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**Global Bio-chem Technology Group
Company Limited**

大成生化科技集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0809)



**Global Sweeteners
Holdings Limited**

大成糖業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3889)

JOINT ANNOUNCEMENT

TRANSACTION IN RELATION TO A CORN REFINERY PLANT

SALES AGENCY AGREEMENT

IN RESPECT OF SALES OF CORN STARCH AND OTHER CO-PRODUCTS

DISCLOSEABLE TRANSACTION

**(1) MAJOR AND CONNECTED
TRANSACTION**

**(2) CONTINUING CONNECTED
TRANSACTIONS**

(3) RESUMPTION OF TRADING

**Financial advisor to
Global Sweeteners Holdings Limited**

Piper Jaffray

S&P AGREEMENT

On 27 June 2008, GSIL, a direct wholly-owned subsidiary of GSH, entered into the S&P Agreement with Global Corn and Dacheng Industrial, both being indirect wholly-owned subsidiaries of GBT, for the sale and purchase of the entire equity interests in Jinzhou Yuancheng, which is principally engaged in the manufacture and sales of corn starch and other Co-products in the PRC.

Prior to the Transaction, Jinzhou Yuancheng is owned as to 70% and 30% by Global Corn and Dacheng Industrial respectively. Pursuant to the S&P Agreement, the Vendors have agreed to sell the entire equity interests in Jinzhou Yuancheng to GSIL at a Consideration of HK\$520 million, as to HK\$156 million by way of cash to Dacheng Industrial upon Completion, and as to HK\$364 million to Global Corn by way of a 6% per annum unsecured semi-annual coupon loan note due and repayable on the fifth anniversary after the issue thereof on Completion. The Consideration was determined after arm's length negotiations between GSIL and the Vendors by reference to the fair value of the entire equity interest of Jinzhou Yuancheng as at 30 May 2008 as appraised by Greater China Appraisal Limited, an independent valuer.

Discloseable transaction of GBT

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Transaction are more than 5% but less than 25%, the Transaction constitutes a discloseable transaction of GBT under Rule 14.06 of the Listing Rules. As no connected person of GBT is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of GSH or GSIL, and neither GSH nor GSIL is an associate of a director (including a person who was a director of GBT within the preceding 12 months), chief executive or substantial shareholder of GBT (in each case disregarding any interest of a connected person of GBT in GSH which is held through GBT), save for being indirect non-wholly owned subsidiaries of GBT, GSH and GSIL are third parties independent of GBT and its connected persons, and are not connected person of GBT. A circular, containing, among other things, further details of the Transaction, the S&P Agreement and the valuation report prepared by Greater China Appraisal Limited will be despatched to the shareholders of GBT as soon as practicable.

Major and connected transaction of GSH

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Transaction are more than 25% but less than 100%, the Transaction constitutes a major transaction of GSH under Rule 14.06 of the Listing Rules. Besides, as the Vendors are wholly owned by GBT (a controlling shareholder of GSH) and hence are associates of GBT, the Transaction also constitutes a connected transaction for GSH and is subject to the reporting, announcement and GSH Independent Shareholders' approval requirements under the Listing Rules. GBT and its associates are therefore required to abstain from voting on the resolution proposed to be passed at the EGM for approving the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem).

Partners Capital International Limited has been appointed as the GSH IFA to advise the GSH IBC and the GSH Independent Shareholders in respect of the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem).

In view of the foregoing, GSH will convene an EGM to seek the approval of the GSH Independent Shareholders by way of poll on the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem).

A circular containing, among other things, (1) further information on the Transaction, the S&P Agreement and the transactions contemplated therein; (2) the recommendation of the GSH IBC to the GSH Independent Shareholders; (3) the advice from Partners Capital International Limited to the GSH IBC and the GSH Independent Shareholders; (4) the valuation report prepared by Greater China Appraisal Limited; and (5) a notice of the EGM will be despatched to the shareholders of GSH as soon as practicable.

SALES AGENCY AGREEMENT

Pursuant to the S&P Agreement, Jinzhou Yuancheng and Global Corn will enter into the Sales Agency Agreement on the date of Completion. Under the Sales Agency Agreement, Jinzhou Yuancheng will appoint Global Corn (for itself and on behalf of the GBT Group) as its exclusive agent for the sale of the Co-products and the corn starch in excess of its internal consumption from time to time produced by Jinzhou Yuancheng from the date of Completion to 31 December 2010, renewable by Jinzhou Yuancheng on the same terms and conditions (including its right of renewal) for a successive term of three years upon its expiry.

As at the date of this announcement, Global Corn is wholly owned by GBT and hence an associate of GBT. Jinzhou Yuancheng will become an indirect wholly owned subsidiary of GSH upon Completion. Therefore, the Sales Agency Agreement constitutes continuing connected transactions for GSH under Chapter 14A of the Listing Rules.

Since the expected annual consideration payable by Jinzhou Yuancheng to the GBT Group during the initial term of the Sales Agency Agreement represents less than 2.5% of each of the applicable percentage ratios under the Listing Rules, the Sales Agency Agreement is only subject to the reporting, announcement and annual review requirements set out in Rules 14A.45 to 14A.47 and Rules 14A.37 to 14A.40 of the Listing Rules and are exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GSH will be required to comply with the requirements of Rules 14A.35(3) and (4) of the Listing Rules if any of the annual caps in respect of the Sales Agency Agreement is exceeded or when the Sales Agency Agreement is renewed or there is a material change to the terms of the Sales Agency Agreement.

SUSPENSION AND RESUMPTION OF TRADING

At the request of GSH, trading of the shares of GSH on the Stock Exchange was suspended with effect from 9:30 a.m. on 30 June 2008 pending publication of this announcement. An application has been made to the Stock Exchange for resumption of trading of the shares of GSH with effect from 9:30 a.m. on 4 July 2008.

S&P AGREEMENT

Date 27 June 2008

Parties

Vendors: Global Corn and Dacheng Industrial, both being indirect wholly owned subsidiaries of GBT

Purchaser: GSIL, a wholly owned subsidiary of GSH

Assets involved

Pursuant to the S&P Agreement, GSIL has conditionally agreed to purchase 70% and 30% of the equity interests in Jinzhou Yuancheng held by Global Corn and Dacheng Industrial respectively.

Conditions

Completion is conditional upon fulfillment of the following conditions:

- (1) the passing of necessary resolutions by the GSH Independent Shareholders at the EGM approving the S&P Agreement and the transactions contemplated thereby;
- (2) GSIL and Jinzhou Yuancheng having obtained from the Vendors, directors of Jinzhou Yuancheng and the relevant authorities in the PRC all necessary consents, authorisations and approvals in relation to the S&P Agreement, the transfer of the entire equity interests in Jinzhou Yuancheng and the new articles of association of Jinzhou Yuancheng (including but not limited to the approval from the relevant PRC authority in respect of the transfer of the entire equity interests in Jinzhou Yuancheng and the change in the composition of the board of directors of Jinzhou Yuancheng and the new business licence of Jinzhou Yuancheng), all such consents, authorisations and/or approvals not being subject to conditions and/or restrictions that are not acceptable to GSIL;
- (3) GSIL having obtained a PRC legal opinion (in such form and substance to its satisfaction) covering the following issues:
 - (i) the legality and validity of the S&P Agreement and the new articles of association of Jinzhou Yuancheng;
 - (ii) the legality of the establishment and existence of Jinzhou Yuancheng;
 - (iii) the legality of the businesses of Jinzhou Yuancheng;
 - (iv) the legal title of the land and properties held by Jinzhou Yuancheng; and
 - (v) such other matters as GSIL may reasonably require;
- (4) the Vendors not having committed any material breach of the representations, warranties and undertakings given under the S&P Agreement; and

- (5) GSIL being satisfied with the results of the financial, business and legal due diligence review on, and the property valuation report of, Jinzhou Yuancheng and no events having suggested that there were any untrue, misleading and/or material breach of the representations, warranties and undertakings given by the Vendors.

Save for conditions 1 and 2 set out above, the above conditions may be waived by GSIL. If one or more of the abovementioned conditions are not fulfilled within 90 days from the date of the S&P Agreement, the S&P Agreement will be terminated unless GSIL agrees in writing to discard or waive the conditions.

Consideration

The Consideration for the Transaction was HK\$520 million. The Consideration shall be payable by the GSH Group at Completion in the following manner:

- (a) HK\$156 million by way of cash to Dacheng Industrial, which will be funded by the GSH Group's internal resources and banking facilities available to the GSH Group; and
- (b) HK\$364 million by way of issue of an unsecured loan note to Global Corn which shall be due and repayable at the fifth anniversary of the date of issue and bearing an interest rate of 6% per annum payable on a semi-annual basis.

The Consideration was determined after arm's length negotiations among the parties to the S&P Agreement and with reference to the fair value of Jinzhou Yuancheng of approximately RMB466 million (equivalent to approximately HK\$522 million) as at 30 May 2008 as appraised by Greater China Appraisal Limited, an independent valuer, using the market approach method for the valuation of the entire equity interest of Jinzhou Yuancheng.

The terms of the S&P Agreement have been arrived at after arm's length negotiations between the parties based on normal commercial terms and are considered by the directors of GBT (including the independent non-executive directors of GBT) and the executive directors of GSH to be fair and reasonable.

Completion

Completion shall take place on the fourteenth Business Day after the fulfillment or, as the case may be, waiver of the abovementioned conditions or such other date as agreed in writing among the parties to the S&P Agreement.

As one of GSIL's Completion obligations, GSIL shall, upon Completion, deliver a waiver (the "Waiver") executed by GSH to GBT and Global Corn Bio-chem, pursuant to which the GBT Group may continue to engage in the production and sale of corn starch and/or Co-products notwithstanding the provisions in the non-compete undertaking given by GBT and Global Corn Bio-chem dated 3 September 2007, which restricts the GBT Group from engaging in any business that may compete with the business of the GSH Group from time to time.

Reasons for and benefits of the Transaction

Corn starch is one of the principal production material for the GSH Group. The GSH Group has been sourcing a substantial amount of corn starch from the GBT Group. As disclosed in GSH's prospectus for its initial public offering dated 10 September 2007, GSH has expressed its intention to reduce its perceived reliance on the GBT Group in terms of corn starch supply by projecting a decreasing proportion of its purchase of corn starch from the GBT Group for the three years ending 31 December 2009.

The directors of GSH expect that the amount of corn starch required by the GSH Group will increase as a result of the expected expansion of production capacity of its production facilities in Shanghai and the launch of a new sweeteners production facility with annual production capacity of 200,000 mtpa of corn sweeteners in Jinzhou, the PRC, which is expected to commence its commercial production in the second half of 2008. As disclosed in the annual report of GSH for the year ended 31 December 2007, the directors of GSH are aware of the PRC government's priority on stabilising the prices of food in recent years which could be observed by its stringent control over the use of corn kernel as raw material for production ethanol. The directors of GSH also noticed that construction of a new corn-processing plant and modification of an existing corn-processing plant may be subject to more stringent review and lengthy approval process by the State Council adding uncertainty to the option of the GSH Group to construct a starch production plant by itself. In light of such, the directors of GSH consider that the Transaction is strategically beneficial to the GSH Group in a long run, as it allows the GSH Group to secure stable supply of a key production material for its production facilities in Shanghai and Jinzhou going forward.

Besides, the directors of GSH believes that certain production and other related costs can be saved, in that vicinity of Jinzhou Yuancheng's production plant to the GSH Group's new sweeteners production facility in Jinzhou enables Jinzhou Yuancheng to supply corn starch to such new sweeteners production facility in slurry form through a pipeline arrangement, whereby certain processing, packaging, dehumidifying, storage, transportation and other related costs can be saved. The corn sweeteners production facilities of the GSH Group in Shanghai can also secure the supply of corn starch from Jinzhou Yuancheng rather than from third party suppliers and thereby enhancing the cost control of these production facilities. Such vertical integration along the chain of production for the GSH Group also places it in a better position to effectively apply quality control procedures and to monitor and control the production flows of both corn starch and corn sweeteners, thereby minimising the chance of bottlenecks or inventory pile-up, and related administrative costs.

Moreover, the GSH Group can take the advantage of the existing utility facilities of Jinzhou Yuancheng which are scalable for its new sweetener production plant in Jinzhou whereby such expanded facilities can be shared among Jinzhou Yuancheng and the new sweetener production plant. Therefore, the directors of GSH believe that capital expenditure for constructing utility facilities for the new sweetener production plant in Jinzhou can be reduced.

In addition, the directors of GSH estimated that to secure land, obtaining all necessary approvals in relation to the construction of a new plant to the current capacity of the Jinzhou Yuancheng's production plant will take about 18 months from the time that an approval for constructing a new corn-processing plant is sought from the State Council as discussed above. However, there is no assurance that the GSH Group will be able to acquire suitable land which is sufficiently close to the current sweetener production plant under construction in Jinzhou to achieve the time, transportation and other procurement costs savings that may be achieved through the contemplated pipeline arrangement mentioned above.

On the other hand, it is the mission of the GBT Group to become one of the leading vertically integrated corn based biochemical product manufacturers in the global market. Currently, GBT Group has no other production facilities to further refine corn starch to high value-added products in Jinzhou, which limits the performance of Jinzhou Yuancheng. The Transaction would create not only the synergy effect arising from the vertical integration of the corn sweeteners operation, but would also improve the overall profitability of those facilities of the GSH Group in Jinzhou to the GBT Group.

Furthermore, the directors of GBT consider the Transaction will enable the GBT Group to realise its investment value in Jinzhou Yuancheng and the funds generated from the Transaction will be available for development of other high value-added products and other related investment and deployment for the benefit of the GBT Group, which will help the GBT Group to further concentrate on its current principal business of corn based biochemical products.

The directors of GBT also consider the Transaction to be in the interest of its indirect non-wholly owned subsidiaries, the GSH Group, to consume internally a portion of the supplies of its principal production materials, corn starch, in view of the recent change in the regulatory regime. For the reasons as mentioned above, the directors of GBT believe that the cost and operational efficiency of the GSH Group can also be enhanced by securing its own source of key production materials and establishing its own vertically integrated production platform for production of its own corn sweetener products in Jinzhou and Shanghai via the Transaction.

As disclosed in GBT's circular dated 16 August 2007 regarding the spin-off listing of the GSH Group, the purposes of the spin-off listing of the GSH Group were, among others, to create two groups of pure play companies with difference in products, growth paths and strategies, and enable the respective management teams of the GBT Group and the GSH Group to focus on their respective core businesses of the two groups of companies, thereby enhancing the efficiency in operations and expediting their respective business development. While the GSH Group will, after the Transaction, have the capacity of producing its own corn starch and other Co-products, it is not the intention of the directors of GBT and GSH to defeat the above purposes of the spin-off listing of the GSH Group by diversifying the GSH Group's business to the sales of the corn starch and/or Co-products so produced. Notwithstanding both the GSH Group (via Jinzhou Yuancheng) and the GBT Group will be engaging in the production and sales of corn starch and Co-products upon Completion, the GBT Group will continue to engage in the production and sales of corn starch and Co-products while GSH intends to focus on its corn sweetener business. To achieve this, under the S&P Agreement, GSH will deliver the Waiver in favour of GBT and Global Corn Bio-chem for the GBT Group to continue to engage in the production and sale of corn

starch and/or Co-products, and Jinzhou Yuancheng will enter into the Sales Agency Agreement with the GBT Group, details of which are set out in the section headed “Sales Agency Agreement” below. The Transaction is primarily for the sake of facilitating internal production of corn sweeteners by the GSH Group, and upon Completion, the GSH Group does not intend to engage in the production and sale of corn starch and/or Co-products which would compete with the business of the GBT Group to any material extent. The executive directors of GSH is of the view that there will not be material effect to the interests of the GSH Independent Shareholders as a result of the grant of such Waiver since the GSH Group will continue to focus on its principal corn sweetener business, having considered the various benefits that are expected to be reaped by it from the Transaction.

The directors of GBT, including its independent non-executive directors, consider the Transaction to be fair and reasonable so far as the shareholders of GBT are concerned and in the interests of GBT and its shareholders as a whole. The executive directors of GSH consider the terms of the Transaction, including the requirement to deliver the abovementioned Waiver to GBT and Global Corn Bio-chem, to be fair and reasonable so far as the shareholders of GSH are concerned and in the interests of GSH and its shareholders as a whole. The GSH IBC, comprising the independent non-executive directors of GSH, has been appointed to advise the GSH Independent Shareholders as to whether the terms of the Transaction are fair and reasonable and in the interests of GSH and its shareholders as a whole, and will provide its recommendation to the GSH Independent Shareholders on how to vote on the resolution proposed to be passed at the EGM for approving the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem), taking into account the recommendations of Partners Capital International Limited, which has been appointed by the GSH Board as the GSH IFA to advise the GSH IBC and the GSH Independent Shareholders on the Transaction.

Financial effects of the disposal by GBT Group

While Jinzhou Yuencheng will continue to be accounted for as an indirect non-wholly owned subsidiary of GBT in its financial statements after Completion, GBT’s attributable interest in Jinzhou Yuencheng will be reduced by 33% as a result of the disposal of Jinzhou Yuencheng by the GBT Group. It was estimated that there would be a loss in the amount of approximately HK\$8 million on the Transaction accrued to the consolidated accounts of GBT which is to be calculated by reference to the net proceeds from the disposal and the net assets value of Jinzhou Yuancheng attributable to the GBT Group and goodwill arising from previous acquisitions of Jinzhou Yuancheng and minority interests in Jinzhou Yuancheng as at 31 December 2007. The actual gain or loss will depend on the net assets value of Jinzhou Yuancheng attributable to the GBT Group as at the date of Completion.

The GBT Board intends to apply the sale proceeds as general working capital for the GBT Group.

Listing Rules implications

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Transaction are more than 5% but less than 25%, the Transaction constitutes a discloseable transaction of GBT under Rule 14.06 of the Listing Rules. As no connected person of GBT is entitled

to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of GSH or GSIL and neither GSH nor GSIL is an associate of a director (including a person who was a director of GBT within the preceding 12 months), chief executive or substantial shareholder of GBT (in each case disregarding any interest of a connected person of GBT in GSH which is held through GBT), save for being indirect non-wholly owned subsidiaries of GBT, GSH and GSIL are third parties independent of GBT and its connected persons, and are not connected person of GBT. A circular, containing, among other things, further details of the Transaction, the S&P Agreement and the valuation report prepared by Greater China Appraisal Limited will be despatched to the shareholders of GBT as soon as practicable.

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Transaction are more than 25% but less than 100%, the Transaction constitutes a major transaction of GSH under Rule 14.06 of the Listing Rules. Besides, as the Vendors are wholly owned by GBT (a controlling shareholder of GSH) and hence are associates of GBT, the Transaction also constitutes a connected transaction for GSH and is subject to the reporting, announcement and GSH Independent Shareholders' approval requirements under the Listing Rules. GBT and its associates are therefore required to abstain from voting on the resolution proposed to be passed at the EGM for approving the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem).

SALES AGENCY AGREEMENT

Pursuant to the S&P Agreement, Jinzhou Yuancheng and Global Corn will enter into the Sales Agency Agreement on the date of Completion. Under the Sales Agency Agreement, Jinzhou Yuancheng will appoint Global Corn (for itself and on behalf of the GBT Group) as its exclusive agent for the sale of the Co-products and corn starch in excess of its internal consumption from time to time produced by Jinzhou Yuancheng from the date of Completion to 31 December 2010. The Sales Agency Agreement is renewable by Jinzhou Yuancheng on the same terms and conditions (including Jinzhou Yuancheng's right of renewal) for a successive term of three years upon its expiry subject to the compliance by GBT and/or GSH of the applicable announcement and/or shareholders' approval requirement under the Listing Rules in connection with the transaction contemplated under the Sales Agency Agreement. The GBT Group will use its best endeavours to procure the sale and marketing of the Co-products and corn starch as exclusive agent of Jinzhou Yuancheng, and will sell the Co-products and corn starch produced by Jinzhou Yuancheng in priority to any Co-products and corn starch produced by any members of the GBT Group (other than those goods produced by Global Corn or any member of the GBT Group for sales in Jilin and Heilongjiang Provinces of the PRC).

Jinzhou Yuancheng shall reimburse the GBT Group for its costs for the performance of its obligations under the Sales Agency Agreement on a semi-annual basis and there will not be any other agency fee being charged by the GBT Group for the services rendered.

The following table sets out the expected annual capped amounts (“Annual Caps”) of the reimbursement of the costs of the GBT Group payable by Jinzhou Yuancheng to the GBT Group under the Sales Agency Agreement for the three years ending 31 December 2010:

	Year ending 31 December		
	2008	2009	2010
	(from the date of Completion)		
Expected amounts of costs reimbursable to the GBT Group	HK\$1,700,000	HK\$3,900,000	HK\$3,700,000

The Annual Caps have been determined with reference to the average selling expense (after deduction of transportation expenses which will be incurred by Jinzhou Yuancheng directly in the future) per tonne of corn starch and Co-products incurred by the GBT Group during the year ended 31 December 2007, the production capacity of Jinzhou Yuancheng, the expected internal consumption of corn starch by the GSH Group during each of the three financial years ending 31 December 2010 and an annual inflation of the selling expenses at an estimated rate of 8%.

Reasons for the Continuing Connected Transactions

As stated in the annual report of GSH for the year ended 31 December 2007, the GSH Group is expanding its production capacity by establishing new production facilities and enhancing and expanding its existing production facilities. Pending completion of such expansion, the corn starch produced by Jinzhou Yuancheng will be in excess for the internal consumption of the GSH Group. Besides, in the course of production of corn starch, certain co-products including the Co-products are produced at the same time which are not required by the GSH Group for its production use. Prior to the Transaction, the GBT Group has been selling corn starch and Co-products produced by Jinzhou Yuancheng for and on its behalf through the distribution network of the GBT Group originated from Changchun. Since the sales teams of the GBT Group are experienced and have already established relationships with prospective customers, and given their established distribution channels for the Co-products and corn starch across the whole of the PRC, the directors of GSH believe that it will be more efficient to sell the Co-products and corn starch in excess of internal consumption produced by Jinzhou Yuancheng to independent third parties by leveraging on the sales teams and network already established by the GBT Group. As such, the arrangements under the Sales Agency Agreement can serve to enable the GSH Group to concentrate on its corn sweeteners business while the GBT Group can handle its Co-products and corn starch produced in excess of internal consumption. Based on these factors, Jinzhou Yuancheng and Global Corn agreed to enter into the Sales Agency Agreement upon Completion and the directors of GSH, including its independent non-executive Directors, consider that:

- (a) the terms and conditions of the Sales Agency Agreement were negotiated between the parties to it on an arm’s length basis and are on normal commercial terms that are fair and reasonable;
- (b) the above Annual Caps are fair and reasonable; and

- (c) the Continuing Connected Transactions are and will be conducted in the ordinary and usual course of business of Jinzhou Yuancheng and in the interest of GSH and its shareholders as a whole.

As disclosed in GSH's prospectus for its initial public offering dated 10 September 2007, the GSH Board has established the CCT Supervisory Committee for monitoring, review and management of the continuing connected transactions between the GBT Group and the GSH Group from time to time. The CCT Supervisory Committee of GSH has reviewed and approved the terms and conditions of the Sales Agency Agreement and, subject to Completion, it will, in accordance with its written terms of reference, devise detailed rules and guidelines for the CCT Executive Committee to follow in order to ensure that the Continuing Connected Transactions will be entered into in accordance with the terms and conditions of the Sales Agency Agreement, on normal commercial terms and on terms that are fair and reasonable and in the interests of the shareholders of GSH as a whole. The Continuing Connected Transactions will also be subject to the quarterly review by the CCT Supervisory Committee and the auditors of GSH, and any findings and any changes to the prescribed guidelines will also be reported by way of announcement on a quarterly basis, and by inclusion in the corporate governance report in GSH's annual report.

The directors of GSH, including its independent non-executive directors, consider the Continuing Connected Transactions and the above Annual Caps to be fair and reasonable so far as the shareholders of GSH are concerned and in the interests of GSH and its shareholders as a whole.

Listing Rules Implications

As at the date of this announcement, Global Corn is wholly owned by GBT and hence an associate of GBT. Jinzhou Yuancheng will become an indirect wholly owned subsidiary of GSH upon Completion. Therefore, the transactions contemplated under the Sales Agency Agreement constitutes continuing connected transactions for GSH under Chapter 14A of the Listing Rules.

Since the expected annual consideration payable by Jinzhou Yuancheng to the GBT Group during the initial term of the Sales Agency Agreement represents less than 2.5% of each of the applicable percentage ratios under the Listing Rules, the Continuing Connected Transactions, the Sales Agency Agreement and the above Annual Caps are only subject to the reporting, announcement and annual review requirements set out in Rules 14A.45 to 14A.47 and Rules 14A.37 to 14A.40 of the Listing Rules and are exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GSH will be required to comply with the requirements of Rules 14A.35(3) and (4) of the Listing Rules if any of the above Annual Caps is exceeded or when the Sales Agency Agreement is renewed or there is a material change to the terms of the Sales Agency Agreement.

INFORMATION ON JINZHOU YUANCHENG

Jinzhou Yuancheng is situated in Liaoning Province, the PRC and is a PRC sino-foreign equity joint venture enterprise established on 6 August 2001 under the laws of the PRC with a registered capital of US\$12,659,400.

The principal business of Jinzhou Yuancheng is manufacture and sales of corn starch and the Co-product. It has a corn starch manufacturing plant, situated on a land with a site area of approximately 370,000 sq. m. in Jinzhou, the PRC, with a gross floor area of more than 94,000 sq.m. and the production capacity of approximately 420,000 mtpa of corn starch and 180,000 mtpa of Co-products. Based on the audited accounts of Jinzhou Yuancheng prepared in accordance with the HKFRS for the year ended 31 December 2007, the net assets value of Jinzhou Yuancheng was approximately RMB367 million as at 31 December 2007. Based on the same audited accounts, for each of the two years ended 31 December 2007, the net profit before tax of Jinzhou Yuancheng amounted to approximately RMB89 million and approximately RMB71 million respectively and for each of the two years ended 31 December 2007, the net profit after tax attributable to the shareholders of Jinzhou Yuancheng amounted to approximately RMB88 million and RMB58 million respectively.

The original purchase cost of Global Corn in 2003 while Jinzhou Yuancheng had yet commenced its commercial production and the allocated purchase cost recorded by the GBT Group for the interests held by Dacheng Industrial regarding 70% and 30% of the entire equity interest of Jinzhou Yuancheng were approximately HK\$82 million and HK\$181 million respectively.

Upon Completion, Jinzhou Yuancheng will become an indirect non-wholly owned subsidiary of GBT and indirect wholly owned subsidiary of GSH.

BACKGROUND INFORMATION OF GSIL, THE VENDORS, THE GBT GROUP AND THE GSH GROUP

The Vendors are indirect wholly owned subsidiaries of GBT and are investment holding companies. The GBT Group is principally engaged in the manufacture and sale of corn refined products and corn based biochemical products, categorised into upstream and downstream products. The GBT Group's upstream products include corn starch, gluten meal and other corn refined products, and its downstream products include amino acids, modified starch and polyol chemical products.

GSIL is a direct wholly owned subsidiary of GSH and is an investment holding company. The GSH Group is principally engaged in the manufacture and sale of corn-based sweetener products.

EGM AND SHAREHOLDERS' CIRCULAR

In view of the foregoing, GSH will convene an EGM to seek the approval of the GSH Independent Shareholders by way of poll on the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of the Waiver by GSH to GBT and Global Corn Bio-chem).

A circular containing, among other things, (1) further information on the Transaction, the S&P Agreement and the transactions contemplated therein; (2) the recommendation of the GSH IBC to the GSH Independent Shareholders; (3) the advice from Partners Capital International Limited to the GSH IBC and the GSH Independent Shareholders; (4) the valuation report prepared by Greater China Appraisal Limited; and (5) a notice of the EGM will be despatched to the shareholders of GSH as soon as practicable.

A circular, containing, among other things, further details of the Transaction, the S&P Agreement and the valuation report prepared by Greater China Appraisal Limited will be despatched to the shareholders of GBT as soon as practicable.

SUSPENSION AND RESUMPTION OF TRADING

At the request of GSH, trading of the shares of GSH on the Stock Exchange was suspended with effect from 9:30 a.m. on 30 June 2008 pending publication of this announcement. An application has been made to the Stock Exchange for resumption of trading of the shares of GSH with effect from 9:30 a.m. on 4 July 2008.

DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate”	shall have the same meaning as ascribed to it under the Listing Rules
“Business Day”	any day (other than Saturdays) on which licensed banks in Hong Kong are open for business
“CCT Executive Committee”	the independent management team comprising two disinterested directors of GSH, namely Mr. Zhang Fusheng and Ms. Wang Guifeng, established by the GSH Board and responsible for monitoring, review and management of the continuing connected transactions between the GSH Group and the GBT Group
“CCT Supervisory Committee”	the committee comprising the four independent non-executive directors of GSH established by the GSH Board to supervise the CCT Executive Committee
“Co-products”	steepwater liquid, corn oil, germ cake, corn fibre feed, corn gluten meal, corn gluten feed pellets and/or such other types of products other than corn starch as being the types of co-products that are to be sold by Jinzhou Yuancheng under the Sales Agency Agreement
“Completion”	completion of the S&P Agreement in accordance with its terms
“Consideration”	the aggregate consideration for the Transaction
“Continuing Connected Transactions”	the continuing connected transactions between Jinzhou Yuancheng and the GBT Group under the Sales Agency Agreement
“Dacheng Industrial”	長春大成實業集團有限公司 (Changchun Dacheng Industrial Group Co., Ltd.), a wholly foreign owned enterprise established in the PRC and an indirect wholly owned subsidiary of GBT

“EGM”	the extraordinary general meeting of GSH to be convened and held to consider the Transaction, the S&P Agreement and the transactions contemplated therein (including the grant of a waiver by GSH to GBT and Global Corn Bio-chem)
“GBT”	Global Bio-chem Technology Group Company Limited, the issued shares of which are listed on the Stock Exchange
“GBT Board”	the board of directors of GBT
“GBT Group”	GBT and its subsidiaries which, for the purpose of this announcement, excludes the GSH Group
“Global Corn”	Global Corn Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly owned subsidiary of GBT
“Global Corn Bio-chem”	Global Corn Bio-chem Technology Company Limited, a company incorporated in the British Virgin Islands and a direct wholly owned subsidiary of GBT
“GSH”	Global Sweeteners Holdings Limited, the issued shares of which are listed on the Stock Exchange
“GSH Board”	the board of directors of GSH
“GSH Group”	GSH and its subsidiaries
“GSH IBC”	the independent board committee of the GSH Board comprising Messrs. Chan Yuk Tong, Yan Man Sing Frankie, Ho Lic Ki and Gao Yunchun, the independent non-executive Directors, appointed by the GSH Board for the purpose of advising the GSH Independent Shareholders in relation to the Transaction
“GSH IFA”	Partners Capital International Limited, the independent financial advisers appointed by the GSH Board and approved by the GSH IBC for the purpose of advising the GSH IBC and the GSH Independent Shareholders in relation to the Transaction
“GSH Independent Shareholders”	any shareholder of GSH that is not required to abstain from voting at a general meeting, if necessary, to approve a connected transaction
“GSIL”	Global Sweeteners Investments Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of GSH
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong

“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinzhou Yuancheng”	錦州元成生化科技有限公司 (Jinzhou Yuancheng Bio-chem Technology Co., Ltd.*), a PRC sino-foreign joint venture enterprise established in the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“mtpa”	metric tonnes per annum
“PRC”	People’s Republic of China
“RMB”	Renminbi, the lawful currency in the PRC
“S&P Agreement”	the agreement in relation to the Transaction dated 27 June 2008 entered into between the Vendors and GSIL
“Sales Agency Agreement”	the sales agency agreement in relation to the distribution of the Co-products to be entered into between Jinzhou Yuancheng and Global Corn at Completion
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“sq.m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the acquisition by GSIL and the disposal by the Vendors of the entire equity interest in the registered capital of Jinzhou Yuancheng pursuant to the S&P Agreement
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendors”	Global Corn and Dacheng Industrial

By order of the GBT Board
Global Bio-chem Technology Group Company Limited
Xu Zhouwen
Co-Chairman

By order of the GSH Board
Global Sweeteners Holdings Limited
Kong Zhanpeng
Chairman

Hong Kong, 4 July 2008

As at the date of this announcement, the GBT Board comprises three executive directors, namely Mr. Liu Xiaoming, Mr. Xu Zhouwen and Mr. Wang Tieguang, a non-executive director, namely Mr. Patrick E Bowe (Mr. Steven C Wellington as his alternate) and three independent non-executive directors, namely Mr. Lee Yuen Kwong, Mr. Chan Man Hon, Eric and Mr. Li Defa.

As at the date of this announcement, the GSH Board comprises five executive directors, namely, Mr. Kong Zhanpeng, Mr. Zhang Fusheng, Ms. Wang Guifeng, Ms. Ge Yanping and Mr. Zhang Fazheng and four independent non-executive directors, namely Mr. Chan Yuk Tong, Mr. Yan Man Sing Frankie, Mr. Ho Lic Ki and Mr. Gao Yunchun.

In this announcement, RMB has been converted to HK\$ at the rate of RMB1 = HK\$1.12 for illustration purpose only. No representation is made that any amount in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

** For identification purposes only*