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GLG LIFE TECH CORPORATION REPORTS 2020 SECOND QUARTER FINANCIAL RESULTS

Vancouver, B.C. August 14, 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 six months ended June 30, 2020. 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 $6.0 million in the second quarter of 2020, a $3.2 million improvement compared to the second quarter of 2019 ($2.8 million). Revenues for the first six months of 2020 were $8.5 million, a $3.7 million improvement compared to the first six months of 2019 ($4.8 million).

Gross profit margin dropped two percentage points in the second quarter of 2020 to 28%, compared to second quarter of 2019 (30%). For the first six months of 2020, gross profit margin was up four percentage points at 23%, compared to the first six months of 2019 (19%).

The Company continues to closely manage its SG&A expenses, resulting in a $0.5 million reduction in G&A expenses for the second quarter of 2020 ($1.5 million) relative to the second quarter of 2019 ($2.0 million). G&A expenses for the first six months of 2020 were $2.7 million, a $1.2 million improvement compared to the first six months of 2019 ($3.9 million).

For the three months ended June 30, 2020, the Company had net income attributable to the Company's shareholders of $10.4 million, an increase of $13.2 million over the second quarter in 2019 (loss of $2.8 million). For the six months ended June 30, 2020, the Company had net income attributable to the Company's shareholders of $1.8 million, an increase of $9.4 million over the comparable period in 2019 (loss of $7.6 million). The increase in net income was primarily driven by debt forgiveness related to the sale of an idle asset.

The Company reported net income per share of $0.27 for the second quarter of 2020, compared to a net loss of $0.07 for the second quarter of 2019. For the first six months of 2020, the Company reported net income per share of $0.05, compared to a net loss of $0.20 for the first six months of 2019.

CORPORATE DEVELOPMENTS

Sale of Idle Production Facility and Reduction of Debt

On August 10, 2020, the Company announced the sale of one of its two idle facilities, along with substantial reduction of the Company's debt.

After extensive negotiations stretching over multiple years, the Company has concluded the sale of its idle "Runhao" facility, located in Qingdao, China. Specifically, the Company sold the buildings and land use rights to the buyer, while retaining the assets, liabilities, and obligations of the Company's subsidiary entity that previously held the buildings and land use rights. The Company had not used the facility for several years and its sale will not have any impact on the Company's ongoing operations.

The deal involved not only the Company (as seller) and the buyer, but also the Company's primary bank debtholder, China Cinda Assets Management Corporation Anhui Branch ("Cinda"). Under the terms of the deal, from the sale proceeds of RMB 222 million (approximately CAD 42.5 million), Cinda received just over RMB 102 million, and as a result of this payment, Cinda further agreed to waive an additional approximately RMB 90 million in amounts owed to Cinda.

Thus, the Company reduced its overall liability to Cinda from RMB 570 million (as at March 31, 2020) to RMB 387 million (as at July 31, 2020), which is a reduction of RMB 193 million (approximately CAD 37 million) or a 34% reduction in the Company's obligations to Cinda. The carrying amounts of the Runhao buildings and land use rights were CAD 10.4 million.

Pursuant to the sale and the Chinese government's conditions for approval for the deal, the Company is required to use the remaining proceeds from the sale to satisfy the Company's tax obligation for Runhao, settle debts owed to certain third parties tied to the construction of Runhao, repay debts to a related party that has been instrumental in facilitating the Company's overall restructuring efforts, and pay settlement fees for the transaction. The deal was finalized in late July and the disposition of Runhao will be recorded as effective within the third quarter of 2020.

This substantial reduction in debt significantly improves the Company's balance sheet. Further, pursuant to a prior agreement with Cinda announced on September 9, 2019, this debt reduction positions the Company for further waivers of amounts owed to Cinda as future payments are made to Cinda. The Company continues to work closely with Cinda regarding its obligations and its plans to resolve those obligations through payments, waivers, and potentially a partial conversion of debt to equity in the Company's main Chinese subsidiary, Runhai Anhui Biotechnology Joint Stock Company.

Changes to Executive Team

Mr. Finnsson, the Company's CFO since March of 2019, 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.

Additionally, the Company previously announced that its President, Paul Block, and the Company agreed that Mr. Block would step down as President with an effective date of June 25, 2020. Mr. Block remained a Director of the Company but opted to not run for re-election at the Company's upcoming Annual General and Special Meeting.

Dr. Luke Zhang, Chairman and CEO, in addition to his focus on overseeing the Company's Chinese subsidiaries and efforts to restructure the Company's debt, is continuing to manage the Company's North American team to increase sales, manage costs, and improve the Company's financial performance. "I would like to thank Paul for his years of service on our Board of Directors and for his contributions to our management team over the last eighteen months. I wish Paul well in his future endeavors," said Dr. Zhang.

Issuance and Revocation of Management Cease Trade Order

Due to a previously announced delay in filing of the Company's 2019 year-end financial statements and related documents, such delay arising from the impact of COVID-19 on the Company's ability to timely complete the filing, on May 15, 2020, the Company announced that it had applied for and been issued a Management Cease Trade Order ("MCTO") by the relevant securities commissions. Shortly after completing the filing, the MCTO was revoked on June 8, 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 in recent quarters. 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 revolving loan facility with a related party for working capital purposes in 2020. Management has also realized the sale of one of its two idle assets; the sale of the "Runhao" facility resulted in significant debt reduction and better positions the Company to be able to access additional lines of working capital. Management is also evaluating options for the sale or other utilization 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 has not realized any CBD sales in the first half of 2020, it is anticipating revenues and margins in late 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 first idle asset sale now closed, right-sizing efforts progressing well, 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.

2020 AGM Voting Results

The Company held its Annual General Meeting virtually on July 28, 2020. 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.

SELECTED FINANCIALS

As noted above, the complete set of financial statements and management discussion and analysis for the three and six months ended June 30, 2020, 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 the condensed interim consolidated financial statements for the six-month period ended June 30, 2020.

In thousands Canadian $, except per share amounts	3 Months Ended June 30		% Change	6 Months Ended June 30		% Change
	2020	2019		2020	2019	
Revenue	$5,975	$2,827	111%	$8,540	$4,849	76%
Cost of Sales	($4,300)	($1,976)	118%	($6,554)	($3,922)	67%
% of Revenue	(72%)	(70%)	(2%)	(77%)	(81%)	4%
Gross Profit (Loss)	$1,676	$851	97%	$1,987	$928	114%
% of Revenue	28%	30%	(2%)	23%	19%	4%
Expenses	($2,203)	($3,005)	(27%)	($3,830)	($5,271)	(27%)
% of Revenue	(37%)	(106%)	69%	(45%)	(109%)	64%
(Loss) from Operations	($528)	($2,154)	(75%)	($1,844)	($4,343)	(58%)
% of Revenue	(9%)	(76%)	67%	(22%)	(90%)	68%
Other Expenses	$16,289	($1,752)	1030%	$7,794	($5,858)	233%
% of Revenue	273%	(62%)	335%	91%	(121%)	212%
Net Income (Loss) before Income Taxes	$15,761	($3,906)	504%	$5,950	($10,201)	158%
% of Revenue	264%	(138%)	402%	70%	(210%)	280%
Net Income (Loss)	$15,761	($3,906)	504%	$5,950	($10,201)	158%
% of Revenue	264%	(138%)	402%	70%	(210%)	280%
Net Income (Loss) Attributable to Non-Controlling Interest	$5,323	($1,057)	604%	$4,190	($2,553)	264%
Net Income (Loss) Attributable to GLG	$10,438	($2,849)	(466%)	$1,760	($7,648)	(123%)
% of Revenue	175%	(101%)	275%	21%	(158%)	178%
Net Income (Loss) per share (LPS, Basic & Diluted)	$0.27	($0.07)	464%	$0.05	($0.20)	125%
Other Comprehensive Income (Loss)	$2,594	$4,114	(37%)	($2,806)	$3,548	(179%)
% of Revenue	43%	146%	(102%)	(33%)	73%	(106%)
Comprehensive Net Income (Loss)	$18,355	$208	8725%	$3,144	($6,653)	147%
Comprehensive Income (Loss) Attributable to NCI	$6,399	$289	2114%	$3,376	($1,398)	341%
Comprehensive Income (Loss) Attributable to GLG	$11,956	($81)	14860%	($232)	($5,255)	96%
% of Revenue	200%	(3%)	203%	(3%)	(108%)	105%

Revenue

Revenue for the three months ended June 30, 2020, was $6.0 million compared to $2.8 million in revenue for the same period last year. Sales increased by 111% or $3.2 million for the period ending June 30, 2020, compared to the prior period. The sales increase of $3.2 million was driven primarily by a 103% increase in international stevia sales, partly attributable to one customer that substantially increased its purchasing for the quarter and partly attributable to overall growth in sales; international monk fruit sales also contributed significantly to the increase in sales as demand for our monk fruit extracts has increased. China domestic stevia sales were down between the two periods, although international sales continue to predominate, making up 95% of the Company's revenues (versus 83% in second quarter 2019).

Revenue for the six months ended June 30, 2020, was $8.5 million compared to $4.8 million in revenue for the same period last year. Sales increased by 76% or $3.7 million for the six months ending June 30, 2020, compared to the prior period. The sales increase of $3.7 million was driven primarily by the increase in both international stevia and international monk fruit sales, particularly in the second quarter. Offsetting these increases, China domestic sales were down for the 2020 period, versus the 2019 period, but the impact was relatively small as international sales made up 95% of six-month 2020 revenues (versus 87% for the same period in 2019).

Cost of Sales

For the quarter ended June 30, 2020, the cost of sales was $4.3 million compared to $2.0 million in cost of sales for the same period last year ($2.3 million or 118% increase). Cost of sales as a percentage of revenues was 72% for the second quarter 2020, compared to 70% for the comparable period, an increase of 2 percentage points. The increase in cost of sales as a percentage of revenue for the three months ended June 30, 2020, compared to the prior comparable period, is primarily attributable to (1) a change in mix of products sold, with a greater percentage of sales of lower-margin monk fruit products in the second quarter 2020, compared to the second quarter 2019, and (2) the cost of sales in the second quarter 2019 was affected due to the cumulative effect of a difference in classification of depreciation between cost of sales and SG&A expenses.

For the six months ended June 30, 2020, the cost of sales was $6.6 million compared to $3.9 million for the same period last year (an increase of $2.7 million or 67%). Cost of sales as a percentage of revenues was 77% for the first six months of 2020, compared to 81% in the comparable period in 2019, an improvement of 4 percentage points. The improvement in cost of sales as a percentage of revenue for the six months ended June 30, 2020, compared to the prior comparable period, is attributable to (1) a change in mix of products sold, with a greater percentage of stevia sales coming from higher-margin stevia products, which was offset by a greater percentage of overall sales coming from lower-margin monk fruit products, and (2) a decrease on a percentage basis of idle capacity charges.

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 the first six months of 2020, and capacity charges of $0.7 million were charged to cost of sales (representing 11% of cost of sales) compared to $0.5 million charged to cost of sales in the same period of 2019 (representing 13% of cost of sales).

Gross Profit (Loss)

Gross profit for the three months ended June 30, 2020, was $1.7 million, compared to a gross profit of $0.9 million for the comparable period in 2019. The gross profit margin was 28% in the second quarter of 2020 compared to 30% for the same period in 2019, a decrease of 2 percentage points. This 2 percentage point decrease in gross profit margin for the second quarter of 2020, relative to the comparable period in 2019, is primarily attributable to (1) a change in mix of products sold, with a greater percentage of sales of lower-margin monk fruit products in the second quarter 2020, compared to the second quarter 2019, and (2) the cost of sales in the second quarter 2019 was affected due to the cumulative effect of a difference in classification of depreciation between cost of sales and SG&A expenses.

Gross profit for the six months ended June 30, 2020, was $2.0 million, compared to a gross profit of $0.9 million for the comparable period in 2019. The gross profit margin was 23% in the first six months of 2020 compared to 19% for the same period in 2019, an increase of 4 percentage points. This 4 percentage point increase in gross profit margin for the first six months of 2020, relative to the comparable period in 2019, is attributable to (1) a change in mix of products sold, with a greater percentage of stevia sales coming from higher-margin stevia products, which was offset by a greater percentage of overall sales coming from lower-margin monk fruit products, and (2) a decrease on a percentage basis of idle capacity charges.

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 presented below:

In thousands Canadian $	3 Months Ended June 30		% Change	6 Months Ended June 30		% Change
	2020	2019		2020	2019	
G&A Expenses	$1,452	$2,001	(27%)	$2,726	$3,866	(29%)
Stock Based Compensation Expenses	$121	$149	(19%)	$271	$299	(9%)
Depreciation Expenses	$630	$855	(26%)	$833	$1,106	(25%)
Total	$2,203	$3,005	(27%)	$3,830	$5,271	(27%)

G&A expenses for the three months ended June 30, 2020, were $1.5 million, a decrease of $0.5 million compared to $2.0 million in the same period in 2019. The $0.5 million decrease in G&A expenses was driven primarily by reductions in business taxes and licenses, travel expenses and professional fees.

G&A expenses for the six months ended June 30, 2020, were $2.7 million, a decrease of $1.2 million compared to $3.9 million in the same period in 2019. The $1.2 million decrease in G&A expenses was driven primarily by reductions in business taxes and licenses, research and development, salaries and wages, professional fees, and travel.

Net Loss Attributable to the Company

In thousands Canadian $	3 Months Ended June 30		% Change	6 Months Ended June 30		% Change
	2020	2019		2020	2019	
Net Income (Loss)	$15,761	($3,906)	504%	$5,950	($10,201)	158%
Net Income (Loss) Attributable to NCI	$5,323	($1,057)	604%	$4,190	($2,553)	264%
% of Revenue	89%	(37%)	126%	49%	(53%)	102%
Net Income (Loss) Attributable to GLG	$10,438	($2,849)	466%	$1,760	($7,648)	123%
% of Revenue	175%	(101%)	275%	21%	(158%)	178%

For the three months ended June 30, 2020, the Company had net income attributable to the Company of $10.4 million, an increase of $13.2 million over the comparable period in 2019 (loss of $2.8 million). The $13.2 million increase in net income attributable to the Company was driven by (1) an increase in other income ($18.1 million) attributable primarily to debt forgiveness from the sale of an idle asset and (2) a decrease in net loss from operations ($1.6 million), which were offset by (3) an increase in net income attributable to non-controlling interests ($6.4 million).

For the six months ended June 30, 2020, the Company had net income attributable to the Company of $1.8 million, an increase of $9.4 million over the comparable period in 2019 (loss of $7.6 million). The $9.4 million increase in net income attributable to the Company was driven by (1) an increase in other income ($13.7 million) attributable primarily to debt forgiveness from the sale of an idle asset and (2) a decrease in net loss from operations ($2.5 million), which were offset by (3) an increase in net income attributable to non-controlling interests ($6.7 million).

Quarterly Basic and Diluted Loss per Share

The basic loss and diluted income per share from operations was $0.27 for the three months ended June 30, 2020, compared with a basic and diluted net loss of $0.07 for the comparable period in 2019.

The basic loss and diluted income per share from operations was $0.05 for the six months ended June 30, 2020, compared with a basic and diluted net loss of $0.20 for the comparable period in 2019.

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, through its Naturals+ product line, supplies 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.