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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: 1203)**

**POSITIVE PROFIT ALERT**

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance and Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the consolidated profit attributable to shareholders of the Company for the six months ended 30 June 2020 is expected to be increased by approximately 40% as compared to that for the corresponding period in 2019.

The information contained in this announcement is only based on the Company's preliminary review of the management accounts of the Group for the six months ended 30 June 2020 and such information have not been reviewed or audited by the auditors of the Company.

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

This announcement is made by GDH Guangnan (Holdings) Limited (the "Company", together with its subsidiaries shall be referred to as the "Group") pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the Company’s preliminary review of the management accounts of the Group for the six months ended 30 June 2020, the consolidated profit attributable to shareholders of the Company for the six months ended 30 June 2020 is expected to be increased by approximately 40% as compared to the same period in 2019, primarily attributable to the net effect of (i) the significant increase in the price of live pigs during the current period as compared to the same period last year resulting from the African swine fever virus and the tight supply of domestic pigs in China. Therefore, this led to the turning from a loss to profit for the two associates which are engaged in pig farming and sales of pigs; (ii) the decrease in selling price and gross profit per unit of tinsplate products, despite of the increase in the sales volume of tinsplate products during the current period as compared to the same period last year, leading to a decrease in profit of tinsplating business; and (iii) the decrease in fair value of investment properties held by the Group. Valuation losses on investment properties were recorded in current period while no valuation loss was recorded in the same period last year.

The information contained in this announcement is only based on the Company’s preliminary review of the management accounts of the Group for the six months ended 30 June 2020 and such information have not been reviewed or audited by the auditors of the Company. As at the date of this announcement, the Group’s consolidated results for the six months ended 30 June 2020 have not yet been finalised, and are subject to necessary adjustments if required. The actual results of the Group may be different from the information contained in this announcement. Further details of the Group’s information will be disclosed in the interim results of the Group for the six months ended 30 June 2020 which is expected to be announced by the end of August 2020.

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

By Order of the Board  
**Chen Benguang**  
*Chairman*

Hong Kong, 10 July 2020

*As at the date of this announcement, the Board is composed of three Executive Directors, namely Messrs. Chen Benguang, He Jinzhou and Chau Wang Kei; one Non-Executive Director, namely Mr. Wang Longhai; and three Independent Non-Executive Directors, namely Mr. Gerard Joseph McMahon, Mr. Li Kar Keung, Caspar and Dr. Wong Yau Kar, David.*