

The Company

Global Bio-chem Technology Group Company Limited (“Global Bio-chem” or the “Company” and together with its subsidiaries, “Global Bio-chem Group” or the “Group”) was incorporated in the Cayman Islands under the Companies Law (2000 Revision) of the Cayman Islands as an exempted company on 18 May 2000.

Pursuant to a reorganisation of the Group (the “Reorganisation”) to rationalise the structure of the Group in preparation for the listing of the Company’s shares (the “Shares”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company became the holding company of the companies now comprising the Group on 1 March 2001, and the Shares was listed on the Stock Exchange on 16 March 2001 (stock code: 809). Further details of the Reorganisation are set out in note 1 in the section headed “Notes to Financial Statements”.

The Group is principally engaged in the manufacture of corn refined and corn based biochemical products in the People’s Republic of China (the “PRC” or “China”). The Group’s products are marketed and sold in the PRC as well as other Asian countries. The Group is also engaged in the research and development of corn based biochemical products. The Group’s corn refined products mainly comprise corn starch, corn gluten, corn oil and feed. Certain of these products are further refined or processed into a wide range of value-enhanced corn based biochemical products, such as modified starch, corn sweeteners and amino acids.

The Group was one of the top three corn refining manufacturers in the PRC in terms of corn processing capacity in 1999. The Group is also one of the few producers of lysine, which is one of the most widely-used amino acids having applications in many areas such as food, beverages, nutraceuticals, pharmaceuticals and animal feeds in the PRC. In addition, the Group is one of the few manufacturers in the PRC with vertically integrated operations from the production of corn refined products to the production of corn based biochemical products.

The Group’s headquarters are located in Hong Kong and its principal manufacturing base is located in Changchun, Jilin Province, the PRC, which is also known as the Gold Corn Belt of the PRC. The Group also has a production plant in Shanghai, which is currently used for the production of corn sweeteners. All of the Group’s products are distributed and marketed to industrial manufacturers, international trading companies and foodstuff distributors in the PRC and other Asian countries.