Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

DISCLOSEABLE TRANSACTION IN RELATION TO THE EPC CONTRACT ENTERED INTO BY PUBLIC TENDER

EPC CONTRACT BY WAY OF PUBLIC TENDER

Reference is made to the announcement of the Company dated 23 May 2025 in relation to the commencement of public tender for the EPC Contract.

As disclosed in the announcement of the Company dated 23 May 2025, Changchun Dahe had issued a notice of Tender inviting bidders for the EPC Contract and such Tender commenced on 26 May 2025. As there were insufficient bidders participating in such Tender, Changchun Dahe has issued other two notices of Tender inviting bidders for the EPC Contract on 3 June 2025 (which expired on 23 June 2025 with no successful bidder) and 24 June 2025, respectively. In the notice of Tender dated 24 June 2025, to incentivise contractors to participate in the Tender, clauses providing for bonus for early completion of the Boiler Refurbishment Project has been added.

The Board is pleased to announce that the Tender has successfully closed on 14 July 2025, and Changchun Dahe entered into the EPC Contract with Northeast Electric and Liaoning Electric, being the successful joint bidders, on 31 July 2025. Under the EPC Contract, the Contractors will be responsible for the project engineering design, procurement, construction, installation, calibration and test running related works in respect of the Boiler Refurbishment Project at a maximum consideration of RMB129.1 million (including the maximum bonus for early completion).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transaction contemplated under the EPC Contract exceeds 5% but is less than 25%, the transaction contemplated under the EPC Contract constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

EPC CONTRACT BY WAY OF PUBLIC TENDER

Reference is made to the announcement of the Company dated 23 May 2025 in relation to the commencement of public tender for the EPC Contract.

As disclosed in the announcement of the Company dated 23 May 2025, Changchun Dahe had issued a notice of Tender inviting bidders for the EPC Contract and such Tender commenced on 26 May 2025. As there were insufficient bidders participating in such Tender, Changchun Dahe has issued other two notices of Tender inviting bidders for the EPC Contract on 3 June 2025 (which expired on 23 June 2025 with no successful bidder) and 24 June 2025, respectively. In the notice of Tender dated 24 June 2025, to incentivise contractors to participate in the Tender, clauses providing for bonus for early completion of the Boiler Refurbishment Project has been added.

The Board is pleased to announce that the Tender has successfully closed on 14 July 2025, and Changchun Dahe entered into the EPC Contract with Northeast Electric and Liaoning Electric, being the successful joint bidders, on 31 July 2025. Under the EPC Contract, the Contractors will be responsible for the project engineering design, procurement, construction, installation, calibration and test running related works in respect of the Boiler Refurbishment Project at a maximum consideration of RMB129.1 million (including the maximum bonus for early completion).

The EPC Contract

The principal terms of the EPC Contract are summarised below:

Date: 31 July 2025 (after trading hours)

Parties:

(1) Changchun Dahe (as contractee);

(2) Northeast Electric (as the lead contractor); and

(3) Liaoning Electric (as contractor)

Project:	The Boiler Refurbishment Project, which includes: (i) the installation of a set of new 150t/h ultra-high temperature and ultra-high pressure circulating fluidised bed boiler, along with new heating facilities; (ii) the construction of flue gas dust removal and denitrification devices, reusing the existing desulfurisation unit; (iii) establishing new system for slag removing and ash conveying, coal loading and dust collection; (iv) establishing a new full-membrane desalination water system (partially reusing existing components); (v) the installation of a thermal instrumentation and control system, along with an integrated control retrofit; and (vi) the construction of comprehensive automation systems of relevance and the upgrading of original systems (including the drainage and water supply systems, the heating, ventilation and air conditioning (HVAC) system and the relevant greening and paving of the factory area).
Contract term:	The entire term of the contract shall be inclusive of all the time required for engineering design and review, construction works, calibration and test runs with 30 November 2025 set as the milestone date for the enclosure of the boiler plants. Actual production expected to commence on 31 August 2026.
Defect liability period:	24 months calculated from the date the construction passes the completion inspection
Warranty period:	During the warranty period, the Contractors shall be responsible for handling quality problems of the construction works in a timely manner and in accordance with the terms and conditions of the EPC Contract. The warranty period varies depending on the types of construction works involved.

Services to be provided: The Contractors shall be responsible for the project engineering design, procurement, construction, installation, calibration and test running related works in respect of the Boiler Refurbishment Project, including:

(i) **Project engineering design**: process system design; chemical water system design, electrical system design, HVAC system design, thermal control system design and other transformation-related processes, civil engineering design and safety and fire protection, etc.;

(ii) **Procurement**: boiler-supporting auxiliary equipment, heating facilities, chemical water equipment, air compressors, dust removal equipment, denitrification systems, high and low voltage cabinets, frequency converters and other equipment, instruments, measuring devices related to the Boiler Refurbishment Project;

(iii) **Construction works**: construction of boiler plants, integrated control rooms, induced draft fan rooms, air compressor rooms, fire pump rooms; foundation works for all equipment and dust removal, and other construction works related to the Boiler Refurbishment Project;

(iv) **Installation works**: installation of all project-related systems and equipment including boilers, auxiliary equipment, coal feeders, boiler slag removing system, dust collectors and ash conveying system, denitrification system, compressed air system, heating device, temperature and pressure reducer and water deoxidising system, and modification and renovation of boiler coal feeding system, dust collecting system for coal loading, heating system, fire safety system, cooling tower and circulating water system, and upgrade of demineralisation system, electrical system, thermal control system, etc. The Contractors shall be responsible for the storage, unloading and secondary transportation of all equipment and materials for the Boiler Refurbishment Project;

(v) **Calibration and test runs**: conducting calibration and test runs of the project in accordance with the relevant regulations and industry practices of the electric power industry and applicable legal requirements which should include calibration and test runs of individual unit, sub-system testing, and full system testing; and

(vi) **Other entrusted matters**: arrangement of specialised personnel to (a) handle special equipment testing, electrical handover test(s), power supervisions and inspections and government regulations, etc; and (b) inspect, test, calibrate, eliminate defects, test running and perform completion inspection.

Contract Sum: RMB125.1 million (inclusive of tax and excluding any bonus for early completion which has been separately set out in the paragraph headed "Bonus for early completion" below), comprises design fee of RMB2.2 million, procurement fee of RMB43.41 million, construction and installation fee of RMB78.4 million and calibration fee of RMB1.09 million.

The contract sum represents the successful bid price submitted by the Contractors, as the successful joint bidders. The initial capped bid price for the EPC Contract was set at RMB125,505,100, and as disclosed in the announcement of the Company dated 23 May 2025, such capped bid price was determined with reference to a preliminary proposal and fee estimate prepared by a company primarily engaging in power survey, design and scientific research, taking into consideration the size and needs of the Boiler Refurbishment Project, and as reviewed and verified by an independent professional consulting service organisation engaged by the Group.

Bonus for early completion: The bonus in the amount of RMB4.0 million, RMB3.0 million or RMB2.0 million shall be paid to the Contractors for completion of the Boiler Refurbishment Project before 30 June 2026, 31 July 2026 or 31 August 2026 as the case may be.

The bonus for early completion is included by additional terms set out in the notice of Tender issued by Changchun Dahe on 24 June 2025, and ultimately in the EPC Contract, as an incentive to encourage participation of potential EPC contractors in the Tender in view of the unsuccessful outcomes of the two previous Tenders. In determination of the bonus amount, the Board has taken into consideration the relatively tight timetable of the Boiler Refurbishment Project and the expected return that can be generated from production once the Boiler Refurbishment Project is completed.

Payment of the contract sum and the bonus (as the case may be) will be financed by the Group's internal resources.

Payment terms:

All fees and sums payable by Changchun Dahe to the Contractors shall be made to Northeast Electric, being the lead contractor under the EPC Contract.

In relation to the design fee of RMB2.2 million, Changchun Dahe shall pay:

(i) 30% of the design fee within 15 working days after (a) all documents for the civil part of the construction drawings are completed and satisfactorily assessed; and (b) the issuance of the relevant value-added tax ("**VAT**") invoices by the Contractors;

(ii) 30% of the design fee within 15 working days after (a) completion of the construction drawings; and (b) the issuance of the relevant VAT invoices by the Contractors;

(iii) 30% of the design fee after (a) completion of the project and passing of the acceptance inspections and tests, as well as the completion of the settlement audit; and (b) the issuance of the relevant VAT invoices by the Contractors; and

(iv) 10% of the design fee (being the quality assurance deposit) after the as-built drawings are delivered and upon expiry of the defect-liability period during which no design quality issues are found (failing which a corresponding amount shall be deducted).

In relation to procurement fee of RMB43.41 million, Changchun Dahe shall pay:

(i) 30% of the procurement fee upon signing of the EPC Contract;

(ii) 30% of the procurement fee for the respective batch of equipment procured within the scope of the EPC Contract within 15 working days upon (a) inspection and approval by parties including the project supervisor provided that the Contractors has provided payment proof of such procurement; and (b) the issuance of the relevant VAT invoices by the Contractors;

(iii) up to 80% of the procurement fee within 15 working days after (a) Changchun Dahe has confirmed that the Contractors has completed its scope of work under the EPC Contract and the completion of installation and testing of equipment has taken place with satisfactory performance evaluation; and (b) the issuance of the relevant VAT invoices by the Contractors;

(iv) up to 90% of the procurement fee after (a) completion of the project and passing of the acceptance inspections and tests, as well as the completion of the settlement audit; and (b) the issuance of the relevant VAT invoices by the Contractors; and

(v) the remaining 10% of the procurement fee (being the quality assurance deposit) upon expiry of the defect liability period during which no design quality issues are found (failing which a corresponding amount shall be deducted).

In relation to the construction and installation fee of RMB78.4 million, Changchun Dahe shall pay:

(i) prepayment representing 10% of the construction and installation fee to be paid after signing of the EPC Contract and within 15 working days upon the receipt of the performance guarantee to be provided by the Contractors in accordance to the relevant terms under the EPC Contract as set out in the paragraph headed "Performance Guarantee" below;

(ii) monthly progression payments until the cumulative monthly payments reach 80% of the total construction and installation fee, under which:

  (a) 80% of the total costs of the relevant materials which arrived during the month shall be paid; and

  (b) upon submission by the Contractors a monthly progress payment application, subject to review and approval by the project supervisor and Changchun Dahe, to pay 80% of the approved monthly amount;

(iii) up to 95% of the total construction and installation fee upon (a) completion of the Boiler Refurbishment Project and passing of the acceptance inspections and tests, as well as the completion of the settlement audit; and (b) the issuance of the relevant VAT invoices by the Contractors; and

(iv) the remaining 5% of the total construction and installation fee (being the quality assurance deposit) upon expiry of the defect liability period during which no defects are found (failing which a corresponding amount shall be deducted).

In respect of the total calibration fee of RMB1.09 million, Changchun Dahe shall pay:

(i) 90% of the total calibration fee within 15 working days after (a) the entire system passes the acceptance inspection and tests; and (b) the issuance of the relevant VAT invoices by the Contractors; and

(ii) the remaining 10% of the total calibration fee (being the quality insurance deposit) upon expiry of the defect liability period during which no issues are identified (failing which a corresponding amount shall be deducted).

Performance guarantee: Northeast Electric, being the lead contractor, shall provide a performance guarantee in the form of bank guarantee in the amount representing 10% of the contract sum (i.e. RMB12.51 million) in favour of Changchun Dahe within seven days upon signing of the EPC Contract.

The bank guarantee shall be released in full without interest within 10 days after the completion inspection if there are no circumstances of penalty deductions for breach of the EPC Contract.

INFORMATION OF THE PARTIES

The Company and the Group

The Company is an investment holding company. The Group is principally engaged in the manufacture and sale of corn-refined products and corn-based biochemical products in the PRC.

Changchun Dahe

As at the date of this announcement, Changchun Dahe is a wholly-owned subsidiary of the Company, principally engaged in the manufacture and sale of corn-refined products and corn-based biochemical products .

Northeast Electric and Liaoning Electric

Each of Northeast Electric and Liaoning Electric is a company established in the PRC with limited liability. As at the date of this announcement, both companies are ultimately owned as to 100.0% by China Energy Engineering Corporation Limited* (中國能源建設股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 03996.HK) and the main board of the Shanghai Stock Exchange (Stock Code: 601868.SH), and is principally engaged in energy engineering, municipal infrastructure and environmental protection construction.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, both Northeast Electric and Liaoning Electric and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE BOILER REFURBISHMENT PROJECT AND THE EPC CONTRACT

As disclosed in the Company's annual report for the year ended 31 December 2024, the production facilities of Changchun Dahe remained in normal operation throughout the year 2024 and contributed a significant amount of revenue to the Group during the year 2024. Despite the significant financial contribution of Changchun Dahe to the Group, for more than 20 years since its production site was established, Changchun Dahe has been using mid-temperature/sub-high-pressure boilers and supporting generator sets. In view of the widely use of high-temperature/high-pressure and ultra-high-temperature/ultra-high-pressure boilers in the PRC with greater cost-efficiency, and taking into account the sustainable development of the Group as a whole, there is a need for Changchun Dahe to refurbish its boiler facilities in the production site and undergo a systematic upgrade of its boiler units in order to reduce costs and improve its market competitiveness. As the Group is principally engaged in the manufacture and sale of corn-refined products and corn-based biochemical products in the PRC, the Group has no relevant qualifications and capability in carrying out refurbishment projects of similar kind and scale. Through entering into the EPC Contract, the Group will be able to contract out the Boiler Refurbishment Project to appropriate EPC contractors, thereby reducing unnecessary administrative costs and selecting high-quality suppliers via fair competition.

As the EPC Contract was entered into with the successful joint bidders of the Tender in accordance with the notice of Tender, taking into account the benefits of the Boiler Refurbishment Project discussed above, the Board is of the view that the terms of the EPC Contract are fair and reasonable and in the interests of the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transaction contemplated under the EPC Contract exceeds 5% but is less than 25%, the transaction contemplated under the EPC Contract constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Board"	the board of Directors
"Boiler Refurbishment Project"	the refurbishment project in respect of the boiler facilities at the production site of Changchun Dahe
"Changchun Dahe"	長春大合生物技術開發有限公司(Changchun Dahe Bio Technology Development Co., Ltd.*), a wholly-owned subsidiary of the Company
"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)
"Contractors"	Northeast Electric and Liaoning Electric, being the successful joint bidders which entered into the EPC Contract with Changchun Dahe as contractors
"Director(s)"	the director(s) of the Company
"EPC"	engineering, procurement and construction
"EPC Contract"	the EPC contract in relation to the Boiler Refurbishment Project, entered into by Changchun Dahe (as contractee), Northeast Electric and Liaoning Electric (each as a contractor) on 31 July 2025
"Group"	the Company and its subsidiaries from time to time
"Liaoning Electric"	中國能源建設集團遼寧電力勘測設計院有限公司(China Energy Engineering Group Liaoning Electric Power Survey and Design Institute Co., Ltd.), being one of the Contractors

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Northeast Electric"	中國能源建設集團東北電力第二工程有限公司(China Energy Engineering Group Northeast No. 2 Electric Power Construction Co., Ltd.), being one of the Contractors
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tender"	the public tender offered by Changchun Dahe to seek appropriate EPC contractor for the EPC Contract
"%"	per cent

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

Hong Kong, 31 July 2025

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*