of Justice. The Company has reviewed the allegations in the consolidated

14. CONTINGENT LIABILITIES, continued

complaint and the Canadian claims, which concern certain purported misrepresentations and omissions in the Company's public filings, and believes that these allegations are completely without merit.

The Company has retained counsel and will defend itself vigorously in these matters. For the US action, the plaintiffs filed an amended consolidated complaint on March 15, 2013 after the defendants filed a motion to dismiss the proceeding. The defendants filed a motion to dismiss the amended consolidated complaint on March 29, 2013, which remains pending. For the Canadian matter, the Company is awaiting the completion of service and the appointment of a case management judge which is likely to take several months. For the Canadian matter, in order to hold the Canadian matter in abeyance pending further developments in the U.S. litigation, the Plaintiff proposed and the Company agreed to a tolling agreement that postpones the running of the limitation period for the claims under the B.C. and Ontario Securities Acts until the Plaintiff or the Company provides 30 days' notice terminating the tolling agreement.

The outcome of all the proceedings and claims against the Company, including the matters described above, is subject to future resolution that includes the uncertainties of litigation. Based on information currently known to the Company, management believes that it is not probable that the ultimate resolution of any such proceedings and claims, individually or in the aggregate, will have a material adverse effect on the consolidated financial position or results of operations. If it becomes probable that the Company is liable, a provision will be recorded in the period in which the change in probability occurs, and such a provision could be material to the consolidated financial position and results of operations.

15. COMPARATIVE FIGURES

Certain figures in the prior year consolidated financial statements have been reclassified to conform to the current year presentation.

16. EVENTS AFTER REPORTING DATE

On April 18, 2013, the Company has signed a loan refinancing agreement with Agricultural Bank of China. The agreement details the repayment of all existing short term loans totaling $33,321,632 (RMB 203,928,387) with Agriculture Bank as of December 31, 2012. The Company will repay $6,250,239 (RMB 38,251,465) during the year ended December 31, 2013, $13,071,895 (RMB 80,000,000) during the year ended December 31, 2014 and $13,999,497 (RMB 85,676,922) during the year ended December 31, 2015. The Company has made the first scheduled payment of $1,348,279 (RMB 8,251,465) as of March 31, 2013.

On May 21, 2013, the Company provided an update on the review by the regulatory authorities. Following the cease trade order issued on May 2, 2012 by British Securities Commission (the "BCSC"), and subsequently adopted by the other Canadian securities regulators in jurisdictions where GLG is a reporting issuer, the BCSC launched a continuous disclosure review in September 2012. The Company expected that it is now nearing completion of that process and will be able to then file its year-end financial reports including its annual audited Financial Statements, Management Discussion and Analysis, Annual Information Form, and CEO and CFO Certifications for the period ending December 31, 2012 shortly.

16. EVENTS AFTER REPORTING DATE, continued

The main reasons for the delay in filing were due to third party valuation reports required to support its transition from US GAAP to IFRS and in particular to look at tangible and intangible assets impairment testing and to meet the BCSC's information request as part of the Continuous Disclosure review. 2012 is the first year that the Company is reporting under IFRS. The Company will re-file its financial statements for the nine month period ended September 30, 2012 and related MD&A to correct an error associated with its IFRS impairment testing.

On June 7, 2013, the Company's 100% owned US subsidiary obtained a loan of (US$3,500,000) from the Company's Chairman and Chief Executive Officer (the "Lender"). This loan bore interest at China's 10-year benchmark government bond rate plus 11% per annum. The Company's subsidiary took out the loan to strengthen the Company's consolidated working capital position at the request of a major new customer in China. The loan has the same term (3 years), terms and conditions as the existing loan with the Lender and does not have any attached covenants.