GLG
LEADING LIFE TECHNOLOGIES.
BETTER STEVIA, MONK FRUIT AND MORE.

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GLG LIFE TECH CORPORATION REPORTS 2019 ANNUAL & FOURTH QUARTER FINANCIAL RESULTS

Vancouver, B.C. June 5, 2020 - **GLG Life Tech Corporation** (TSX: GLG) ("GLG" or the "Company"), a global leader in the agricultural and commercial development of high-quality zero-calorie natural sweeteners, announces financial results for the three and twelve months ended December 31, 2019. The complete set of financial statements and management discussion and analysis are available on SEDAR and on the Company's website at www.glglifetech.com.

FINANCIAL SUMMARY

The Company reported revenues of $2.9 million in the fourth quarter of 2019, a $0.9 million decrease compared to the fourth quarter of 2018 ($3.8 million). The Company reported a gross profit margin of 6% for the fourth quarter 2019, an 8 percentage point decrease from the fourth quarter of 2018 (14%). The decrease in gross profit margin was attributable to an increase in capacity charges charged to the cost of sales.

The Company reported revenues of $10.2 million for the year 2019, a $6.4 million decrease compared to the year 2018 ($16.6 million). However, the Company reported an increase of three percentage points in gross profit margin for the year 2019 (15%), relative to the year 2018 (12%). This increase in gross profit margin is attributable to a change in mix of products sold, with a greater percentage of sales of higher-margin stevia products, and improvements in cost management and production efficiency.

The Company continues to closely manage its SG&A expenses, resulting in reduced G&A expenses in both the fourth quarter and full year 2019 relative to the same periods in 2018.

For the three months ended December 31, 2019, the Company had a net loss attributable to the Company's shareholders of $7.8 million, a decrease of $2.5 million or 24% over the comparable period in 2018 ($10.3 million). The Company reported a net loss per share of $0.20 for the fourth quarter 2019, a $0.07 improvement year-over-year.

For the year ended December 31, 2019, the Company had a net loss attributable to the Company's shareholders of $19.3 million, a decrease of $2.3 million or 11% over the year 2018 ($21.6 million). The Company reported a net loss per share of $0.50 for the year 2019, a $0.07 improvement relative to the year 2018.

CORPORATE DEVELOPMENTS

New Executive Management Team

Earlier this year, under the guidance of the Company's Board of Directors, including its Chairman and Chief Executive Officer, Dr. Luke Zhang, the Company formed a new executive management team to help the Company improve its financial position, develop new strategic initiatives, and implement best practices in corporate governance, financial planning and analysis, and sales and operations planning.

On January 2, 2019, the Company announced that it had hired one of its Directors, Mr. Paul Block, to serve as President of the Company. Mr. Block assumed that role when the former President, Mr. Brian Meadows, resigned from that role. At that time, the Company also announced that it had promoted Mr. Simon Springett to Chief Operating Officer of the Company. On April 11, 2019, the Company announced that it had hired Mr. Eric Finnsson to serve as Chief Financial Officer of the Company.

Mr. Finnsson has since tendered his resignation, for personal reasons, effective June 30, 2020. Management thanks Mr. Finnsson for his service. The Company has appointed Mr. Edward Wang, the Company's current Controller, as Acting Chief Financial Officer, effective June 30, 2020.

Company Outlook

One of the most critical items that management has focused on and continues to focus on is the development and implementation of plans to stem the losses that the Company has suffered in recent years and to ameliorate the Company's financial position. As a result of those sustained losses, the Company lacks the cash necessary to fully fund the business operations and its strategic product initiatives. The Company is managing its cash flows carefully to mitigate risk of insolvency. Management has been successful in improving the Company's cash outlook during the fourth quarter, compared to earlier in the year. Nevertheless, without an infusion of cash in the months ahead, the Company may not be able to realize its strategic plans and could eventually cease to be a going concern.

To address that cash need, management has negotiated a CAD $1 million revolver loan with a related party for working capital purposes in 2020. Management has also prioritized the sale of its idle assets either to generate cash, significantly improve the Company's balance sheet, or both. Management expects that it will close on the sale of its idle Qingdao "Runhao" secondary purification facility in the second or third quarter of 2020, although there is uncertainty as to that timing as well as to the final closing of the deal. Upon closing, Management expects that the Company will extinguish a significant portion of the debt held by China Cinda Assets Management (which owns 98% of the Company's Chinese bank debt) and a related party. Management is also evaluating options for the sale of its idle "Runyang" primary processing facility in Jiangsu province to further address its cash needs and balance sheet.

Another factor contributing to the Company's financial situation is the competitive price pressure in the stevia market over the last year that has reduced mainstream "Reb A" products (such as Reb A 80 and Reb A 97) to the lowest price levels in years. While these products have historically formed the core of the Company's product sales, the margins on sales of these products have grown increasingly slim. To address this, the Company is taking a three-pronged approach.

First, the Company has taken decisive steps to reduce its SG&A costs as well as its production costs. Its North American operations have already reduced SG&A costs and the Company is in the process of eliminating non-essential costs in its Chinese operations. For the last several years, the Company's production capacity has been far greater than its projected order levels as it had sought rapid increases in orders for Reb A products. The Company's goal is now to "right-size" its Chinese operations – i.e., to optimize its staffing and production planning to meet the Company's projected production requirements while retaining the ability to accommodate growth in future order volumes. Management expects that this will enable the Company to sell its goods at more competitive and/or more profitable prices to secure additional order volumes and/or retain additional margin.

Second, the Company is increasing its focus on specialty stevia products, relative to its Reb A products. These specialty products are more differentiated than Reb A products and can bring more revenue opportunities and more meaningful margin contributions to the Company's bottom line. The Company is also progressing well on implementing a new line of business in the sweetener space distinct from its bulk stevia sales that has the potential to significantly increase the Company's revenues and margins.

Third, the Company is exploring options to enter the CBD market, where it could leverage its production expertise and equipment towards an investment that would jump start its ability to quickly begin producing high-quality low-cost CBD products. The Company has also entered into a distributorship agreement with East West Pharma Group for the distribution of its high-quality cannabidiol ("CBD") products and continues to explore other complementary opportunities in the cannabis extract market. While the Company does not expect to begin any CBD operations or sales in the first half of 2020, it is anticipating revenues and margins in the second half of 2020 and beyond.

While the Company continues to face substantial risks and 2020 remains a pivotal year for the Company, management remains optimistic about the future opportunities for the Company. With the expected land sale heading towards closing, right-sizing efforts underway, the optimization of production efficiencies, costs, and planning, and the Company's refocused product strategies, management is proceeding down the best available path to increased financial stability and profitability.

Finalization of Plan To Improve the Company's Capital Structure

On September 9, 2019, the Company announced a newly signed agreement with its primary debtholder, China Cinda Assets Management Corporation Anhui Branch ("Cinda"), expected to greatly reduce its Chinese bank debt.

In line with the Company's restructuring goals, the Company has developed a plan to improve its capital structure, achieve major reductions in its debt load, and improve its working capital resources. Two key components of this plan are the reduction of its Chinese bank debt and the sale of assets not essential to the Company's business plans.

Through extensive negotiations with Cinda, on March 23, 2020, the Company's subsidiary, Anhui Runhai Biotechnology Joint Stock Co. Ltd. ("Runhai") signed an agreement with a Chinese company to sell 100% of Runhai's ownership interest in its wholly owned subsidiary, Qingdao Runhao Stevia High Tech Company Ltd. ("Runhao") for gross proceeds of RMB 222,000,000 (approximately CAD 42.8 million as at June 3, 2020), which will be used to settle outstanding debt liabilities, tax liabilities, and other liabilities. Further, the agreement calls for the waiver of principal and interest of approximately RMB 156 million provided that a series of payments are completed by June 20, 2021. The transaction would result in Runhai retaining all of the assets, liabilities and obligations of Runhao with the exception of the land use rights and buildings currently owned by Runhao.

Through this collaboration with Cinda and the resulting improvements to GLG's capital structure, the Company will have more financial flexibility to improve working capital and fuel the growth of premium sweetener products.

Additionally, the Company is presently negotiating with Cinda to resolve the remainder of the outstanding debt. The Company expects to reach a favorable resolution with Cinda on that remaining debt.

Distributorship Agreement for Sale of Cannabidiol (CBD)

On December 3, 2019, the Company announced a newly signed agreement with East West Pharma Group ("EWPG") for the distribution of high-quality cannabidiol ("CBD") products. Under the terms of the five-year agreement, GLG will have exclusive distribution rights for EWPG's CBD products, including extracts, distillates, and isolates, across Canada and Europe. In partnering with EWPG, GLG expects to deliver large volumes of high-quality CBD products to other companies in the CBD space for use in their end-consumer products.

EWPG has the capacity to produce 350 MT of CBD products annually, with GLG expecting to sell a significant percentage of that volume. EWPG has access to plant strains with especially high levels of

CBD, which will enable EWPG to achieve optimal processing efficiency for its CBD products. With this efficiency and high-quality industry standards applied throughout the production chain, GLG will in turn be positioned to offer the highest quality and highest purity CBD extracts, distillates, and isolates on the market today.

GLG's decision to enter the CBD space by partnering with EWPG aligns well with the Company's historical business focus and core competencies. Both stevia and CBD are, at root, agricultural products with successful endeavors stemming from access to high-quality cultivars containing elevated levels of the essential plant molecules. Also key are the quality-minded manufacturing and product control procedures; for EWPG and GLG, quality throughout the supply, production, and distribution chain is paramount.

Dr. Luke Zhang, the Company's CEO and Board Chairman, commented: "We could not be more excited to be entering the rapidly growing CBD space on the strengths of our partnership with East West Pharma and our many years of experience selling high-quality cost-competitive extract products around the world. Knowing that we have joined forces with the best manufacturer for the production of high-quality CBD products gives me great optimism for our future successes in selling major quantities of these CBD products at attractive price points in Canada, Europe, and beyond. We look forward to a long and successful partnership with EWPG."

EWPG's CEO John Vu commented that "partnering with GLG – with their long-standing reputation for consistently delivering high-quality products globally – can only make the future of EWPG that much brighter. We thank the GLG team for this wonderful opportunity to showcase our skills and especially our CBD products to the world."

Delay in Annual Filings and Management Cease-Trade Order

On March 27, 2020, the Company announced its intent to delay the filing of its annual financial statements, its management discussion and analysis relating to its annual financial statements, its Annual Information Form and CEO and CFO certifications, all in respect of its year ended December 31, 2019, (the "Year-End Documents") beyond the prescribed deadline of March 30, 2020. This delay was directly attributable to the coronavirus (COVID 19).

The coronavirus (COVID 19) in China impacted the efforts of the Company's management to complete the Year-End Documents. The Chinese government-mandated temporary shutdown of businesses, including the Company's manufacturing subsidiaries, and mandatory travel restrictions and quarantine periods, resulted in a delay in the Company's efforts to complete the Year-End Documents. These nationwide shutdowns impacted the ability of the Company to obtain audit evidence, primarily from third parties that were also subject to the shutdowns, required by the Company's auditors in order to complete the audit.

The Company initially relied on the exemption provided in BCI 51-515 – *Temporary Exemption from Certain Corporate Finance Requirements* (and similar exemptions provided by other Canadian Securities Administrators) for the delay in filing the Required Documents, which provided a 45-day extension for periodic filings normally required to be made by issuers. On April 29, 2020, the Company issued a required update reiterating the delay and basis therefore.

On May 15, 2020, the Company announced that it had applied for and been granted a Management Cease-Trade Order ("MCTO") by the applicable Canadian securities regulators, as the Company intended to further delay filing of the Year-End Documents beyond the prescribed extended deadline of May 14, 2020. The Company also announced that it intended to delay the filing of its first quarter interim financial statements in respect of the three months ended March 31, 2020, its management discussion and analysis relating to the interim financial statements, and the CEO and CFO certifications (collectively, the " Interim

Documents"), beyond the prescribed deadline of May 15, 2020, as the delay in the filings of the Year-End Documents impacts the timeline required for the Company to complete the Interim Documents. On May 31, 2020, the Company provided a required update regarding filing of the Year-End Documents, reiterating its prior statement that it intended to file the Year-End Documents by June 12, 2020.

2019 AGM Voting Results

The Company held its Annual General Meeting on June 27, 2019, in Vancouver, B.C. The shareholders voted in all nominated directors, with favorable votes for each exceeding 99%. Dr. Luke Zhang continues as Chairman of the Board and Chief Executive Officer and Brian Palmieri continues as Vice Chairman of the Board. Mr. Simon Springett joins the Board for the first time, replacing Mr. He Fangzhen, who, after serving for many years, opted not to seek a Board position this year.

SELECTED FINANCIALS

As noted above, the complete set of financial statements and management discussion and analysis for the year ended December 31, 2019, are available on SEDAR and on the Company's website at www.glglifetech.com.

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 2019 and 2018.

In thousands Canadian $, except per share amounts	3 Months Ended December 31		% Change	12 Months Ended December 31		% Change
	2019	2018		2019	2018	
Revenue	$2,928	$3,792	(23%)	$10,150	$16,583	(39%)
Cost of Sales	($2,744)	($3,279)	(16%)	($8,593)	($14,650)	(41%)
% of Revenue	(94%)	(86%)	(7%)	(85%)	(88%)	4%
Gross Profit (Loss)	$185	$513	(64%)	$1,557	$1,933	(19%)
% of Revenue	6%	14%	(7%)	15%	12%	4%
Expenses	($1,897)	($2,559)	(26%)	($8,895)	($9,468)	(6%)
% of Revenue	(65%)	(67%)	2%	(88%)	(57%)	(31%)
(Loss) from Operations	($1,712)	($2,046)	(16%)	($7,338)	($7,535)	(3%)
% of Revenue	(58%)	(54%)	(5%)	(72%)	(45%)	(27%)
Other Expenses	($8,321)	($11,415)	(27%)	($17,678)	($18,927)	(7%)
% of Revenue	(284%)	(301%)	17%	(174%)	(114%)	(60%)
Net (Loss) before Income Taxes	($10,033)	($13,461)	(25%)	($25,016)	($26,462)	(5%)
% of Revenue	(343%)	(355%)	12%	(246%)	(160%)	(87%)
Net (Loss)	($10,033)	($13,461)	(25%)	($25,016)	($26,462)	(5%)
% of Revenue	(343%)	(355%)	12%	(246%)	(160%)	(87%)
Net (Loss) Attributable to Non-Controlling Interest (NCI)	($2,248)	($3,151)	(29%)	($5,725)	($4,878)	17%
Net (Loss) Attributable to GLG	($7,785)	($10,310)	(24%)	($19,291)	($21,584)	(11%)
% of Revenue	(266%)	(272%)	6%	(190%)	(130%)	(60%)
Loss per share (LPS, Basic & Diluted)	($0.20)	($0.27)	(26%)	($0.50)	($0.57)	(12%)
Other Comprehensive Income	($796)	($2,397)	(67%)	$4,506	($1,312)	(443%)
% of Revenue	(27%)	(63%)	36%	44%	(8%)	52%
Comprehensive Loss	($10,829)	($15,858)	(32%)	($20,510)	($27,774)	(26%)
Comprehensive Loss Attributable to NCI	($2,703)	($3,927)	(31%)	($4,443)	($4,775)	(7%)
Comprehensive Loss Attributable to GLG	($8,126)	($11,931)	(32%)	($16,067)	($22,999)	(30%)
% of Revenue	(278%)	(315%)	37%	(158%)	(139%)	(19%)

Revenue

Revenue for the three months ended December 31, 2019, was $2.9 million compared to $3.8 million in revenue for the same period last year. Sales decreased by 23% or $0.9 million for the period ending December 31, 2019, compared to the prior period. The sales decrease of $0.9 million was driven primarily by an 18% decrease in international stevia sales and a 53% decrease in international monk fruit sales. International sales continue to be the predominant component of the Company's revenues (95% in fourth quarter 2019 versus 95% in fourth quarter 2018).

Revenue for the twelve months ended December 31, 2019, was $10.2 million, a decrease of $6.4 million or 39% compared to $16.6 million in revenue for the year ended December 31, 2018. This $6.4 million decrease was driven primarily by a 43% decrease in international stevia sales, which is largely attributable to a significant decrease in orders from the Company's distribution partner. The Company attributes this decrease to reduced customer demand due to existing inventories and to competitive price pressure in the global stevia market. Monk fruit sales decreased 9% in 2019 versus 2018, although monk fruit sales were only a small fraction of total revenues. China sales held steady between 2019 and 2018. International sales made up 89% of revenues in 2019, versus 93% for 2018.

Cost of Sales

For the quarter ended December 31, 2019, the cost of sales was $2.7 million compared to $3.3 million in cost of sales for the same period last year ($0.5 million or 16% decrease). Cost of sales as a percentage of revenues was 94% for the fourth quarter 2019, compared to 86% for the comparable period, an increase of 8 percentage points. The increase in cost of sales as a percentage of revenue for the three months ended December 31, 2019, compared to the prior comparable period, is primarily attributable to an increase in capacity charges charged to the cost of sales, which was partly offset by decreases in cost of sales resulting from a change in mix of products sold, with a greater percentage of sales of higher-margin stevia products, and improvements in cost management and production efficiency.

For the year ended December 31, 2019, the cost of sales was $8.6 million compared to $14.7 million for the year ended December 31, 2018 (a decrease of $6.1 million or 41%). Cost of sales as a percentage of revenues was 85% for 2019, compared to 88% in 2018, an improvement of 3 percentage points. The improvement in cost of sales as a percentage of revenue for 2019, compared to 2018, is attributable to a change in mix of products sold, with a greater percentage of sales of higher-margin stevia products, and improvements in cost management and production efficiency.

Capacity charges charged to the cost of sales ordinarily would flow to inventory and are a significant component of the cost of sales. Only two of GLG's manufacturing facilities were operating during 2019, and capacity charges of $1.6 million were charged to cost of sales (representing 18% of cost of sales) compared to $2.2 million charged to cost of sales in 2018 (representing 15% of cost of sales).

Gross Profit (Loss)

Gross profit for the three months ended December 31, 2019, was $0.2 million, compared to a gross profit of $0.5 million for the comparable period in 2018. The gross profit margin was 6% in the fourth quarter of 2019 compared to 14% for the same period in 2018, a decrease of 8 percentage points. This 8 percentage point decrease in gross profit margin for the fourth quarter of 2019, relative to the comparable period in 2018, is primarily attributable to an increase in capacity charges charged to the cost of sales, which was partly offset by decreases in cost of sales resulting from a change in mix of products sold, with a greater percentage of sales of higher-margin stevia products, and improvements in cost management and production efficiency.

Gross profit for the year ended December 31, 2019, was $1.6 million, compared to a gross profit of $1.9 million for the comparable period in 2018. The gross profit margin was 15% in 2019 compared to 12% for 2018, an increase of 3 percentage points. This 3 percentage point increase in gross profit margin for 2019, relative to 2018, is attributable to a change in mix of products sold, with a greater percentage of sales of higher-margin stevia products, and improvements in cost management and production efficiency.

Net Loss Attributable to the Company

In thousands Canadian $	3 Months Ended December 31		% Change	12 Months Ended December 31		% Change
	2019	2018		2019	2018	
Net Loss	($10,033)	($13,461)	(25%)	($25,016)	($26,462)	(5%)
Net Loss Attributable to NCI	($2,248)	($3,151)	(29%)	($5,725)	($4,878)	17%
% of Revenue	(77%)	(83%)	6%	(56%)	(29%)	(27%)
Net Loss Attributable to GLG	($7,785)	($10,310)	(24%)	($19,291)	($21,584)	(11%)
% of Revenue	(266%)	(272%)	6%	(190%)	(130%)	(60%)

For the three months ended December 31, 2019, the Company had a net loss attributable to the Company of $7.8 million, a decrease of $2.5 million or 24% over the comparable period in 2018 ($10.3 million). The $2.5 million decrease in net loss attributable to the Company was driven by (1) a decrease in loss from operations ($0.3 million) and (2) a decrease in other expenses ($3.1 million), which were offset by (3) a decrease in net loss attributable to non-controlling interests ($0.9 million).

For the year ended December 31, 2019, the Company had a net loss attributable to the Company of $19.3 million, a decrease of $2.3 million or 11% over the comparable period in 2018 ($21.6 million). The $2.3 million decrease in net loss was driven by (1) a decrease in loss from operations ($0.2 million), (2) a decrease in other expenses ($1.2 million) and (3) an increase in net loss attributable to non-controlling interests ($0.9 million).

Quarterly Basic and Diluted Loss per Share

The basic loss and diluted loss per share from operations was $0.20 for the three months ended December 31, 2019, compared with a basic and diluted net loss from operations of $0.27 for the same period in 2018.

For the twelve months ended December 31, 2019, the basic loss and diluted loss per share from operations was $0.50, compared with a basic and diluted net loss of $0.57 for the same period in 2018.

Additional Information

Additional information relating to the Company, including our Annual Information Form, is available on SEDAR (www.sedar.com). Additional information relating to the Company is also available on our website (www.glglifetech.com).

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About GLG Life Tech Corporation

GLG Life Tech Corporation is a global leader in the supply of high-purity zero calorie natural sweeteners including stevia and monk fruit extracts used in food and beverages. GLG's vertically integrated operations, which incorporate our Fairness to Farmers program and emphasize sustainability throughout, cover each step in the stevia and monk fruit supply chains including non-GMO seed and seedling breeding, natural propagation, growth and harvest, proprietary extraction and refining, marketing and distribution of the finished products. Additionally, to further meet the varied needs of the food and beverage industry, GLG has launched its Naturals+ product line, enabling it to supply a host of complementary ingredients reliably sourced through its supplier network in China. For further information, please visit www.glglifetech.com.

Forward-looking statements: *This press release may contain certain information that may constitute "forward-looking statements" and "forward looking information" (collectively, "forward-looking statements") within the meaning of applicable securities laws. 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 that 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, 2019. 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.