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.

粵海廣南(集團)有限公司
GDH GUANGNAN (HOLDINGS) LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 01203)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF LAND USE RIGHTS IN LISHUI TOWN, FOSHAN CITY

ACQUISITION OF LAND USE RIGHTS

Reference is made to the announcement of the Company dated 27 December 2024 in relation to the formation of GDH Lishui Food.

The Board is pleased to announce that GDH Lishui Food, an indirect non-wholly owned subsidiary of the Company, successfully won the bid for the land use rights of the Land in Lishui Town, Foshan City (佛山市里水鎮), Guangdong Province, the PRC for the consideration of RMB56,160,000 (equivalent to approximately HK$61,658,000), pursuant to which, on 6 August 2025, Foshan Public Resources Center and GDH Lishui Food entered into the Confirmation Letter in respect of such successful bidding.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the acquisition of the land use rights of the Land exceeds 5% but are all less than 25%, the acquisition of the land use rights of the Land constitutes a discloseable transaction and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

ACQUISITION OF LAND USE RIGHTS

Reference is made to the announcement of the Company dated 27 December 2024 in relation to the formation of GDH Lishui Food.

The Board is pleased to announce that GDH Lishui Food, an indirect non-wholly owned subsidiary of the Company, successfully won the bid for the land use rights of the Land in Lishui Town, Foshan City (佛山市里水鎮), Guangdong Province, the PRC for the consideration of RMB56,160,000 (equivalent to approximately HK$61,658,000), pursuant to which, on 6 August 2025, Foshan Public Resources Center and GDH Lishui Food entered into the Confirmation Letter in respect of such successful bidding.

The Land Use Rights Grant Contract will be entered into by GDH Lishui Food and Foshan Natural Resources Bureau within 10 business days from the date of the Confirmation Letter.

The major terms of the Confirmation Letter are set out as follows:

Date: 6 August 2025

Parties:

(1) GDH Lishui Food, an indirect non-wholly owned subsidiary of the Company

(2) Foshan Public Resources Exchange Center, Nanhai Branch* (佛山市公共資源交易中心南海分中心), a public institution appointed by Foshan Natural Resources Bureau* (佛山市自然資源局) and is responsible for the public auction of the Land.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Foshan Natural Resources Bureau, Foshan Public Resources Center and their respective ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected person(s).

Details of the Land:

The Land is located at "Dayangdi", Shitang, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC* (中國廣東省佛山市南海區里水鎮石塘「大秧地」) (Parcel No. YDCR44060500804604). The Land has a total site area of approximately 34,035.21 sq.m. The plot ratio of the Land shall range from no less than 1.0 to no more than 3.0. The Land is designated for industrial use. The term of the land use rights of the Land for industrial use is 50 years with the use of livestock slaughtering, meat products production, and by-product processing for the initial 15 years from the date of the Land Use Rights Grant Contract.

Consideration:

GDH Lishui Food has won the bid for the land use rights of the Land with the Consideration of RMB56,160,000 (equivalent to approximately HK$61,658,000).

GDH Lishui Food has paid an amount of RMB11,240,000 (equivalent to approximately HK$12,340,000) as security deposit for the bidding, which shall form part of the Consideration. It is expected that the payment of the remainder of the Consideration shall be made by GDH Lishui Food within 30 days after the entering into of the Land Use Right Grant Contract.

The Consideration represents the bid price for the land use rights of the Land, which was determined by GDH Lishui Food after taking into account the base price of the bidding, current market conditions, location of the Land, and land price(s) in the surrounding area. The Company expects that GDH Lishui Food will finance the Consideration with its internal resources.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF LAND USE RIGHTS

Reference is made to the announcement of the Company dated 27 December 2024 on the formation of GDH Lishui Food. The acquisition of the land use rights of the Land by GDH Lishui Food is a strategic initiative that is aligned with the Group's objectives to strengthen, enhance, and expand its fresh and live foodstuffs business, as well as to accelerate the transformation and upgrading of its traditional industrial operations in the Guangdong-Hong Kong-Macao Greater Bay Area. GDH Lishui Food intends to develop, construct and operate a slaughterhouse and related facilities on the Land.

The Group, through its subsidiary GDH Lishui Food, is committed to developing a modern, high-standard slaughter enterprise in Lishui Town, Nanhai District, Foshan City. The Land is situated at a prime location within an established industrial zone, benefitting from connectivity to major highways and transportation networks. This strategic positioning will facilitate the efficient movement of livestock and finished products, reduce logistics costs, and ensure timely delivery to key markets, including Hong Kong and the wider Greater Bay Area. The site's separation from residential and commercial areas also minimizes potential environmental and social impacts, supporting sustainable industrial development.

The acquisition of the land use rights of the Land will enable the Group to further integrate its operations across the food production value chain, from livestock slaughtering and meat processing to cold storage and distribution. This vertical integration is expected to enhance supply chain efficiency, improve product quality and safety, and strengthen the Group's ability to respond to market demand for high-quality meat products. The acquisition will also serve as a platform for the Group to expand its operational scale and achieve greater synergy within its slaughtering and foodstuffs business.

Having considered the above factors, the Directors believe that the acquisition of the land use rights of the Land is beneficial to the Company and the Shareholders as a whole, and the Land is considered suitable for the business development of the Group. The Directors also consider that the terms of the acquisition of the land use rights of the Land are on normal commercial terms, and are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE PARTIES

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 sales of tinplate products and property leasing.

GDH Lishui Food is a limited liability company established in the PRC and is principally engaged in the business of food production, food sales, pig slaughtering, urban distribution services, cryogenic storage, and primary agricultural product purchase. GDH Lishui Food is owned as to 65% by GDH Food Foshan (an indirect non-wholly owned subsidiary of the Company) and as to 35% by Mengli Shuixiang. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquires, save for Mengli Shuixiang's holding of the said 35% interest in GDH Lishui Food, Mengli Shuixiang and its ultimate beneficial owner (being the Foshan City Nanhai District Lishui Town Public Assets Management Office* (佛山市南海區里水鎮公有資產管理辦公室)) are Independent Third Parties.

Foshan Natural Resources Bureau is a department of Foshan City government which is in charge of the urban renewal of Foshan City, Guangdong Province, the PRC. Foshan Public Resources Center is a public institution appointed by Foshan Natural Resources Bureau and is responsible for the public auctions in respect of state-owned land in Foshan City, Guangdong Province, the PRC (including the Land), as well as the vetting of documentation for land purchases made via such auctions.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the acquisition of the land use rights of the Land exceeds 5% but are all less than 25%, the acquisition of the land use rights of the Land constitutes a discloseable transaction and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"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
"Confirmation Letter"	the confirmation letter (《佛山市公共資源交易成交確認書》) entered into between GDH Lishui Food and Foshan Public Resources Center on 6 August 2025 as a result of the successful bidding of the Land
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	has the meaning ascribed to it under the section headed "Acquisition of land use rights — Consideration" in this announcement
"Director(s)"	the directors of the Company
"Foshan Natural Resources Bureau"	Foshan Natural Resources Bureau* (佛山市自然資源局), a department of the Foshan City government
"Foshan Public Resources Center"	Foshan Public Resources Exchange Center, Nanhai Branch* (佛山市公共資源交易中心南海分中心), a business unit of the Foshan City government
"GDH Food Foshan"	GDH Food (Foshan) Co., Ltd* (粵海食品（佛山）有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company

"GDH Lishui Food"	GDH Lishui Food (Foshan) Co., Ltd.* (粵海里水食品（佛山）有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Third Party"	any person or company who is not a connected person of the Company and is a third party independent of the Company and its connected persons in accordance with the Listing Rules
"Land"	the parcel of land located at "Dayangdi", Shitang, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC* (中國廣東省佛山市南海區里水鎮石塘「大秧地」) (Parcel No. YDCR44060500804604) with a total site area of approximately 34,035.21 sq.m.
"Land Use Rights Grant Contract"	the State-owned Construction Land Use Rights Grant Contracts* (《國有建設用地使用權出讓合同》) to be entered into by GDH Lishui Food and Foshan Natural Resources Bureau in respect of the acquisition of the land use rights of the Land
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mengli Shuixiang"	Foshan City Nanhai District Mengli Shuixiang Property Investment Co., Ltd.* (佛山市南海區夢里水鄉置業投資有限公司), a company established in the PRC with limited liability
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC

"Share(s)"	the share(s) of the Company
"Shareholder(s)"	the holder(s) of Share(s)
"sq.m."	square metre(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto in the Listing Rules
"%"	per cent

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00=HK$1.0979 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 of the relevant entities and rules included in this announcement is prepared for identification purpose only. In the event of any inconsistency, the Chinese name shall prevail.*

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

Hong Kong, 6 August 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.