

To: Business Editors

GLOBAL BIO-CHEM TO DISPOSE 47% INTEREST IN GLOBAL SWEETENERS AND TO REALISE RESTRUCTURING OF THE TWO COMPANIES

10 April 2023 – Global Bio-chem Technology Group Company Limited (“GBT”, together with its subsidiaries as “GBT Group”, stock code: 00809) and Global Sweeteners Holdings Limited (“GSH”, together with its subsidiaries as “GSH Group”, stock code: 03889) announced today in a Joint Announcement that, the GBT Group is to dispose 47% of the issued share capital of GSH to Mr. Kong Zhanpeng and Mr. Wang Tiegung (“Joint Offerors”). In addition, GSH Group and GBT Group entered into the Dihao Sale and Purchase Agreements for disposal of the entire equity interests of Changchun Dihao Crystal Sugar Industry Development Co., Ltd. (“Dihao Crystal Sugar”) and Changchun Dihao Foodstuff Development Co., Ltd. (“Dihao Foodstuff”) by GSH Group to GBT Group.

On 6 April 2023, GBT Group as vendor, and the Joint Offerors as purchasers entered into the GSH Sale and Purchase Agreement, pursuant to which the Joint Offerors have conditionally agreed to acquire, and GBT Group has conditionally agreed to sell, the GSH Sale Shares, being 717,965,000 GSH Shares, representing approximately 47% of the entire issued share capital of GSH as at the date of the GSH Sale and Purchase Agreement, at a total consideration of HK\$43,077,900, equivalent to HK\$0.06 per GSH Sale Share.

On the same day, GSH Group and GBT Group entered into the Dihao Sale and Purchase Agreements, pursuant to the agreements, among others, GSH Group has conditionally agreed to sell and GBT Group has conditionally agreed to purchase the entire equity interests in Dihao Foodstuff and Dihao Crystal Sugar respectively at RMB1.0 each.

In addition, GSH entered into the Convertible Bond Subscription Agreement (“CB Subscription”) with the Joint Offerors as subscribers, pursuant to which GSH has conditionally agreed to issue, and the Joint Offerors have conditionally agreed to subscribe for the Convertible Bonds in the aggregate principal amount of RMB120.0 million (equivalent to approximately HK\$138.0 million), at the initial Conversion Price of HK\$0.1 per Conversion Share.

The gross proceeds and the net proceeds from the issue of the Convertible Bonds will be RMB120.0 million (equivalent to approximately HK\$138.0 million). GSH intends to use the net proceeds as follows: (i) RMB60.0 million for repayment of the first installment of the Jinzhou CCB Loans; and (ii) RMB60.0 million for the preparation for the resumption of Jinzhou production facilities such as the expenses in relation to trial run and the procurement of raw

materials.

Under the GSH Disposal (“Disposal of GSH sale shares”), the GBT Group will dispose of 717,965,000 GSH Shares and, upon completion of the GSH Disposal, the GBT Group’s interest in GSH will be reduced from approximately 64.04% to 17.04%.

Assuming no further change in the shareholding structure of GSH other than the GSH Disposal and full exercise of the Conversion Rights of the Convertible Bonds, the GBT Group’s shareholding in GSH will be further reduced to approximately 8.96% upon exercise of the Conversion Rights in full.

Upon completion of sale and purchase of GSH sale shares (“GSH Completion”), the Joint Offerors and parties acting in concert with them will become interested in a total of 777,673,000 GSH Shares, representing approximately 50.91% of the entire issued share capital of GSH.

Pursuant to Rule 26.1 of the Takeovers Code, upon GSH Completion, the Joint Offerors and the parties acting in concert with them will be required to make a mandatory unconditional general offer in cash for all the issued GSH Shares (other than those already owned or agreed to be acquired by the Joint Offerors and parties acting in concert with them). Subject to and upon GSH Completion, CCBI Capital and China Galaxy will make the Offer for and on behalf of the Joint Offerors on the basis of HK\$0.06 in cash for every Offer Share. The Offer Price is the same as the price per GSH Sale Share payable by the Joint Offerors under the GSH Sale and Purchase Agreement.

Following the close of the Offer, the Joint Offerors intend to continue the existing principal businesses of the GSH Group. The Joint Offerors will conduct a review of the existing principal businesses and the financial position of the GSH Group for the purpose of formulating business plans and strategies for the future business development of the GSH Group. Subject to the results of the review, the Joint Offerors may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the GSH Group.

Immediately after the Offer (assuming full public acceptance of the Offer) and immediately after full conversion of the Convertible Bonds (assuming conversion of Convertible Bonds at a Conversion Price of HK\$0.1 per Conversion Share, the shareholding of the Joint Offerors in GSH will increase to 77.92% while that of the public shareholders will drop to 13.12%. The Joint Offerors intend to maintain the listing of the GSH Shares on the Stock Exchange of Hong Kong.

The Joint Offerors will undertake to the Stock Exchange of Hong Kong to take appropriate steps to ensure that not less than 25.0% of the issued share capital of GSH will be held by the public at all times following closing of the Offer.

The above transactions are conditional upon satisfaction and/or waiver of the relevant conditions precedent. Each of GBT and GSH will publish a circular in relation to the above transactions to their respective shareholders to review, consider and if thought fit, approve such transactions.

About Global Bio-chem

Global Bio-chem (stock code: 00809.HK) has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 2001. The Group is principally engaged in the manufacture and sale, research and development of corn-based biochemical products in the People's Republic of China (the "PRC"). The Company's production facilities are based in various provinces in the PRC. Global Bio-chem is also the parent company of Global Sweeteners Holdings Limited (stock Code: 03889.HK), which is also listed on the Main Board of The Stock Exchange of Hong Kong Limited.

About Global Sweeteners

Global Sweeteners (stock code: 03889.HK) is listed on the Main Board of The Stock Exchange of Hong Kong Limited in September 2007 and is principally engaged in the production and sale of corn refined products (including corn starch, corn oil, gluten meal and fibre), and various corn sweeteners (including glucose and maltose syrup, HFCS and maltodextrin) for food and beverage, chemical, confectionery, daily, cosmetics and pharmaceutical products manufacturers. Global Sweeteners is a non-wholly owned subsidiary of Global Bio-chem Technology Group Company Limited (stock code: 00809.HK), the issued shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

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