

To: Business Editors

**AMINO ACIDS OPERATION RESUMED SINCE END OF 2022
GLOBAL BIO-CHEM 2022 REVENUE REACHED HK\$372.3 MILLION**

30 March 2023 – Global Bio-chem Technology Group Company Limited (“Global Bio-chem” or the “Company”, stock code: 00809) together with its subsidiaries (the “Group”) announced its audited consolidated revenue for the year ended 31 December 2022 (“Year”) amounted to approximately HK\$372.3 million (2021: HK\$746.6 million). The Group reported a gross profit of approximately HK\$34.6 million (2021: HK\$48.4 million) during the Year. Due to the improvement in corn sweetener prices driven by rising sugar price during the year under review, the increase in the average selling price of the Group’s sweetener products was sufficient to offset the surge in raw material costs. As a result, the gross profit margin of the Group increased by 2.8 percentage points to 9.3% (2021: 6.5%).

The Group recorded a net loss of approximately HK\$1,519.6 million (2021: HK\$435.4 million) during the year under review, which was widened significantly from that of the previous year. It was mainly due to the absence of the recognition of an one-off gain on debt restructuring during the Year, resulting in a significant decrease in other income and gains as compared to last year.

The upstream products recorded insignificant sales volume as the Group’s upstream operations have been suspended during most of the time of the Year, and a majority of its inventory has been exhausted prior to the Year.

The Group resumed its amino acids operation since mid December 2022. Thus, the Group’s amino acids segment recorded sales volume of approximately 800 MT (2021: 180 MT) during the Year. The revenue of the amino acids segment amounted to approximately HK\$5.3 million (2021: HK\$1.5 million) for the Year, with a gross profit of HK\$0.6 million (2021: HK\$0.1 million) and gross profit margin of 11.3% (2021: 6.7%). It is expected that pork production in China will gradually pick up its recovery momentum in 2023 as China has reopened to the world since the end of the Year and its economic activities gradually returns to normal. The Group will continue its collaboration with distributors, actively participate in animal feed industry conferences and campaigns to maintain close business relationships with prominent animal feed producers and maintain stable production of its lysine products to strengthen its position in the industry. The Group targets to resume all its production capacity of lysine production in second half of 2023. It is expected that the full resumption of the Group’s lysine production would generate cash inflow to the Group in 2023 and provide sufficient capital for upgrading its existing production technologies and equipment.

To improve the financial position of the Group, the management of the Group will continue its efforts in (1) speeding up the process of resumption of the Relevant Properties in order to reduce the financial burden of the Group; (2) actively negotiating with banks/creditors to push forward the debt restructuring plan to lower the debt level of the Group; (3) closely monitoring market changes to streamline the production processes and identify opportunities for further resumption of production to improve the Group's financial conditions and operational efficiency; and (4) introducing potential investors to further strengthen the working capital and financial position of the Group.

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.

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Global Bio-chem's financial highlights

	For the year ended 31 December		
	2022	2021	Change %
Revenue (HK\$ million)	372.3	746.6	(50.1)
Gross profit (HK\$ million)	34.6	48.4	(28.5)
Loss for the year (HK\$ million)	(1,519.6)	(435.4)	N/A
Loss attributable to owners of the Company (HK\$ million)	(1,443.1)	(400.8)	N/A
Basic loss per share (HK cents)	(16.2)	(4.5)	N/A
Proposed final dividend per share (HK cents)	—	—	N/A