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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: 00809)**

### **VOLUNTARY ANNOUNCEMENT COMMENCEMENT OF SUPPLIERS DEBT RESTRUCTURING ARRANGEMENT**

This announcement is made by Global Bio-chem Technology Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

As previously disclosed in the annual report of the Company for the year ended 31 December 2024, the Group has been in discussion with certain suppliers of the Group (the “**Relevant Suppliers**”) to resolve a substantial part of payables owing to them which have been overdue for more than 10 years. Such overdue payables were valued at approximately RMB461.1 million as of 31 March 2025 (the “**Suppliers Debt**”). The Relevant Suppliers comprised over 130 corporate or individual suppliers of the Group, of which all corporate suppliers are companies established in the PRC, and all of the Relevant Suppliers are independent third parties to the Company and its connected person (as defined under the Listing Rules). The Group is pleased to announce that consensus have been reached between the Group and the Relevant Suppliers to conduct a series of arrangements to restructure and settle the Suppliers Debt (the “**Suppliers Debt Restructuring Arrangement**”).

The Suppliers Debt Restructuring Arrangement involves two major steps, namely (i) the debt-to-equity conversion in the PRC, with the Relevant Suppliers, via several limited liabilities partnerships they have established in the PRC (“**Suppliers PRC LLPs**”), converting their interest in the Suppliers Debt to equity interest in 長春世紀大成商貿有限公司 (Changchun Century Dacheng Trading Company Limited\*) (“**Century Dacheng**”), an indirect wholly-owned subsidiary of the Company; and (ii) the equity-swap at the Company level, swapping the equity interest in Century Dacheng held by the Suppliers PRC LLPs, with shares of the Company to be issued.

To facilitate the Suppliers Debt Restructuring Arrangement, the Relevant Suppliers have formed the Suppliers PRC LLPs solely for the purposes of the Suppliers Debt Restructuring Arrangement recently. All of the Suppliers PRC LLPs have been formed in the same manner such that all Relevant Suppliers enjoy equal rights under the Suppliers Debt Restructuring Arrangement by reference to the amount of payables owed to them by the Group.

On 9 June 2025, (i) each of the Suppliers PRC LLPs, as the initial creditors and subscribers; (ii) Century Dacheng, as the debtor and the issuer; and (iii) Global Bio-chem Technology (HK) Limited (“**GBT HK**”), a wholly-owned subsidiary of the Company and the immediate shareholder of Century Dacheng, entered into respective debt-to-equity swap agreements (the “**Debt-to-Equity-Swap Agreements**”). Pursuant to the Debt-to Equity Swap Agreements, each of the Suppliers PRC LLPs will utilise the respective Suppliers Debt amount (RMB461.1 million in aggregate) to subscribe for new registered capital of Century Dacheng, which shall, upon completion, be regarded as fully paid-up registered capital, representing approximately 28.98% equity interest in Century Dacheng in aggregate.

Completion of the Debt-to-Equity-Swap Agreements are conditional upon the Group having obtained all regulatory consent and authorisation, among others, the approvals or filing required by the competent authorities of the Ministry of Commerce. Upon completion of the Debt-to-Equity-Swap Agreements, Century Dacheng will be owned as to approximately 28.98% by the Suppliers PRC LLPs in aggregate, and approximately 71.02% by GBT HK. Century Dacheng will remain as a subsidiary of the Company. A lock-up provision has been included in the Debt-to-Equity-Swap Agreements to the effect that any equity interest of Century Dacheng to be held by the Suppliers PRC LLPs shall only be held for the purposes of the Suppliers Debt Restructuring Arrangement and shall not be sold, used as guarantee, pledged, encumbered or disposed of in any other way.

In order to resolve the Suppliers Debt, the equity interest of Century Dacheng held by the Suppliers PRC LLPs shall ultimately be swapped to listed shares of the Company. As stipulated in the Debt-to-Equity-Swap Agreements, the Suppliers PRC LLPs shall set up special purpose vehicles in the form of limited companies in Hong Kong (the “**Suppliers SPVs**”) and their respective equity interest in Century Dacheng shall be transferred to their respective Suppliers SPVs. As the final step of the Suppliers Debt Restructuring Arrangement, the Company shall acquire from the Suppliers SPVs the aggregate equity interest of approximately 28.98% of Century Dacheng, being the entire equity interest of Century Dacheng that are held by the Suppliers SPVs, by the issuance of new shares of the Company as consideration shares. The consideration, which shall represent the amount of the Suppliers Debt after a haircut discount, has not been agreed in the Debt-to-Equity-Swap Agreements. Based on the latest negotiation, it is expected that the haircut discount shall be no less than 30.0%. Excluding the effect of the differences between the discounted amount of the Suppliers Debt and the fair value of the new shares of the Company to be issued as consideration shares, it is expected the Group will record a net gain of no less than approximately HK\$190.0 million on such haircut discount of the Suppliers Debt. As at the date of this announcement, no legally binding agreement has been entered into between the Group and the Suppliers PRC LLPs or any of its nominees obligating the issuance of shares of the Company and no agreement has been reached regarding the issue price.

Upon completion of the aforementioned equity swap, Century Dacheng will once again become an indirect wholly-owned subsidiary of the Company. Therefore, there will be no change to the ultimate beneficial ownership of Century Dacheng and no overall impact on the Group's interest in Century Dacheng immediately before and after the completion of the Suppliers Debt Restructuring Arrangement.

To ensure that the Suppliers Debt Restructuring Arrangement will proceed smoothly and to avoid any unexpected impact to the Group, in particular in respect of its ownership and interest in Century Dacheng during the process, the Debt-to-Equity-Swap Agreements stipulated that if the Suppliers Debt Restructuring Arrangement failed to proceed to completion (i.e. completion of the equity-swap at the Company level), parties to the Debt-to-Equity Swap Agreements could restore their initial position, being their respective position prior to the completion of the debt-to-equity swap underlying the Debt-to-Equity Swap Agreements. The initial creditors-debtor relationships between the Suppliers PRC LLPs and Century Dacheng would be restored by way of, among others, a form of targeted capital reduction. Century Dacheng would also restore its position as an indirect-wholly-owned subsidiary of the Company. The Suppliers Debt Restructuring Arrangement therefore is not expected to pose any overall impact on the Group, even if in the unlikely event that it fails to proceed to completion.

The Company will make further announcement(s) relating to the progress of the Suppliers Debt Restructuring Arrangement in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as and when appropriate.

By order of the Board  
**Global Bio-chem Technology Group Company Limited**  
**Wang Cheng**  
*Chairman*

Hong Kong, 9 June 2025

*As of the date of this announcement, the Board comprises two executive Directors, namely, Mr. Wang Cheng and Mr. Wang Guicheng; one non-executive Director, namely, Mr. Li Yuewen; and three independent non-executive Directors, namely, Ms. Jiang Fangfang, Mr. Tan Chao and Ms. Xie Liangqiu.*

*\* For identification purposes only*