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粵海廣南(集團)有限公司

GDH GUANGNAN (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 01203)

CONTINUING CONNECTED TRANSACTIONS THE FURTHER 2025 ELECTRICITY AGREEMENTS

THE FURTHER 2025 ELECTRICITY AGREEMENTS

Reference is made to the announcement of the Company dated 23 December 2024 in respect of the Existing 2025 Electricity Agreements under which each of GDH Zhongyue (a wholly-owned subsidiary of the Company), GDH Food Foshan, Runhehe Food and Guanglong Food (all being non-wholly owned subsidiaries of the Company) has been purchasing electricity (through the power grid operated by Guangdong Power Grid) from GDH Energy Service during the period from 1 January 2025 to 30 June 2025.

As the Group intends to continue purchasing electricity from GDH Energy Service, in light of the upcoming expiry of the Existing 2025 Electricity Agreements, each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food has entered into the respective Further 2025 Electricity Agreements with GDH Energy Service on 29 April 2025 for a term from 1 July 2025 to 31 December 2025, subject to the approval from the Independent Shareholders being obtained.

LISTING RULES IMPLICATIONS

As at the date of this announcement, GDH holds approximately 59.19% of the total number of issued shares of the Company and thus, GDH is a substantial shareholder, hence a connected person of the Company. Further, GDH holds approximately 58.26% of the total number of issued shares of GDI, and GDH Energy Service is a non-wholly owned subsidiary of GDI (and, hence, also of GDH), therefore GDH Energy Service is an associate of GDH and thus a connected person of the Company. As GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food are all subsidiaries of the Company, the Further 2025 Electricity Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On the basis that the Further 2025 Electricity Agreements and the Existing 2025 Electricity Agreements are in relation to the purchase of electricity by subsidiaries of the Company from GDH Energy Service and were entered into within a 12-month period, the transactions contemplated under the Further 2025 Electricity Agreements and the Existing 2025 Electricity Agreements have been aggregated for the purpose of Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Proposed Caps set for the Further 2025 Electricity Agreements and the Existing Caps set for the Existing 2025 Electricity Agreements (on an aggregate basis) exceeds 5%, the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

A circular containing, among other things, (i) details of the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) the notice convening the EGM, is expected to be despatched to the Shareholders on or before 28 May 2025, which is more than 15 business days after publication of this announcement as additional time is required by the Company to prepare the relevant information in the circular.

INTRODUCTION

Reference is made to the announcement of the Company dated 23 December 2024 in respect of the Existing 2025 Electricity Agreements under which each of GDH Zhongyue (a wholly-owned subsidiary of the Company), GDH Food Foshan, Runhehe Food and Guanglong Food (all being non-wholly owned subsidiaries of the Company) has been purchasing electricity (through the power grid operated by Guangdong Power Grid) from GDH Energy Service during the period from 1 January 2025 to 30 June 2025.

As the Group intends to continue purchasing electricity from GDH Energy Service, in light of the upcoming expiry of the Existing 2025 Electricity Agreements, each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food has entered into the respective Further 2025 Electricity Agreement with GDH Energy Service on 29 April 2025 for a term from 1 July 2025 to 31 December 2025.

THE FURTHER 2025 ELECTRICITY AGREEMENTS

Save for (i) the parties to and (ii) the expected maximum volume of electricity to be supplied and purchased as more particularly described below, the principal terms of each of the Further 2025 Electricity Agreements are substantially the same and are summarised as follows:

Date: 29 April 2025

Parties: *Further 2025 GDH Zhongyue Electricity Agreement:*

- (i) GDH Zhongyue (as purchaser and user of electricity)
- (ii) GDH Energy Service (as supplier)

Further 2025 GDH Food Foshan Electricity Agreement:

- (i) GDH Food Foshan (as purchaser and user of electricity)
- (ii) GDH Energy Service (as supplier)

Further 2025 Runhehe Food Electricity Agreement:

- (i) Runhehe Food (as purchaser and user of electricity)
- (ii) GDH Energy Service (as supplier)

Further 2025 Guanglong Food Electricity Agreement:

- (i) Guanglong Food (as purchaser and user of electricity)
- (ii) GDH Energy Service (as supplier)

Term: 1 July 2025 to 31 December 2025

Expected maximum *Further 2025 GDH Zhongyue Electricity Agreement:*
volume of electricity

to be supplied and 45,000,000 kWh

purchased:

Further 2025 GDH Food Foshan Electricity Agreement:

9,720,000 kWh

Further 2025 Runhehe Food Electricity Agreement:

3,420,000 kWh

Further 2025 Guanglong Food Electricity Agreement:

680,000 kWh

Unit price:

GDH Energy Service will supply, and each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food (as the case may be) will purchase, electricity at the following prices ^(Note 1):

- (i) as to 90% of the monthly consumption, at the agreed price for the standard period (being RMB0.399 per kWh) ^(Note 2) (the “**Agreed Price**”), multiplied by the coefficient corresponding to the peak, standard or off-peak period ^(Note 3) in which the relevant electricity consumption takes place; and
- (ii) as to the remaining 10% of the monthly consumption, at a price based on the monthly weighted average consolidated tariff in the day-ahead market* (日前市場月度加權平均綜合價) ^(Note 4), multiplied by a coefficient corresponding to the peak, standard or off-peak period ^(Note 3) in which the relevant electricity consumption takes place.

If the Agreed Price exceeds the monthly weighted average market price* (市場月度加權平均價) ^(Note 4) by more than 30% for a particular month, the agreed price for the standard period of that month shall be calculated at 130% of the monthly weighted average market price (i.e. the monthly weighted average market price multiplied by 1.3).

If the Agreed Price is lower than the monthly weighted average market price* (市場月度加權平均價) ^(Note 4) by more than 20% for a particular month, the agreed price for the standard period of that month shall be calculated at 80% of the monthly weighted average market price (i.e. the monthly weighted average market price multiplied by 0.8).

Payment terms:

The electricity fee payable by each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food (as the case may be) shall be settled with Guangdong Power Grid ^(Note 5) on a monthly basis, which shall in turn be payable by Guangdong Power Grid to GDH Energy Service after deduction of the Power Grid Fees charged by Guangdong Power Grid; the amount to be received by GDH Energy Service under the respective Further 2025 Electricity Agreements shall therefore be the remainder of the said electricity fee.

Condition precedent ^(Note 6):

Each of the Further 2025 GDH Zhongyue Electricity Agreement, the Further 2025 GDH Food Foshan Electricity Agreement, the Further 2025 Runhehe Food Electricity Agreement and the Further 2025 Guanglong Food Electricity Agreement is subject to and shall become effective on the date of approval of the respective Further 2025 Electricity Agreements and the transactions contemplated thereunder by the Independent Shareholders at the EGM in compliance with the Listing Rules having been obtained. The aforementioned condition precedent cannot be waived.

Notes:

1. The pricing mechanism described herein is formulated in compliance with the 2025 Electricity Market Guidelines (as defined below). According to the 2025 Electricity Market Guidelines, for retail electricity agreements that employ the “fixed price + linkage price + floating price (optional)” model, no less than 10% and no more than 30% of the actual electricity consumption shall be linked to the monthly price or the spot price (being the monthly consolidated tariff in the day-ahead market). To comply with the requirements in the 2025 Electricity Market Guidelines, 90% of the electricity to be purchased by the Group will be purchased at the Agreed Price, while the remaining 10% will be purchased at a price based on the monthly weighted average consolidated tariff in the day-ahead market.
2. The Agreed Price of RMB0.399 per kWh has been determined after arm’s length negotiation with reference to (i) the 2025 market reference price (being RMB0.463 per kWh) and (ii) the 2025 transaction price range (being RMB0.372 per kWh to RMB0.554 per kWh), as specified under the 2025 Electricity Market Guidelines.
3. According to the 2025 Electricity Market Guidelines, the coefficients for the peak, standard and off-peak periods are 1.53:1:0.32 for Shenzhen City and 1.7:1:0.38 for other cities in Guangdong Province and such coefficients are subject to adjustment by the relevant electricity regulatory authorities based on market operations. Given that the coefficients for the peak, standard and off-peak periods are determined by the relevant electricity regulatory authorities and reflect the standardized approach to pricing electricity during different periods based on market dynamics, and considering the need to comply with the relevant requirements in the 2025 Electricity Market Guidelines, the Company is of the view that the aforementioned coefficients are fair and reasonable.

4. As published by the Guangdong Electricity Exchange Centre from time to time.
5. To the best of the knowledge, information and belief of the Directors, as at the date of this announcement, Guangdong Power Grid is a third party independent of and not connected with the Group.
6. If the relevant condition precedent is not fulfilled within 12 months from the date of the relevant Further 2025 Electricity Agreements (or such other date as the parties may agree in writing), the relevant Further 2025 Electricity Agreements will terminate.

THE PROPOSED CAPS AND BASIS OF DETERMINATION

Existing Caps

The following table sets out the existing caps under the respective Existing 2025 Electricity Agreements for the purchase of electricity by each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food (as the case may be) for the period from 1 January 2025 to 30 June 2025 (the “**Existing Cap(s)**”):

The Existing Caps for the period from 1 January 2025 to 30 June 2025 (RMB)

GDH Zhongyue	17,690,000
GDH Food Foshan	3,750,000
Runhehe Food	1,140,000
Guanglong Food	230,000
Total	22,810,000

Historical Transaction Amounts

The following table sets out the historical amounts of fees paid by each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food (as the case may be) to GDH Energy Service under the respective 2024 Electricity Agreements with respect to the purchase of electricity for the period from 1 January 2024 to 31 December 2024 (the “**Historical Transaction Amount(s)**”):

Historical Transaction Amounts for the period from 1 January 2024 to 31 December 2024 (RMB)

GDH Zhongyue	37,057,000
GDH Food Foshan	7,038,000
Runhehe Food	2,141,000
Guanglong Food	405,000
Total	46,641,000

The Proposed Caps

The proposed caps (being the maximum amount of fees payable by each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food (as the case may be) to GDH Energy Service (after deducting the Power Grid Fees payable to Guangdong Power Grid) in relation to the purchase of electricity under each of the Further 2025 Electricity Agreements) for the transactions contemplated under each of the Further 2025 Electricity Agreements for the six months ending 31 December 2025 (the “**Proposed Cap(s)**”) are set out in the table below:

Proposed Caps for the six months ending 31 December 2025 (RMB)

Further 2025 GDH Zhongyue Electricity Agreement	18,510,000
Further 2025 GDH Food Foshan Electricity Agreement	4,070,000
Further 2025 Runhehe Food Electricity Agreement	1,430,000
Further 2025 Guanglong Food Electricity Agreement	285,000
Total	24,295,000

Basis of determination of the Proposed Caps

The Proposed Caps have been determined after arm’s length negotiations between the parties to the Further 2025 Electricity Agreements, and are based on and by reference to the following factors:

- (a) the historical electricity consumption of each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food for the period from 1 July 2024 to 31 December 2024, of approximately 42,738,000 kWh, 8,024,000 kWh, 2,761,000 kWh and 555,000 kWh, respectively. The average monthly consumption of electricity by each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food was approximately 6,879,000 kWh, 1,315,000 kWh, 431,000 kWh and 87,000 kWh, respectively, for the year ended 31 December 2024;
- (b) the Historical Transaction Amounts;

- (c) the expected maximum electricity consumption of each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food for the six months ending 31 December 2025, of 45,000,000 kWh, 9,720,000 kWh, 3,420,000 kWh and 680,000 kWh, respectively, which have taken into account the following:
- (i) **GDH Zhongyue:** Electricity is one of the main production costs of GDH Zhongyue's tinplate products. The estimated maximum electricity consumption for the six months ending 31 December 2025 represents an increase of approximately 5.29% over the actual electricity consumption by GDH Zhongyue for the six months ended 31 December 2024 (as stated in (a) above). As GDH Zhongyue strives to improve its products' quality as well as its profit margin from a better tinplating product mix and manufacturing processes, it is expected that the production process will lead to higher electricity consumption.
 - (ii) **GDH Food Foshan:** The estimated maximum electricity consumption for the six months ending 31 December 2025 represents an increase of approximately 21.14% over the actual electricity consumption by GDH Food Foshan for the six months ended 31 December 2024 (as stated in (a) above). As GDH Food Foshan continues to expand its slaughtering business and has added new environmental protection equipment of slaughtering, GDH Food Foshan anticipates an increase in electricity consumption.
 - (iii) **Runhehe Food:** The estimated maximum electricity consumption for the six months ending 31 December 2025 represents an increase of approximately 23.87% over the actual electricity consumption by Runhehe Food for the six months ended 31 December 2024 (as stated in (a) above). Runhehe Food plans to explore business opportunities in working with other food processing enterprises and further develop food processing business at its slaughterhouse. Accordingly, Runhehe Food anticipates that such business will lead to an overall higher demand for electricity at its slaughterhouse.
 - (iv) **Guanglong Food:** The estimated maximum electricity consumption for the six months ending 31 December 2025 represents an increase of approximately 22.52% over the actual electricity consumption by Guanglong Food for the six months ended 31 December 2024 (as stated in (a) above). Guanglong Food has undertaken equipment renovation and upgrade in the first half of 2025, which is expected to result in an increase in its slaughterhouse capacity and utilisation, hence its consumption of electricity is also expected to increase in the second half of 2025; and

- (d) the unit price under the Further 2025 Electricity Agreements. In particular, the Agreed Price (being RMB0.399 per kWh) has been determined after arm's length negotiation with reference to (i) the market reference price (being RMB0.463 per kWh) and (ii) the transaction price range (being RMB0.372 per kWh to RMB0.554 per kWh), as specified under the guidelines, namely, the Notice of Relevant Matters in relation to the Transactions of the 2025 Electricity Market* (《關於2025年電力市場交易有關事項的通知》) issued by the Energy Bureau of Guangdong Province (廣東省能源局) and the South China Energy Regulatory Bureau of National Energy Administration (國家能源局南方監管局) on 21 November 2024, which also set out the recommended terms for the transactions in the electricity market in Guangdong Province in 2025 (the “**2025 Electricity Market Guidelines**”).

REASONS AND BENEFITS FOR ENTERING INTO THE FURTHER 2025 ELECTRICITY AGREEMENTS

The Agreed Price has been arrived at after arm's length negotiation between the parties to the Further 2025 Electricity Agreements. It has been set with reference to the abovementioned market reference price as stipulated in the 2025 Electricity Market Guidelines. The Group intends to continue the transactions under the Existing 2025 Electricity Agreements, so that each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food will be able to continue to enjoy a fair, reasonable and competitive price which will be conducive in stabilising the operating costs amid the competitive market in which they operate and supporting their daily operations.

Taking into account the above and the longstanding and satisfactory relationship between the Group and GDH Energy Service, the Directors are of the view that it would be beneficial to each of GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food to purchase electricity from GDH Energy Service by entering into the respective Further 2025 Electricity Agreements.

In light of the above, the Directors (other than the independent non-executive Directors, who shall provide their views after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps are fair and reasonable, on normal commercial terms (or better), entered into in the ordinary and usual course of business of the Group, and are in the interest of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

The Group has adopted certain internal control measures in relation to the Further 2025 Electricity Agreements to secure the Shareholders' interests. Among which, the finance department of the Company will continuously monitor, conduct monthly checking and verification of the relevant continuing connected transactions contemplated under the Further 2025 Electricity Agreements. Moreover, the audit committee of the Board will review the continuing connected transactions contemplated under the Further 2025 Electricity Agreements to ensure the completeness and effectiveness of the internal control measures.

The Board considers that the above internal control measures adopted by the Company in respect of the Further 2025 Electricity Agreements are appropriate and that they will give sufficient assurance to the Shareholders that the transactions contemplated under the Further 2025 Electricity Agreements will be appropriately monitored by the Company.

INFORMATION ON THE PARTIES TO THE FURTHER 2025 ELECTRICITY AGREEMENTS

Information on the Company, GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food

The Company

The Company is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange and is principally engaged in investment holding. The Group is principally engaged in the distribution and trading of fresh and live foodstuffs, provision of slaughtering service, manufacturing and sale of tinsplate products and property leasing. As at the date of this announcement, the Company is held as to approximately 59.19% by GDH.

The principal business of GDH is investment holding. The Company understands from GDH that (i) GDH is wholly owned by Guangdong Holdings, a state-owned enterprise established in the PRC; and (ii) as at the date of this announcement, Guangdong Holdings is held as to 90% by the Guangdong Government and as to 10% by the Department of Finance of the Guangdong Province while the State-owned Assets Supervision and Administration Commission of the Guangdong Government has been performing ownership and control functions in respect of Guangdong Holdings with the authorisation of the Guangdong Government.

GDH Zhongyue

GDH Zhongyue is a company established in the PRC with limited liability and is principally engaged in the production and sale of tinplate products and property leasing. GDH Zhongyue is a wholly-owned subsidiary of the Company.

GDH Food Foshan

GDH Food Foshan is a limited liability company established in the PRC and is principally engaged in the business of food production, food sales, livestock slaughtering, distribution and transportation services and cryogenic storage. As at the date of this announcement, GDH Food Foshan is owned as to 65% by GDH Guangnan Hong Company Limited (a wholly-owned subsidiary of the Company) and as to 35% by Nanhai Investment.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquires, save for Nanhai Investment's holding of the said 35% interest in GDH Food Foshan, as at the date of this announcement, Nanhai Investment and its ultimate beneficial owner (being the State-owned Assets Supervision and Administration Commission of Nanhai District of Foshan City* (佛山市南海區國有資產監督管理局)) are third parties independent of and not connected with the Company and its connected person(s).

Runhehe Food

Runhehe Food is a company established in the PRC with limited liability and is principally engaged in livestock slaughtering and the operation of slaughterhouse. Runhehe Food is an indirect non-wholly owned subsidiary of the Company. It is wholly-owned by GDH Dezhirun Food, which, as at the date of this announcement, is in turn held as to (i) 66% by GDH Guangnan Investment Company Limited (廣東粵海廣南投資有限公司), which is in turn wholly-owned by the Company; and (ii) 34% directly and indirectly by or for Ms. Yan Dandan (顏丹丹女士) (“**Ms. Yan**”) as beneficial owner.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquires, and other than the shareholding interests abovementioned, as at the date of this announcement, Ms. Yan is a third party independent of and not connected with the Company and its connected person(s).

Guanglong Food

Guanglong Food is a company established in the PRC with limited liability and is principally engaged in the pig slaughtering business. Guanglong Food is an indirect non-wholly owned subsidiary of the Company and is wholly owned by GDH Dezhirun Food.

Information on GDH Energy Service

GDH Energy Service is a company established in the PRC with limited liability and is principally engaged in sale of electricity. GDH Energy Service is wholly owned by GDH Energy.

GDH Energy is a company established in the PRC with limited liability and is principally engaged in the power plant operation for the provision of electricity and steam supply. As at the date of this announcement, GDH Energy is owned as to: (i) 75% by Zhongshan Power (which, in turn, is owned as to 95% by GDI and as to 5% by Devon Investment Limited); and (ii) 25% by Zhongshan Xingzhong (which, in turn, is wholly-owned by the State-owned Assets Supervision and Administration Commission of Zhongshan Municipal Government* (中山市人民政府國有資產監督管理委員會)). Devon Investment Limited is an indirect wholly-owned subsidiary of Zhongshan Xingzhong.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquires, GDI is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. GDI and its subsidiaries are principally engaged in investment holding, water resources, property investment, department store operation, hotel ownership, operation and management, investments in energy projects, and road and bridge operation. As at the date of this announcement, GDI is owned as to approximately 58.26% by GDH and is therefore a subsidiary of Guangdong Holdings and GDH. Accordingly, GDH Energy Service is an indirect non-wholly owned subsidiary of each of GDI and GDH.

LISTING RULES IMPLICATIONS

As at the date of this announcement, GDH holds approximately 59.19% of the total number of issued shares of the Company and thus, GDH is a substantial shareholder, hence a connected person of the Company. Further, GDH holds approximately 58.26% of the total number of issued shares of GDI, and GDH Energy Service is a non-wholly owned subsidiary of GDI (and, hence, also of GDH), therefore GDH Energy Service is an associate of GDH and thus a connected person of the Company. As GDH Zhongyue, GDH Food Foshan, Runhehe Food and Guanglong Food are all subsidiaries of the Company, the Further 2025 Electricity Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On the basis that the Further 2025 Electricity Agreements and the Existing 2025 Electricity Agreements are in relation to the purchase of electricity by subsidiaries of the Company from GDH Energy Service and were entered into within a 12-month period, the transactions contemplated under the Further 2025 Electricity Agreements and the Existing 2025 Electricity Agreements have been aggregated for the purpose of Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Proposed Caps set for the Further 2025 Electricity Agreements and the Existing Caps set for the Existing 2025 Electricity Agreements (on an aggregate basis) exceeds 5%, the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps are subject to the annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Wen Yinheng abstained from voting on the Board resolutions approving the Further 2025 Electricity Agreements and the transactions contemplated thereunder due to his position in a subsidiary of GDI. Save as disclosed, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Director has any material interest in the Further 2025 Electricity Agreements and was required to abstain from voting on the relevant Board resolutions.

Independent Board Committee and Independent Financial Adviser

An Independent Board Committee comprising all the independent non-executive directors of the Company (namely, Mr. Gerard Joseph MCMAHON, Mr. LI Kar Keung, Caspar and Dr. WONG Yau Kar, David) has been formed to consider the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps, and an Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps.

Despatch of circular

A circular containing, among other things, (i) details of the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) the notice convening the EGM, is expected to be despatched to the Shareholders on or before 28 May 2025, which is more than 15 business days after publication of this announcement as additional time is required by the Company to prepare the relevant information in the circular.

DEFINITIONS

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

“2024 Electricity Agreements”	collectively, (i) the 2024 GDH Zhongyue Electricity Agreements; (ii) the 2024 GDH Food Foshan Electricity Agreements; (iii) the 2024 Runhehe Food Electricity Agreements; and (iv) the 2024 Guanglong Food Electricity Agreements, and each a “2024 Electricity Agreement”
“2024 GDH Food Foshan Electricity Agreements”	the agreements dated 15 December 2023 and 28 March 2024 entered into between GDH Food Foshan and GDH Energy Service, together with the letters dated 15 December 2023 and 28 March 2024 from GDH Food Foshan to GDH Energy Service, the details of which are set out in the announcements of the Company dated 15 December 2023 and 28 March 2024
“2024 GDH Zhongyue Electricity Agreements”	the agreements dated 15 December 2023 and 28 March 2024 entered into between GDH Zhongyue and GDH Energy Service, together with the letters dated 15 December 2023 and 28 March 2024 from GDH Zhongyue to GDH Energy Service, the details of which are set out in the announcements of the Company dated 15 December 2023 and 28 March 2024
“2024 Guanglong Food Electricity Agreements”	the agreements dated 15 December 2023 and 28 March 2024 entered into between Guanglong Food and GDH Energy Service, together with the letters dated 15 December 2023 and 28 March 2024 from Guanglong Food to GDH Energy Service, the details of which are set out in the announcements of the Company dated 15 December 2023 and 28 March 2024
“2024 Runhehe Food Electricity Agreements”	the agreements dated 15 December 2023 and 28 March 2024 entered into between Runhehe Food and GDH Energy Service, together with the letters dated 15 December 2023 and 28 March 2024 from Runhehe Food to GDH Energy Service, the details of which are set out in the announcements of the Company dated 15 December 2023 and 28 March 2024

“2025 Electricity Market Guidelines”	has the meaning ascribed to it under the section headed “THE PROPOSED CAPS AND BASIS OF DETERMINATION – Basis of determination of the Proposed Caps” in this announcement
“Agreed Price”	has the meaning ascribed to it under the section headed “THE FURTHER 2025 ELECTRICITY AGREEMENTS – Unit price” in this announcement
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	GDH Guangnan (Holdings) Limited (粵海廣南 (集團) 有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01203)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve, inter alia, the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps
“Existing 2025 Electricity Agreements”	collectively, (i) the Existing 2025 GDH Zhongyue Electricity Agreement; (ii) the Existing 2025 GDH Food Foshan Electricity Agreement; (iii) the Existing 2025 Runhehe Food Electricity Agreement; and (iv) the Existing 2025 Guanglong Food Electricity Agreement, and each an “Existing 2025 Electricity Agreement”
“Existing 2025 GDH Food Foshan Electricity Agreement”	the agreement dated 23 December 2024 entered into between GDH Food Foshan and GDH Energy Service, together with the letter dated 23 December 2024 from GDH Food Foshan to GDH Energy Service, the details of which are set out in the announcement of the Company dated 23 December 2024

“Existing 2025 GDH Zhongyue Electricity Agreement”	the agreement dated 23 December 2024 entered into between GDH Zhongyue and GDH Energy Service, together with the letter dated 23 December 2024 from GDH Zhongyue to GDH Energy Service, the details of which are set out in the announcement of the Company dated 23 December 2024
“Existing 2025 Guanglong Food Electricity Agreement”	the agreement dated 23 December 2024 entered into between Guanglong Food and GDH Energy Service, together with the letter dated 23 December 2024 from Guanglong Food to GDH Energy Service, the details of which are set out in the announcement of the Company dated 23 December 2024
“Existing 2025 Runhehe Food Electricity Agreement”	the agreement dated 23 December 2024 entered into between Runhehe Food and GDH Energy Service, together with the letter dated 23 December 2024 from Runhehe Food to GDH Energy Service, the details of which are set out in the announcement of the Company dated 23 December 2024
“Existing Cap(s)”	has the meaning ascribed to it under the section headed “THE PROPOSED CAPS AND BASIS OF DETERMINATION – Existing Caps” in this announcement
“Further 2025 Electricity Agreements”	collectively, (i) the Further 2025 GDH Zhongyue Electricity Agreement; (ii) the Further 2025 GDH Food Foshan Electricity Agreement; (iii) the Further 2025 Runhehe Food Electricity Agreement; and (iv) the Further 2025 Guanglong Food Electricity Agreement, and each a “Further 2025 Electricity Agreement”
“Further 2025 GDH Food Foshan Electricity Agreement”	the agreement dated 29 April 2025 entered into between GDH Food Foshan and GDH Energy Service, together with the letter dated 29 April 2025 from GDH Food Foshan to GDH Energy Service
“Further 2025 GDH Zhongyue Electricity Agreement”	the agreement dated 29 April 2025 entered into between GDH Zhongyue and GDH Energy Service, together with the letter dated 29 April 2025 from GDH Zhongyue to GDH Energy Service
“Further 2025 Guanglong Food Electricity Agreement”	the agreement dated 29 April 2025 entered into between Guanglong Food and GDH Energy Service, together with the letter dated 29 April 2025 from Guanglong Food to GDH Energy Service

“Further 2025 Runhehe Food Electricity Agreement”	the agreement dated 29 April 2025 entered into between Runhehe Food and GDH Energy Service, together with the letter dated 29 April 2025 from Runhehe Food to GDH Energy Service
“GDH”	GDH Limited (粵海控股集團有限公司), a company incorporated in Hong Kong with limited liability and the immediate holding company of the Company
“GDH Dezhirun Food”	粵海德之潤食品 (珠海) 有限公司 (GDH Dezhirun Food (Zhuhai) Company Limited*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“GDH Energy”	中山粵海能源有限公司 (Zhongshan GDH Energy Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of GDI
“GDH Energy Service”	中山粵海能源服務有限公司 (Zhongshan GDH Energy Service Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of GDI
“GDH Food Foshan”	粵海食品 (佛山) 有限公司 (GDH Food (Foshan) Co., Ltd*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“GDH Zhongyue”	粵海中粵 (中山) 馬口鐵工業有限公司 (GDH Zhongyue (Zhongshan) Tinsplate Industry Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“GDI”	Guangdong Investment Limited (粵海投資有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00270)
“Group”	the Company and its subsidiaries
“Guangdong Government”	the People’s Government of Guangdong Province

“Guangdong Holdings”	廣東粵海控股集團有限公司 (Guangdong Holdings Limited*), a company established in the PRC with limited liability and the ultimate holding company of the Company
“Guangdong Power Grid”	廣東電網有限責任公司 (Guangdong Power Grid Company Limited*), a company established in the PRC with limited liability
“Guanglong Food”	粵海廣龍食品(中山)有限公司 (GDH Guanglong Food (Zhongshan) Co., Ltd*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Historical Transaction Amounts”	has the meaning ascribed to it under the section headed “THE PROPOSED CAPS AND BASIS OF DETERMINATION – Historical Transaction Amounts” in this announcement
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent board committee of the Company comprising all of the independent non-executive Directors, namely Mr. Gerard Joseph MCMAHON, Mr. LI Kar Keung, Caspar and Dr. WONG Yau Kar, David
“Independent Financial Adviser”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Further 2025 Electricity Agreements, the transactions contemplated thereunder and the Proposed Caps
“Independent Shareholders”	the shareholders of the Company other than those who are required to abstain from voting at the EGM pursuant to the Listing Rules

“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and its respective directors, chief executive, controlling shareholders and substantial shareholders or any of its subsidiaries or their respective associates
“kWh”	kilowatt hour
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanhai Investment”	廣東南海安全科技投資控股有限公司 (Guangdong Nanhai Security Technology Investment Holdings Company Limited*), a company established in the PRC
“Power Grid Fees”	the fees and other related expenses to be charged by Guangdong Power Grid for the transmission and distribution of electricity services provided through the power grid operated by Guangdong Power Grid
“PRC”	the People’s Republic of China
“Proposed Cap(s)”	has the meaning ascribed to it under the section headed “THE PROPOSED CAPS AND BASIS OF DETERMINATION – The Proposed Caps” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Runhehe Food”	珠海市潤和合食品有限公司 (Zhuhai Runhehe Food Co., Ltd*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the shares in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhongshan Power”	Zhongshan Power (Hong Kong) Limited (中山電力(香港)有限公司), a company incorporated in Hong Kong with limited liability and a direct non-wholly owned subsidiary of GDI

“Zhongshan Xingzhong” 中山興中集團有限公司 (Zhongshan Xingzhong Group Co., Ltd*), a company established in the PRC with limited liability

“%” per cent.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00=HK\$1.0836 has been used, where applicable, for purpose of illustration only and it does not constitute any representation that any amount has been, could have been or may be exchanged at that rate or at any other rate.

* *The English translation of the Chinese names or words included in this announcement, where indicated, is included for information and identification purposes only and should not be regarded as the official English translation of such Chinese names or words.*

By order of the Board
GDH Guangnan (Holdings) Limited
Yang Zhe
Acting Chairman and General Manager

Hong Kong, 29 April 2025

As at the date of this announcement, the Board is composed of two executive Directors, namely Mr. Yang Zhe and Mr. Chau Wang Kei; two non-executive Directors, namely Ms. Yu Huijuan and Mr. Wen Yinheng; and three independent non-executive Directors, namely Mr. Gerard Joseph McMahon, Mr. Li Kar Keung, Caspar and Dr. Wong Yau Kar, David.