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)

CONTINUING AND CONNECTED TRANSACTION IN RELATION TO SERVICE FEES UNDER THE COUNTER-GUARANTEE AGREEMENT

COUNTER-GUARANTEE AGREEMENT

On 27 July 2026, the Company and Nongfa entered into the Counter-guarantee Agreement pursuant to which the Company agrees to provide counter-guarantee(s) in favour of Nongfa in respect of the guarantees provided and to be provided by Nongfa to the financial institutions for bank loans obtained and to be obtained by the relevant subsidiary(ies) of the Company from such financial institutions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Nongfa is interested in approximately 49.36% of the entire issued share capital of the Company through its control in 吉林省現代農業產業投資基金(有限合夥) (Jilin Province Modern Agricultural Industry Investment Fund (LLP)*), which indirectly holds the entire issued share capital of Modern Agricultural. As such, Nongfa is a connected person of the Company. Accordingly, the transactions contemplated under the Counter-guarantee Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. Since all the applicable percentage ratios for the proposed annual caps in respect of the service fees payable by the Company to Nongfa under the Counter-guarantee Agreement for each of the three years ending 26 July 2029 are less than 5%, the continuing connected transactions under the Counter-guarantee Agreement and the proposed annual caps therefore are subject to the reporting and announcement requirements but exempted from the circular (including independent financial advice) and the Shareholders' approval requirements under Chapter 14A of the Listing Rules.

COUNTER-GUARANTEE AGREEMENT

The principal terms of the Counter-guarantee Agreement are set out below:

Date: 27 July 2026

Parties:
(1) the Company; and
(2) Nongfa

Term: Three (3) years commencing from the date of entering into the Counter-guarantee Agreement

Subject matter: Pursuant to the Counter-guarantee Agreement, the Company agrees to provide counter-guarantee(s) in favour of Nongfa in respect of the guarantees provided and to be provided by Nongfa to the financial institutions for bank loans obtained and to be obtained by the relevant subsidiary(ies) of the Company from such financial institutions.

Such counter-guarantee(s) shall cover the actual loan amount guaranteed by Nongfa, together with all related interests, charges and amount payable under the relevant loan(s), and include the costs and expenses incurred by Nongfa in enforcing its rights under the guarantee(s), and any losses suffered by it arising from the breach of the underlying loan agreement(s) by the relevant subsidiary(ies) of the Company (as borrower).

The counter-guarantee(s) to be provided by the Company to Nongfa under the Counter-guarantee Agreement shall not exceed the amount of indebtedness actually borne by Nongfa under the relevant loan guarantee(s) furnished by Nongfa for the relevant subsidiary(ies) of the Company.

Maximum loan amount under guarantee

Pursuant to the Counter-guarantee Agreement, the principal amount of the loans guaranteed by Nongfa shall not, in aggregate, exceed RMB1,500.0 million.

Service fees:	The Company shall pay Nongfa a service fee equivalent to 0.5% of the actual loan amount drawn down by the relevant subsidiary(ies) of the Company and guaranteed by Nongfa, prorated based on the period for which such drawn amount remains outstanding during the relevant year, payable on an annual basis.
Other terms:	Pursuant to the Counter-guarantee Agreement, Nongfa agrees that, in respect of each guarantee to be provided by it for loans to be obtained by the relevant subsidiary(ies) of the Company, it shall enter into separate definitive guarantee agreement with the Company (or the relevant subsidiary(ies) of the Company) and/or the relevant financial institution(s). Each such guarantee agreement shall be entered into on normal commercial terms or better and shall not be secured by any assets of the Group.

As at the date of this announcement, Nongfa has provided guarantee in relation to the loans taken out by the Group of approximately RMB791.85 million, which was not secured by any assets of the Group. Under the Counter-guarantee Agreement, the Company shall provide counter-guarantee to Nongfa in relation to such guarantee. The Directors (including the independent non-executive Directors) consider that the terms of the guarantee provided by Nongfa are normal commercial terms or better, and that the terms of the Counter-guarantee Agreement are to mirror the obligations of Nongfa under the relevant guarantee(s) provided or to be provided to the financial institutions. As such, the entering into the Counter-guarantee Agreement is in the interests of the Company and the Shareholders as a whole.

PROPOSED ANNUAL CAPS

The proposed annual caps in respect of the service fees payable by the Company to Nongfa under the Counter-guarantee Agreement will be RMB7.50 million (approximately HK$8.52 million) for each of the three years ending 26 July 2029.

The proposed annual caps represent the maximum service fee payable by the Company to Nongfa in each of the three years ending 26 July 2029. Such annual caps are calculated based on a service fee of 0.5% per annum on the maximum loan amount of RMB1,500.0 million, assuming that the maximum amount is fully drawn down and guaranteed by Nongfa, and remains outstanding throughout the relevant year. Such service fee was determined with reference to the fee quotations obtained by the Group from independent third-party suppliers providing similar services.

The Directors (including the independent non-executive Directors) are of the opinion that the proposed annual caps for the continuing connected transactions contemplated under the Counter-guarantee Agreement for each of the three years ending 26 July 2029 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE COUNTER-GUARANTEE AGREEMENT

Due to actual needs of operation and development of the Group, it is expected that the Group will have an increasing demand for liquidity and would require additional loan financing from financial institutions. Guarantee(s) provided/to be provided by Nongfa would facilitate the Group in obtaining loans in light of its state-owned background. Given the financial position of Nongfa, the Group may also be able to secure loans with more favorable terms from financial institutions. Entering into the Counter-guarantee Agreement allows the Company to continue to facilitate Nongfa in providing such guarantees, thereby enhancing the Group's ability to obtain stable and timely financing and strengthen the Group's overall financial flexibility.

The Board (including the independent non-executive Directors) considers that while the Counter-guarantee Agreement was not entered into in the ordinary and usual course of business of the Company, it is on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As Mr. Wang Cheng, an executive Director, is also the chairman of Nongfa, he has abstained from voting in respect of the relevant Board resolutions approving, among others, the transactions contemplated under the Counter-guarantee Agreement. Save as disclosed, none of the Directors has a material interest in the Counter-guarantee Agreement and therefore had to abstain from voting on the relevant Board resolutions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Nongfa is interested in approximately 49.36% of the entire issued share capital of the Company through its control in 吉林省現代農業產業投資基金(有限合夥) (Jilin Province Modern Agricultural Industry Investment Fund (LLP)*), which indirectly holds the entire issued share capital of Modern Agricultural. As such, Nongfa is a connected person of the Company. Accordingly, the transactions contemplated under the Counter-guarantee Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios for the proposed annual caps in respect of the service fees payable by the Company to Nongfa under the Counter-guarantee Agreement for each of the three years ending 26 July 2029 are less than 5%, the continuing connected transactions under the Counter-guarantee Agreement and the proposed annual caps therefore are subject to the reporting and announcement requirements but exempted from the circular (including independent financial advice) and the Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION OF THE GROUP AND NONGFA

The Group is principally engaged in the manufacture and sale of corn refined products and corn based biochemical products in the PRC.

Nongfa is principally engaged in the investment in agriculture, sale and purchase of grain, distribution of agricultural products and provision of agricultural science and technology services. As at the date of this announcement, Nongfa is owned as to 90.0% by Jilin SASAC and as to 10.0% by Jilin DOF. Both Jilin SASAC and Jilin DOF are PRC Governmental Bodies.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

"Board"	the board of Directors
"Company"	Global Bio-chem Technology Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00809)
"Counter-guarantee Agreement"	the counter-guarantee agreement entered into between the Company and Nongfa in relation to the provision of counter-guarantee from the Company in favour of Nongfa in relation to guarantee(s) from Nongfa to the financial institutions for bank loans obtained and to be obtained by the relevant subsidiary(ies) of the Company
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries from time to time

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Jilin DOF"	吉林省財政廳 (Jilin Province Department of Finance), a PRC Governmental Body holding 10.0% interests in Nongfa
"Jilin SASAC"	吉林省人民政府國有資產監督管理委員會 (The State-owned Assets Supervision and Administration Commission of People's Government of Jilin Province), a PRC Governmental Body holding 90.0% interests in Nongfa
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Modern Agricultural"	Modern Agricultural Industry Investment Limited, a company incorporated in the British Virgin Islands which is the controlling Shareholder holding approximately 49.36% of the entire issued share capital of the Company as at the date of this announcement
"Nongfa"	吉林省農業發展集團有限公司 (Jilin Agricultural Development Group Co., Ltd.*), a company established in the PRC which is owned as to 90.0% by Jilin SASAC and as to 10.0% by Jilin DOF
"PRC"	the People's Republic of China
"PRC Governmental Body(ies)"	has the meaning ascribed to it under the Listing Rules
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

In this announcement, amounts quoted in RMB have been converted into HK$ at the rate of HK$1.00 to RMB0.88. Such exchange rate has been used, where applicable, for purpose of illustration only and does not constitute representation that any amounts were or may have been exchanged at such rate or any other rates.

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

Hong Kong, 27 July 2026

As at 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*