GLG Life Tech Corporation Announces Financial Results and Filing of Amended and Restated Results

VANCOUVER, British Columbia, June 10, 2013 (GLOBE NEWSWIRE) -- GLG Life Tech Corporation (TSX:GLG) ("GLG" or the "Company"), a vertically-integrated leader in the agricultural and commercial development of high quality stevia, announces financial results for the quarter ended March 31, 2013 and the year ended December 31, 2012. The Company is also filing restated and amended results for the period ending September 30, 2012. Complete results are available on SEDAR and on the Company's website www.glglifetech.com.

The main reasons for the delays in filing, and the restated filing, were third party valuation reports that were required to support balance sheet amounts when transitioning from US GAAP to IFRS. In particular, reports were required to test tangible and intangible asset impairment and to meet the British Columbia Securities Commission's information request as part of the Company's Continuous Disclosure review.

The Company is in the final stages of the Continuous Disclosure Review with the British Columbia Securities Commission and expects the current Cease Trade Order to be lifted shortly now that the Company has completed these updated filings.

Beginning January 1, 2011, GLG was considered an SEC issuer under National Instrument 52-107 ("NI 52-107"), which allowed SEC issuers, defined by NI 52-107 as an issuer that has a class of securities registered under Section 12 of the Exchange Act of 1934 (the "Exchange Act"), or is required to file reports under Section 15(d) of the Exchange Act, to file with Canadian securities regulators financial statements prepared in accordance with US GAAP. As a result, the Company prepared its financial statements in accordance with US GAAP.

Subsequent to the Company's deregistration under Sections 12(b) and 12(g) of the Exchange Act, which became effective on or about September 9, 2012, and September 20, 2012, the Company's obligation to file reports under Section 15(d) of the Exchange Act was suspended and the Company no longer qualified as an SEC Issuer under NI 52-107. Accordingly, the Company was subsequently required to prepare financial statements in accordance with IFRS.

Amended and Restated Financial Results for the period ending September 30, 2012

The initial filing of financial results prepared under IFRS was for the nine month period ending September 30, 2012. These results are now being re-filed to reflect a third party review associated with IFRS impairment testing, and most notably include the additional write-down of $58.4 million in Property Plant and Equipment and $27.9 million in intangible assets recorded on the amended balance sheet dated December 31, 2011 compared with the original balance sheet at the same date in the originally filed IFRS statements for the period ending September 30, 2012. The net loss attributed to the Company increased from $95.1 million to $176.9 million due to the increased impairment charges recognized in the restated financial statements. The net loss decreased to $23.0 million compared with $30.1 million as previously reported due to lower amortization charges for the nine months ending September 30, 2012.

2012 FISCAL YEAR HIGHLIGHTS

Stevia sales increased by 23% year over year to $21.1 million. The Company has successfully refocused its sales efforts on its core stevia business and increased its quarterly sales in each quarter of the 2012 fiscal year.

Net loss attributable to the Company decreased by 81% from $176.9 million in 2011 (restated to comply with IFRS) to $34.0 million in 2012. Net cash generated from operations improved by $34.1 million, from cash used of $32.3 million in 2011 to cash generated of $1.9 million in 2012.

Gross loss during the year was $5.2 million, which was impacted by low plant utilization and related capacity charges during the year of $7.5 million.

Selling General and Administration expenses were reduced by $33.3 million in the period ending December 31, 2012 compared with the previous year.

Balance sheet improvements include reduction in inventory of $35.1 million, reduction of $10.6 million short term debt and a reduction of $7.4 million in accounts payable. Working capital deteriorated, from a deficit of $9.8 million in 2011 to a deficit of $33.8 million in 2012. The negative working capital has been driven by the total of $38.4 million of inventory impairment charges recognized since year end 2011.

The Company has worked closely with its banks to manage the existing short term debt situation that weakens working capital. After the fiscal year end, the Company signed a loan refinancing agreement with Agricultural Bank of China, and $32.6 million in short term loans with the Agricultural Bank of China have been successfully refinanced with repayments over 36 months.

Results from 2012 Operations

The following results from operations have been derived from and should be read in conjunction with the Company's annual consolidated financial statements for the three and twelve month periods ended December 31, 2012 and 2011. The Company has reclassified certain of the figures presented for comparative purposes to conform to the financial statement presentation adopted in the current period. Complete results are available on SEDAR and on the Company's website www.glglifetech.com.

In thousands Canadian $, except per share	3 Months Ended Dec 31		% Change	Year Ended Dec 31		% Change
amounts	2012	2011		2012	2011	
Revenue	$8,277	$473	1649%	$21,709	$24,840	(13%)
Cost of Sales	$9,938	$3,205	210%	$26,958	$26,422	2%
% of Revenue	120%	677%	(557%)	124%	106%	18%
Gross Profit (Loss)	($1,661)	($2,732)	(39%)	($5,250)	($1,582)	232%
% of Revenue	(20%)	(577%)	557%	(24%)	(6%)	(18%)
Expenses	$2,989	$14,243	(79%)	$12,139	$45,451	(73%)
% of Revenue	36%	3010%	(2974%)	56%	183%	(127%)

Loss from Operations	($4,651)	($16,975)	(73%)	($17,389)	($47,033)	(63%)
% of Revenue	(56%)	(3587%)	3531%	(80%)	(189%)	109%
Other Expenses	($7,060)	($130,108)	(95%)	($17,349)	($134,082)	(87%)
% of Revenue	(85%)	(27495%)	27409%	(80%)	(540%)	460%
Net Loss before Income Taxes and Non-Controlling Interests	($11,710)	($147,083)	(92%)	($34,738)	($181,115)	(81%)
% of Revenue	(141%)	(31082%)	30940%	(160%)	(729%)	569%
Net Loss after Income Taxes and Non-Controlling Interests	($11,514)	($146,208)	(92%)	($34,028)	($176,912)	(81%)
Loss per share (Basic & Diluted)	($0.34)	($4.56)	(93%)	($1.03)	($5.52)	(81%)
Total Comprehensive Loss	($11,097)	($147,073)	(92%)	($37,010)	($168,344)	(78%)
% of Revenue	(134%)	(31080%)	30946%	(170%)	(678%)	507%

Revenue

Revenue for the three months ended December 31, 2012 which was derived from stevia sales and the sale of consumer beverage products was $8.3 million, an increase of 1650% compared to $0.5 million in revenue for the same period last year. For the three months ended December 31, 2012, the total sales of $8.3 million are composed of stevia sales of $8.2 million ($0.2 million 2011) and consumer product sales of $0.1 million ($0.3 million 2011).

Revenue for the twelve months ended December 31, 2012 was $21.7 million compared to $24.8 million for the same period in 2011, a decrease of 13% compared to revenue for the same period last year. The total revenue was composed of $21.1 million for stevia sales ($17.1 million 2011) and $0.6 million ($7.7 million 2011) for consumer products sales.

As at December 31, 2012, 100% of the Company's sales are in foreign currencies and translated into Canadian dollars for financial reporting purposes.

Stevia Business

Stevia sales of $8.2 million for the three months ended December 31, 2012 are net of intersegment sales to AN0C. Stevia sales for the fourth quarter 2012 were up by 2620% compared to the fourth quarter in 2011, which was driven by higher demand for the Company's products during the fourth quarter from its customers.

Stevia sales of $21.1 million, for the twelve months ended December 31, 2012 are net of intersegment sales to AN0C. Stevia sales for the twelve months ended December 31, 2012 were up by 23% over $17.1 million sales in the comparable period in 2011.

There are a number of factors that have led to the increase in stevia sales during the twelve months ended December 31, 2012 over the twelve months ended December 31, 2011:

1. The Company increased the number of distributors and customers purchasing its products both in China and internationally.

2. New markets that approved stevia's use such as Europe and Canada increased demand for the Company's products.
3. The Company was no longer restricted from providing product directly to Multinational Customers (MNC's) under its supply agreement with Cargill starting in the fourth quarter of 2011 which allowed it to target and win some of these customers in 2012.
4. The Company's formulation services from AN0C Stevia Solutions provided value added services to existing and new customers which also increased revenues.
5. The Company significantly decreased its product pricing in the fourth quarter of 2011 to react to increased competition in the marketplace. Pricing was reduced between 30 to 50% at the end of 2011 and was in effect for all of 2012.
6. The Company's price decreases during 2012 attracted additional Asian based customers and sales in 2012 for lower purity stevia extracts.

AN0C Consumer Products Business

The Company's consumer products business, AN0C, had sales of $0.1 million in the fourth quarter of 2012 compared to $0.3 million during the comparable period for 2011. Q4 2012 sales primarily consisted of the sale of raw materials and only a minor amount of AN0C consumer products was sold in the fourth quarter.

Consumer product revenue for the twelve months ended December 31, 2012 was $0.6 million compared to $7.7 million for the same period in 2011, a decrease of 93% compared to revenue for the same period last year. The Company had limited financial resources for marketing and promotion available during the twelve months ended, December 31, 2012 and the result of a lower advertising and marketing promotions spend is reflected in the lower sales in the period. The Company had limited its products offering to the following product SKU's during the twelve months ended December 31, 2012: Ready to Drink Green and Jasmine Tea (zero calorie); Zero Calorie Tabletop products; Zero Calorie Flavoured Vitamin Enriched Waters (3 Flavours); and Reduced Calorie Functional Health drinks sweetened with stevia.

Cost of Sales

Cost of sales for the three months ended December 31, 2012 was $9.9 million compared to $3.2 million in cost of sales for the same period last year. Cost of sales as a percentage of revenues was 120% compared to 677% in the fourth quarter of 2011. This was composed of $9.5 million for the stevia business and $0.4 million for the consumer products business.

Cost of sales for the twelve months ended December 31, 2012 was $26.9 million compared to $26.4 million for the same period in 2011. This was composed of $26.1 million for the stevia business and $0.8 million for the consumer products business.

Stevia Business

For the three months ended December 31, 2012 the cost of sales related to the stevia business was $9.5 million compared to $2.9 million in cost of sales for the same period last year ($6.6

million increase or 128%) which are due to higher stevia sales in the fourth quarter of 2012 compared to the same period in 2011.

Cost of sales for the three months ended December 31, 2012 for stevia as a percentage of revenues was 116% compared to 1626% in the same period last year. Cost of sales as a percentage of revenue declined in 2012 (116%) compared to the same period in 2011 (1626%) as the depreciation charges as a percentage of costs of sales have reduced in 2012 in the fourth quarter of 2012 compared to in the same period of 2011 due to the impairment charges against PP&E realized at the end of 2011. Capacity charges of $2.1 million in cost of sales compared to those charges incurred in 2011 of $2.1 million. Capacity charges would ordinarily flow to inventory during periods of normal capacity operations and therefore were the major factor in driving cost of sales higher than the actual revenue generated in the fourth quarter.

Cost of sales for the twelve months ended December 31, 2012 for stevia as a percentage of revenues was 124% compared to 116% in the same period last year. For the twelve months ended December 31, 2012 the cost of sales related to the stevia business was $26.1 million compared to $19.9 million in cost of sales for the same period last year ($6.2 million increase or 31%). The 31% increase is primarily due to the higher volume of extract sold compared to the previous year. Stevia revenues were up 23% year over year as stated previously. There were lower fixed capacity charges in cost of sales in 2012 ($4.4 million) compared to those capacity charges incurred in 2011 ($7.5 million). Although lower in the twelve months ended December 31, 2012, these capacity charges would ordinarily flow to inventory during periods of normal capacity operations and therefore were the major factor in driving the cost of sales higher than the actual revenue generated in the twelve months ended December 31, 2012.

AN0C Consumer Products Business

For the three months ended December 31, 2012, cost of sales related to the consumer products business was $0.4 million and includes costs associated with bottling the beverage products, supplies and ingredients used to manufacture the beverages, and shipping the products to the different distribution channels. The majority of the cost of goods sold in the fourth quarter related to the sale of raw material inventory.

For the twelve months ended December 31, 2012, cost of sales related to the consumer products business was $0.8 million compared to $6.5 million for the year ended in 2011 reflecting lower sales of AN0C products in 2012.

Gross Profit (loss)

Gross loss for the three months ended December 31, 2012 was $1.7 million compared to a $2.7 million gross loss for the comparable period in 2011. The gross profit margin for the three months period ended December 31, 2012 for the Company as a whole was negative 20% compared to negative 578% for the three months ended December 31, 2011. The main contributors to the negative gross profit were (1) the high fixed non-cash charges driven by lower utilization of stevia facilities in the quarter that would ordinarily flow to inventory during periods of higher plant utilization, and (2) price decreases during the year for lower purity products that

resulted in gross loss on the sale of those products. The gross loss as a percentage of revenue did improve in the fourth quarter of 2012 due to significantly higher revenues in 2012 compared to the revenues generated in the fourth quarter 2011. These fixed capacity charges ordinarily would ordinarily flow to inventory; however, only one of GLG's manufacturing facilities was operating during the quarter. Capacity charges of $2.1 million in the fourth quarter 2012 cost of sales compare capacity charges of $2.1 million in 2011. Capacity charges would ordinarily flow to inventory during periods of normal capacity operations and therefore were the major factor in drive cost of sales higher than the actual revenue generated in the fourth quarter. The impairment losses realized at the end of 2011 did reduce the amount of depreciation that flowed through cost of sales and through the capacity and other fixed charges during the fourth quarter 2012 compared to those charges realized in the cost of sales in the comparable period in 2011.

Gross loss for the twelve months ended December 31, 2012 was $5.3 million compared to a gross loss of $1.6 million for the comparable period in 2011. The gross profit margin for the twelve month period ended December 31, 2012 for the Company as a whole was negative 24% compared to negative 6% for the comparable period in 2011. The main contributors to the negative gross profit were (1) the high fixed non-cash charges driven by lower utilization of stevia facilities in the quarter that would ordinarily flow to inventory during periods of higher plant utilization, and (2) price decreases during the year for lower purity products that resulted in gross loss on the sale of those products. These fixed capacity charges ordinarily would ordinarily flow to inventory; however, only two of GLG's manufacturing facilities was operating during 2012. These capacity and other fixed charges were $4.4 million in 2012 compared to $6.5 million in capacity charges in 2011. Additionally some lower purity products were sold below cost in the third and fourth quarters which also resulted in further inventory write downs during the year and accounted for the remaining negative gross loss for the twelve months ended December 31, 2012. The impairment losses realized at the end of 2011 did reduce the amount of depreciation that flowed through cost of sales and through the capacity and other fixed charges during the twelve months ended 2012 compared to those charges realized in the cost of sales in the comparable period in 2011.

Stevia Business

The gross loss of $1.3 million for the stevia business for the fourth quarter of 2012 decreased by $1.4 million compared to the fourth quarter gross loss of $2.7 million in 2011. Gross profit was negative in the fourth quarter 2012 for the reasons described earlier.

For the twelve months ended December 31, 2012, the gross loss on revenue was $5.0 million compared to a gross loss of $2.8 million in 2011. Gross profit was negative in the full year ended December 31, 2012 for the reasons described earlier.

AN0C Consumer Products Business

The gross loss in the fourth quarter of 2012 of $0.3 million was driven by the sale of raw material inventory at a loss from the original purchase price compared to the fourth quarter gross loss of $0.02 million in 2011. Gross margin on AN0C consumer products before shipping costs averaged 24% during the quarter.

For the twelve months ended December 31, 2012, the gross loss on revenue was $0.3 million compared to a gross profit of $1.2 million in 2011. Gross margin on AN0C consumer products before shipping costs averaged 8%.

Selling, General, and Administration Expenses

Selling, General and administration ("SG&A") expenses include sales, marketing, general, and administration costs ("G&A"), stock-based compensation, and depreciation and amortization expenses on long lived assets. A breakdown of SG&A expenses into these components is presented below:

In thousands Canadian $	3 Months Ended Dec 31		% Change	Year Ended Dec 31		% Change
	2012	2011		2012	2011	
G&A Stevia	$2,453	$2,877	(15%)	$7,758	$9,855	(21%)
G&A AN0C	$355	$3,485	(90%)	$2,259	$22,904	(90%)
Provision for receivables Stevia	$0	$5,915	(100%)	$0	$6,370	(100%)
Provision for receivables AN0C	$0	$35	(100%)	$0	$35	(100%)
Stock Based Comp	$137	$314	(56%)	$1,543	$2,700	(43%)
Amortization Stevia	$93	$1,521	(94%)	$390	$3,453	(89%)
Amortization AN0C	($49)	$96	(151%)	$190	$134	42%
Total	$2,989	$14,243	(79%)	$12,139	$45,451	(73%)

G&A for the stevia business for the three months ended December 31, 2012 was $2.5 million compared to $2.9 million in the same period in 2011. Management has taken steps to proactively reduce its G&A costs going forward as it works to rebuild its sales order book. At the end of December, the total number of employees in GLG's China stevia subsidiaries was 437, which is down from the 657 employees at the end of December 2011.

G&A for the consumer products business was $0.4 million for the three month period ended December 31, 2012 compared to $3.5 million for the same period last year or a 90% decrease from the prior year. 14% of these costs were related to advertising and marketing expenditures made in the quarter which were down from $1.8 million from the fourth quarter of 2011. At the end of December, the total number of employees in GLG's AN0C China subsidiaries was 24, which is down from the 357 employees at the end of December 2011.

The Company has reviewed its accounts receivables and has concluded that there is no impairment required in 2012 compared to an impairment provision made in 2011 for $6.4 million on previous stevia sales. This improvement reflects tighter credit and collection practices employed by the Company in 2012.

Stock-based compensation was $0.1 million for the three months ended December 31, 2012 compared with $0.3 million in the same quarter of 2011. The number of common shares available for issue under the stock compensation plan is a maximum of 10% of the issued and outstanding common shares. During the quarter, compensation from vesting stock based

compensation awards was recognized, due to previously granted options, new grants and restricted shares.

G&A related depreciation and amortization expenses for the three months ended December 31, 2012 were $0.1 million which is a decrease of $1.5 million over the $1.6 million at December 31, 2011. The main reason for the $1.5 million reduction is due to the prior year's impairment charges to the Company's tangible and intangible assets.

G&A for the stevia business for the twelve months ended December 31, 2012 was $7.8 million compared to $9.9 million in the same period in 2011. Overall stevia general and administration costs were down by approximately 17% in the twelve months ended 2012 over comparable costs in 2011. Management has taken steps to proactively reduce its G&A costs going forward as it works to rebuild its sales order book. At the end of December, the total number of employees in GLG's China stevia subsidiaries was 437, which is down from the 657 employees at the end of December 2011.

G&A for the consumer beverage business was $2.3 million for the twelve month period ended December 31, 2012 compared to $22.9 million for the prior period or a 90% decrease from the prior year. 35% of these costs were related to advertising and marketing expenditures made during the year, down from $15.1 million from the comparable period in 2011. At the end of December, the total number of employees in GLG's AN0C China subsidiaries was 24, which is down from the 357 employees at the end of December 2011.

Stock-based compensation was $1.5 million for the twelve months ended December 31, 2012 compared with $2.7 million in the same period in 2011. The decrease is due to no new grants were made during 2012. The number of common shares available for issue under the stock compensation plan is 10% of the issued and outstanding common shares. During the period, compensation from vesting stock based compensation awards was recognized, due to previously granted options and restricted shares.

G&A related depreciation and amortization expenses for the twelve months ended December 31, 2012 were $0.6 million compared with the $3.6 million at December 31, 2011. The $3.0 million reduction is due to the prior year's impairment charges to the Company's tangible and intangible assets.

Other Expenses

In thousands Canadian $	3 Months Ended Dec 31		% Change	Year Ended Dec 31		% Change
	2012	2011		2012	2011	
Other Expenses	($7,060)	($130,108)	(95%)	($17,349)	($134,082)	(87%)
% of Revenue	(85%)	(27495%)	27409%	(80%)	(540%)	460%

Other expenses for the three months ended December 31, 2012 was $7.0 million, a $123.1 million or 95% decrease compared to $130.1 million for the same period in 2011. Other expense decreases are driven by lower asset impairment losses of $5.4 million recognized during the fourth quarter of 2012 compared to the $128.3 million of impairment charges recognized for the

same period in 2011 (see section asset impairment charges). Interest expense increased by $0.5 million in the three months ended December 31, 2012 compared to December 31, 2011 due to higher average interest rate paid on outstanding loans during the quarter. Foreign exchange loss for the three months ended December 31, 2012 decreased by $0.6 million to $0.3 million gain from $0.3 million loss for the same period in 2011.

Other expenses for the twelve months ended December 31, 2012 was $17.3 million, a $116.8 million decrease compared to $134.1 million for the same period in 2011. Other expenses are driven by asset impairment losses of $128.3 million recognized during the year (see section in the MD&A - Asset Impairment Charges) and interest expenses of $6.9 million. Interest expense increased by $1.4 million in the twelve months ended December 31, 2012 compared to December 31, 2011 due to the higher average interest rate paid on loans. Foreign exchange losses decreased by $0.4 million to a $0.2 million gain in 2012 compared to a foreign exchange loss of $0.2 million for the same period in 2011.

Net Income (Loss) Attributable to the Company

In thousands Canadian $	3 Months Ended Dec 31		% Change	Year Ended Dec 31		% Change
	2012	2011		2012	2011	
Net Loss	($11,514)	($146,208)	(92%)	($34,028)	($176,912)	(81%)
% of revenue	(139%)	(30897%)	30758%	(157%)	(712%)	555%

For the three months ended December 31, 2012, the Company had a net loss attributable to the Company of $11.5 million compared to a net loss attributable to the Company of $146.2 for same period in 2011. The decrease of $134.7 million loss was driven by: (1) an increase in gross profit of $1.1 million, (2) a decrease in G&A expenses of $11.3 million, and (3) a decrease in other income and expenses of $123.1 million. These items were offset by a decrease in loss attributable to non-controlling interests of $0.7 million and an increase in income tax expense of $0.1 million.

For the twelve months ended December 31, 2012, the Company had a net loss attributable to the Company of $33.8 million, a reduction of $143.1 million in losses compared to the $176.9 million loss for the comparable period in 2011. The decrease in net loss was driven by: (1) by a decrease in G&A expenses of $33.4 million (2) a decrease in other income and expenses of $116.7 million, and (3) a decrease in income expense of $0.4 million. These items were offset by a decrease in gross profit of $3.7 million and a decrease in the loss attributable to non-controlling interests of $3.9 million.

Comprehensive Income

In thousands Canadian $	3 Months Ended Dec 31		% Change	Year Ended Dec 31		% Change
	2012	2011		2012	2011	
Net Loss	($11,514)	($146,208)	(92%)	($34,028)	($176,912)	(81%)
Other comprehensive income (loss)	$417	($884)	(147%)	($2,983)	$8,568	(135%)
Total comprehensive income (Loss)	($11,097)	($147,092)	(92%)	($37,010)	($168,344)	(78%)

The Company recorded total comprehensive loss of $11.1 million for the three months ended December 31, 2012, comprising $11.5 million of net loss attributable to the Company and $0.4 million of other comprehensive income. The Company recorded a total comprehensive loss of $147.0 million for the three months ended December 31, 2011, comprised of $146.2 million in net loss and $0.9 million in other comprehensive loss.

The Company recorded total comprehensive loss of $37.0 million for the twelve months ended December 31, 2012, comprising $34.0 million of net loss attributable to the Company and $3.0 million of other comprehensive loss. The Company recorded a total comprehensive loss of $168.3 million for the twelve months ended December 31, 2011, comprised of $176.9 million in net loss and $8.6 million in other comprehensive income.

The Company's other comprehensive income (loss) is solely made up of the currency translation adjustments recorded on the revaluation of the Company's investments in our Chinese and Hong Kong subsidiaries. The other comprehensive income (loss) is held in accumulated other comprehensive income until it is realized (i.e. the subsidiaries are sold), at which time it is included in net income (loss).

Liquidity and Capital Resources

In thousands Canadian $	31-Dec-12	31-Dec-11
Cash and Cash Equivalents	$3,582	$4,487
Working Capital	($33,854)	($9,801)
Total Assets	$103,065	$147,382
Total Liabilities	$95,377	$103,376
Loan Payable (<1 year)	$59,883	$70,574
Loan Payable (>1 year)	$8,673	$0
Total Equity	$7,688	$44,006

The Company has a working capital deficit of $33.9 million as of December 31, 2012 compared to a working capital deficit of $9.8 million for the comparable period in 2011. The negative working capital has been driven by the total of $38.4 million of inventory impairment charges that it has recognized since year end 2011. The Company has pursued the following actions to manage this situation during 2012. The Company has paid down short term loans by $9.8 million and refinanced this debt with longer term debt with its Chairman of $8.5 million. The Company has also reduced accounts payable by $7.4 million and negotiated with its creditors on extended payment terms. The Company has also worked closely with its commercial bankers to manage the existing short term debt situation. 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 (RMB 203,928,387) 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 $1,317,768 (RMB 8,251,465) as of March 31,

2013 and this agreement is improve the negative working capital situation going forward. The Company has also focused on reducing operating expenditures during 2012. For example general and administration costs excluding amortization and stock based compensation expenses have been reduced by $30.3 million during 2012 compared to the same period in 2011. The Company has also optimized production at two plants during 2012 to minimize additional investment in inventories and has focused converting existing inventories into cash. As discussed below in the cash flow section, the inventory account has been reduced by $35.1 million for the twelve months ended 2012. The Company has also focused on improvements to accounts receivable collections and credit management.

Balance Sheet

In comparison to December 31, 2011, total assets decreased by $44.3 million as at December 31, 2012, primarily due to a decrease in current assets of $40.7 million and a decrease in capital assets of $3.6 million. The decrease in the current assets was mainly driven by the following:

1. Decrease of $35.1 million in inventory.
2. Decrease in taxes recoverable of $2.9 million, which can be attributed to refundable VAT taxes on the increase in inventory.
3. Decrease in prepaid expenses of $3.0 million
4. Decrease in cash and cash equivalents of $0.9 million.

   These were offset by:

5. Increase of $1.3 million accounts receivable.

The decrease in property plant, and equipment of $3.6 million in the fixed assets was due to amortization of these assets.

Current liabilities decreased by $16.7 million as at December 31, 2012 in comparison to December 31, 2011, driven by a net decrease in short term loans of $10.7 million and a decrease accounts payable and deferred revenue of $7.5 million. This was offset by an increase of interest payable of $1.5 million.

Long term liabilities increased by $8.7 million due to the increase of related party loans.

Shareholders' equity decreased by $36.3 million due to a) increase from stock based compensation of $1.5 million b) the decrease in accumulated other comprehensive income of $2.9 million, c) an increase in deficit of $33.8 million, and d) a decrease in non-controlling interests of $1.0 million.

2013 Q1 HIGHLIGHTS

Stevia sales increased by 263% to $3.2 million in the period ending March 31, 2013 compared with the same period last year.

Net loss attributable to the Company decreased by 4% from $3.9 million in the same period in 2012 to $3.7 million in 2013. Net cash used by operating activities improved slightly, at $0.1 million compared with $0.2 million in the corresponding period in 2012.

Gross loss during the period was $0.4 million, which was impacted by low plant utilization and related capacity charges during the year of $0.5 million.

Selling General and Administration expenses were reduced by $1.0 million in the period ending March 31, 2013 compared with the previous year.

Results from Operations

The following results from operations have been derived from and should be read in conjunction with the Company's annual consolidated financial statements for 2012 and the condensed interim consolidated financial statements for the three month period ended March 31, 2013.

In thousands Canadian $, except per share amounts	3 Months Ended March 31		% Change
	2013	2012	
Revenue	$3,243	$892	264%
Cost of Sales	$3,681	$974	278%
% of Revenue	114%	109%	4%
Gross Profit (Loss)	($438)	($82)	434%
% of Revenue	(14%)	(9%)	(4%)
Expenses	$1,742	$2,734	(36%)
% of Revenue	54%	306%	(252%)
Loss from Operations	($2,180)	($2,816)	(23%)
% of Revenue	(67%)	(316%)	248%
Other Expenses	($1,543)	($1,136)	36%
% of Revenue	(48%)	(127%)	80%
Net Loss before Income Taxes and Non-Controlling Interests	($3,723)	$3,952	(194%)
% of Revenue	(115%)	443%	(558%)
Net Loss after Income Taxes and Non-Controlling Interests	($3,693)	($3,855)	(4%)
Loss per share (Basic & Diluted)	($0.11)	($0.12)	(5%)
Total Comprehensive Loss	($2,412)	($6,079)	(60%)
% of Revenue	(74%)	(681%)	606%

Revenue

Revenue for the three months ended March 31, 2013 which was derived from stevia sales and the sale of consumer beverage products was $3.2 million, an increase of 263% compared to $0.9 million in revenue for the same period last year. The total revenue was composed of $3.2 million for stevia sales and $0.0 million for consumer products sales.

Stevia Business

Stevia sales of $3.2 million for the three months ended March 31, 2013 were up by 292% compared to the stevia sales of $0.8 million in the prior period. This 292% increase in sales comparing the first quarter in 2013 to the first quarter in 2012 was driven by higher volumes of products sold compared to the prior year. Pricing on its high purity stevia extracts was flat compared to the pricing for the same period in 2012. Pricing for low purity stevia extracts was lower in the first quarter 2013 compared to the same period in 2012. Price reductions on lower purity products were lower in the range of 20 to 57% for the first quarter 2013 compared to the first quarter of 2012.

AN0C Consumer Products Business

The Company's consumer products business had sales of $0.0 million in the first quarter of 2013 compared to $0.1 million in the comparative period. This represents a 100% decrease compared to the sales in the previous period. The Company continues to have limited financial resources for marketing and promotion of its AN0C products and this is reflected in the lower sales in the period. There were only intercompany sales for the current period of $0.1 million which were eliminated for the consolidated results.

Cost of Sales

Cost of sales for the three months ended March 31, 2013 was $3.7 million compared to $1.0 million for the same period last year or an increase of 278%. Cost of sales as a percentage of revenues was 114% compared to 109% in the prior period, an increase of 5 percentage points. This was composed of $3.7 million for the stevia business and $0.0 million for the consumer products business. The costs of sales for the stevia business was up over the previous period due to higher volumes of products sold in the current period and cost of sales was also significantly impacted by the capacity charges to the cost of goods sold in the current period. These charges ordinarily would flow to inventory; however, only one of GLG's manufacturing facilities was operating during the first quarter and capacity and other fixed charges of approximately $0.5 million were included in the cost of sales.

Stevia Business

For the three months ended March 31, 2013 the cost of sales related to the stevia business was $3.7 million compared to $0.9 million in cost of sales for the same period last year ($2.8 million or 311% increase). Cost of sales for stevia as a percentage of revenues was 114% compared to 110% in the prior period, an increase of 4 percentage points. The cost of goods sold for the stevia business was higher in the current period over the previous period due to higher volumes of stevia product sold compared to the prior period. Cost of goods sold exceed revenues generated due to the capacity charges to the cost of goods sold that would ordinarily would flow to inventory. Only one of GLG's manufacturing facilities was operating during the first quarter and capacity charges of $0.5 million were charged to cost of sales compared to $0.3 million charged to cost of sales in 2012.

AN0C Consumer Products Business

For the three months ended March 31, 2013, cost of sales related to the consumer products business was $0.0 million compared to $0.1 million for the prior period. AN0C Consumer product costs of goods sold includes costs associated with bottling the beverage products, supplies and ingredients used to manufacture the beverages, and shipping the products to the different distribution channels.

The key factors that impact consumer product cost of sales and gross profit percentages in each period include:

- The price paid for OEM manufacturing and bottling
- Material costs (bottles, caps, labels)
- Ingredient costs
- Shipping costs

Gross Profit (Loss)

Gross loss for the three months ended March 31, 2013 was $0.4 million, an increase of 434% over $0.1 million in gross loss for the comparable period in 2012. The gross profit margin for the three month period ended March 31, 2013 for the Company as a whole was a negative 14% compared to a negative 9% for the three months ended March 31, 2012 or a decrease of 5 percentage points from the previous year. On a disaggregated basis stevia products had a gross margin of negative 14% and the consumer products had a gross loss of 0%. The gross margin in stevia products was significantly impacted by the capacity and other fixed charges to the cost of goods sold. These capacity charges ordinarily would ordinarily flow to inventory; however, only one of GLG's manufacturing facilities was operating during the quarter and capacity charges of approximately $0.5 million were incurred.

Stevia Business

The increase in gross loss for the stevia business for the first quarter of 2013 compared to the first quarter of 2012 can be attributed to the factors detailed in the cost of sales and revenues section. Gross profit for the first quarter 2013 was negative 14% compared to negative 10% for the previous period.

AN0C Consumer Products Business

For the AN0C consumer products business the gross profit was negative $0.0 million or negative 0% of revenues for the first quarter of 2013 compared with negative $0.0 million or 5% of revenues for the comparable period.

Selling, General, and Administration Expenses

Selling, General and administration ("SG&A") expenses include sales, marketing, general, and administration costs ("G&A"), stock -based compensation, and depreciation and amortization expenses on G&A fixed assets. A breakdown of SG&A expenses into these components is shown below:

In thousands Canadian $	3 Months Ended March 31		% Change
	2013	2012	
G&A Stevia	$1,342	$1,652	(19%)
G&A AN0C	$84	$477	(82%)
Stock Based Comp	$247	$542	(55%)
Amortization Stevia	$66	$60	10%
Amortization AN0C	$3	$3	7%
Total	$1,742	$2,734	(36%)

G&A for the stevia business for the three months ended March 31, 2013 was $1.3 million compared to $1.7 million in the same period in 2012 or a $0.4 million decrease year over year. The majority of the decrease was due to lower staff levels in the current period compared to the prior period.

G&A for the consumer beverage business was $0.1 million for the three month period ended March 31, 2013 compared to $0.5 million for the prior period.

Stock-based compensation was $0.2 million for the three months ended March 31, 2013 compared with $0.5 million in the same quarter of 2012. The number of common shares available for issue under the stock compensation plan is 10% of the issued and outstanding common shares. During the quarter, compensation from vesting stock based compensation awards was recognized, due to previously granted options and restricted shares.

G&A related depreciation and amortization expenses for the three months ended March 31, 2013 were $0.1 million compared to the $0.1 million for the prior period.

Other Expenses

In thousands Canadian $	3 Months Ended March 31		% Change
	2013	2012	
Other Expenses	($1,543)	($1,136)	36%
% of Revenue	(48%)	(127%)	80%

Other expenses for the three months ended March 31, 2013 was $1.5 million, a $0.4 million increase compared to $1.1 million for the same period in 2012. Other expenses were up during the first quarter due to increased interest expense on the Company's short and long term loans.

Net Income (Loss) Attributable to the Company

In thousands Canadian $	3 Months Ended March 31		% Change
	2013	2012	
Net Loss	($3,693)	($3,855)	(4%)
% of revenue	(114%)	(432%)	318%

For the three months ended March 31, 2013, the Company had a net loss attributable to the Company of $3.7 million, a decrease of $0.2 million over the comparable period in 2012 ($3.9 million loss). The decrease in net loss was driven by: (1) a decrease in gross profit of $0.4 million, (2) an increase in other income/expenses of $0.4 million and (3) a decrease in loss attributable to non-controlling interests of $0.1 million. These items were offset by (4) a decrease in G&A expenses of $1.0 million.

Comprehensive Loss

In thousands Canadian $	3 Months Ended March 31		% Change
	2013	2012	
Net Loss	($3,693)	($3,855)	(4%)
Other comprehensive income (loss)	$1,281	($2,224)	(158%)
Total comprehensive income (Loss)	($2,412)	($6,079)	(60%)

The Company recorded total comprehensive loss of $2.4 million for the three months ended March 31, 2013, comprising $3.7 million of net loss attributable to the Company and $1.3 million of other comprehensive income. The Company recorded a total comprehensive loss of $6.1 million for the three months ended March 31, 2012, comprising $3.9 million of net loss attributable to the Company and $2.2 million of other comprehensive loss.

Liquidity and Capital Resources

In thousands Canadian $	31-Mar-13	31-Dec-12
Cash and Cash Equivalents	$1,858	$3,582
Working Capital	($37,349)	($33,854)
Total Assets	$98,480	$103,065
Total Liabilities	$93,050	$95,377
Loan Payable (<1 year)	$59,848	$59,883
Loan Payable (>1 year)	$9,166	$8,673
Total Equity	$5,430	$7,688

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.

Financial Resources

Cash and cash equivalents decreased by $1.7 million during the three months ended March 31, 2013 from December 31, 2012. Working capital decreased by $3.5 million from the year-end 2012 position to negative $37.3 million. The working capital decrease can be attributed to a reduction in cash, accounts receivable, inventory, and tax receivables balances ($6.3 million

reduction) and an increase in interest payable ($0.7 million) offset by reductions in short term loans and accounts payable balances ($3.5 million reduction). See balance sheet discussion below for movement in specific accounts.

The Company's working capital and working capital requirements fluctuate from quarter to quarter depending on, among other factors, the annual stevia harvest in China (third and fourth quarter each year), the production output along with the amount of sales conducted during the period. The value of raw material in inventory has historically been the highest in the fourth quarter due to the fact that the Company purchases leaf during the third and fourth quarter for the entire production year which runs October through September each year. The Company's principal working capital needs include accounts receivable, taxes receivable, inventory, prepaid expenses, and other current assets, and accounts payable and interest payable.

Balance Sheet

In comparison to December 31, 2012, the total assets decreased by $4.6 million as at March 31, 2013, which was split by a decrease in current assets of $6.3 million and an increase in fixed term assets of $1.8 million. The decrease in the current assets was mainly driven by the following:

1. decrease of $1.7 million in inventory
2. decrease in cash and cash equivalents of $1.7 million
3. decrease in taxes recoverable by $0.4 million
4. decrease in accounts receivable of $2.4 million, mainly accounted for by two customers that made payments on account of $1.7 million and $0.3 million respectively.

The increase in the fixed term assets of $1.8 million was due to the appreciation of the RMB against the Canadian dollar which exceeded the amortization for the period.

Current liabilities decreased by $2.8 million as at March 31, 2013 in comparison to December 31, 2012, driven by a net decrease in short term loans of $0.1 million and a decrease in accounts payable of $3.5 million offset by an increase in Interest Payable of $0.7 million.

Long term liabilities increased by $0.5 million due to the accrued interest on the related party loans during the period.

The Company has been working on improving its working capital deficiency situation which was driven by the impairments to inventory and accounts receivable over the years 2011 and 2012. (These inventory impairments totaled $36.1 million as of December 31, 2012) The Company has been able to raise a three year loan with our Chairman and CEO to assist in the financing of the Company as it recovered its stevia sales from the third and fourth quarter 2011 sales levels. This longer term liability has helped to address the current working capital deficiency. The Company has also successfully refinanced a portion of its short term notes into longer term loans as of April 18 2013 which will improve its negative working capital (see short term loans section).

Shareholders' equity decreased by $2.3 million due to an increase in deficit of $3.7 million, and a decrease in non-controlling interests of $0.1 million which were offset by an increase in accumulated other comprehensive income of $1.3 million and an increase in common stock of $0.3 million from the vesting of warrants, restricted shares and stock options.

Forward-looking statements: This press release contains certain information that may constitute "forward-looking statements" and "forward looking information" (collectively, "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, statements evaluating the market, potential demand for stevia and general economic conditions and discussing future-oriented costs and expenditures. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases or words and phrases that state or indicate that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

While the Company has based these forward-looking statements on its current expectations about future events, the statements are not guarantees of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors include amongst others the effects of general economic conditions, consumer demand for our products and new orders from our customers and distributors, changing foreign exchange rates and actions by government authorities, uncertainties associated with legal proceedings and negotiations, industry supply levels, competitive pricing pressures and misjudgments in the course of preparing forward-looking statements. Specific reference is made to the risks set forth under the heading "Risk Factors" in the Company's Annual Information Form for the financial year ended December 31, 2012. In light of these factors, the forward-looking events discussed in this press release might not occur.

Further, although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

As there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements, readers should not place undue reliance on forward-looking statements.

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