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)

(1) PROFIT WARNING

(2) TERMINATION OF CONNECTED AND DISCLOSEABLE TRANSACTION IN RESPECT OF THE DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

This announcement is made by Global Bio-chem Technology Group Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

(1) PROFIT WARNING

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the Group's unaudited consolidated management accounts currently available to the Group, the Group recorded an significant increase in net loss for the ten months ended 31 October 2018, as compared with the ten months ended 31 October 2017. Such deterioration was mainly attributable to the rising cost of corn kernels by 21.9%, the depressed prices of amino acids due to poor market sentiment in animal husbandry, the increase in sales and administrative expenses and finance cost by 33.6% and 35.3% respectively.

The information contained in this announcement is only based on the preliminary assessment by the management of the Group of the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2018 which have not been reviewed or audited by the Company's auditor. Shareholders of the Company and the potential investors are advised to read carefully the final results announcement of the Company for the year ending 31 December 2018 which is expected to be published by the end of March 2019.

(2) TERMINATION OF CONNECTED AND DISCLOSEABLE TRANSACTION IN RESPECT OF THE DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

Reference is made to the announcement (the "**Announcement**") of the Company dated 4 May 2018 in relation to the connected and discloseable transaction in respect of the deemed disposal of equity interests in JV Company by the Company pursuant to the terms and conditions as set out under the Capital Increase Agreement. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board announces as the conditions precedent to the obligations of Dacheng Industrial and GP to make Capital Contribution have not been fully fulfilled or waived, Dacheng Bio-tech, Dacheng Industrial and GP have mutually agreed to terminate the Capital Increase Agreement. Accordingly, on 18 December 2018, Dacheng Bio-tech, Dacheng Industrial and GP entered into a termination agreement (the "**Termination Agreement**") to terminate the Capital Increase Agreement with effect from the date thereof.

Pursuant to the Termination Agreement, the parties agreed that the Capital Increase Agreement shall be terminated and ceased to have any force or effect from the date of the Termination Agreement, and no party to the Capital Increase Agreement shall have any claim against any other parties in respect of any matter arising out of or in connection with the Capital Increase Agreement and all parties to the Capital Increase Agreement shall be released from any obligations arising out of or in connection with the Capital Increase Agreement.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Global Bio-chem Technology Group Company Limited
Yuan Weisen
Chairman

Hong Kong, 18 December 2018

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Yuan Weisen, Mr. Zhang Zihua and Mr. Liu Shuhang; and two independent non-executive Directors, namely, Mr. Ng Kwok Pong and Mr. Yeung Kit Lam.

* *For identification purpose only*