



粵海廣南(集團)有限公司

GDH GUANGNAN (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability) (於香港註冊成立的有限公司)
(Stock code 股份代號 : 01203)

2025 INTERIM REPORT

中期報告





GDH GUANGNAN (HOLDINGS) LIMITED / INTERIM REPORT 2025

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Corporate Information

(As at 27 August 2025)

BOARD OF DIRECTORS

Executive Directors

YANG Zhe (*Acting Chairman and General Manager*)

CHAU Wang Kei

(*Chief Financial Officer and Company Secretary*)

Non-Executive Directors

YU Huijuan

WEN Yinheng (appointed on 24 March 2025)

Independent Non-Executive Directors

Gerard Joseph MCMAHON

LI Kar Keung, Caspar

WONG Yau Kar, David, *GBS, JP*

AUDIT COMMITTEE

Gerard Joseph MCMAHON (*Chairman*)

LI Kar Keung, Caspar

WONG Yau Kar, David

COMPENSATION COMMITTEE

LI Kar Keung, Caspar (*Chairman*)

Gerard Joseph MCMAHON

WONG Yau Kar, David

NOMINATION COMMITTEE

YANG Zhe (*Acting Chairman*)

Gerard Joseph MCMAHON

LI Kar Keung, Caspar

WONG Yau Kar, David

YU Huijuan

COMPANY SECRETARY

CHAU Wang Kei

AUDITOR

KPMG

Certified Public Accountants

Public Interest Entity Auditor registered in accordance
with the Accounting and Financial Reporting
Council Ordinance

8th Floor, Prince's Building

10 Chater Road, Central, Hong Kong

PRINCIPAL BANKERS

DBS Bank Limited

Bank of Communications Co., Ltd.

Bank of China (Hong Kong) Limited

Bank of China Limited

Industrial and Commercial Bank of China (Asia) Limited

Industrial and Commercial Bank of China Limited

China CITIC Bank Corporation Limited

Agricultural Bank of China Limited

OCBC Bank (Hong Kong) Limited

Hang Seng Bank Limited

REGISTERED OFFICE

Units 2905–08, 29th Floor, Shui On Centre

6–8 Harbour Road, Wanchai, Hong Kong

Telephone : (852) 2828 3938

Facsimile : (852) 2583 9288

Website : <http://www.gdguangnan.com>

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

17M Floor, Hopewell Centre

183 Queen's Road East, Wanchai, Hong Kong

SHARE INFORMATION

<i>Place of Listing</i>	Main Board of The Stock Exchange of Hong Kong Limited
<i>Stock Code</i>	01203
<i>Board Lot</i>	2,000 shares
<i>Financial Year End</i>	31 December

SHAREHOLDERS' CALENDAR

<i>Last Share Registration Date</i>	8 October 2025
<i>Closure of Register of Members</i>	9 October 2025 and 10 October 2025
<i>Interim Dividend Payment Date</i>	HK2.5 cents per share 27 October 2025

Financial Highlights

(Expressed in Hong Kong dollars)

UNAUDITED FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2025 \$'000	2024 \$'000	Change
Revenue	6,081,142	5,417,004	12%
Profit from operations	119,683	130,533	-8%
Profit attributable to shareholders	76,207	57,727	32%
Basic earnings per share	8.40 cents	6.36 cents	32%
Interim dividend per share	2.50 cents	1.00 cent	150%
	At 30 June 2025 \$'000	At 31 December 2024 \$'000	Change
Total assets	5,237,411	4,938,314	6%
Shareholders' equity	2,675,976	2,592,751	3%
Net asset value per share ¹	\$2.95	\$2.86	3%
Closing market price per share	\$0.85	\$0.61	
Net financial borrowings ²	251,750	16,127	
Gearing ratio ³	9.4%	0.6%	

Notes:

1.
$$\frac{\text{Shareholders' equity}}{\text{Number of ordinary shares in issue}}$$

2. Borrowings – pledged deposits, cash and cash equivalents

3.
$$\frac{\text{Borrowings – pledged deposits, cash and cash equivalents}}{\text{Shareholders' equity}}$$

Management Discussion and Analysis

RESULTS

For the first half of 2025, the unaudited consolidated revenue of GDH Guangan (Holdings) Limited (the “Company”) and its subsidiaries (collectively, the “Group”) was HK\$6,081 million, representing an increase of 12% from HK\$5,417 million for the same period last year. The unaudited consolidated profit from operations was HK\$120 million, representing a decrease of 8% from HK\$131 million for the same period last year. The unaudited consolidated profit attributable to shareholders was HK\$76.21 million, representing an increase of 32% compared with HK\$57.73 million for the same period last year. The basic earnings per share was HK8.40 cents, an increase of 32% from HK6.36 cents for the same period last year.

INTERIM DIVIDEND

The board (the “Board”) of directors (the “Director(s)”) of the Company declares the payment of an interim dividend for 2025 of HK2.5 cents per share (2024: HK1.0 cent per share), increased by 150%.

BUSINESS REVIEW

A summary of the performance of the Group’s major businesses during the period is set out as follows:

Fresh and Live Foodstuffs

Upon deployment of new strategies in the fresh and live foodstuffs business, the Group has implemented the integrated industrial chain operation platform of “livestock and poultry breeding — slaughter and processing — cold chain distribution — fresh marketing”, which enabled the Group to explore new development opportunities in the food processing industry of the Guangdong-Hong Kong-Macao Greater Bay Area.

In respect of our operation in Mainland China, the Group continued to maintain the layout of the slaughtering business in the Greater Bay Area and in a bid to strengthen, enhance and expand the slaughtering business. The Group’s slaughtering volume was ranked among one of the top in Guangdong Province. Due to the intensified regional competition, the live pigs slaughtering volume of the Group was about 1.52 million heads during the period, decreased by 2% as compared to same period last year.

In respect of our operation in Hong Kong, the average swine price has fell slightly in the first half year. The Group’s live pigs sales volume remained flat compared to the same period last year and the overall market share in the live pigs supply into Hong Kong was about 48%. Meanwhile, the Group continued to expand its foodstuff wholesale and retail business in Hong Kong and our retail stores have expanded to 19 stores as of 30 June 2025.

As a result of the aforesaid effort, revenue of the fresh and live foodstuffs business amounted to HK\$5,019 million, accounted for 83% of the Group’s revenue, representing an increase of HK\$589 million or 13% as compared to the same period last year. The segment profit (excluding share of profits of associates) of the fresh and live foodstuffs business amounted to HK\$91.80 million, decreased by 5% period-on-period. In addition, the performance of one associate that engaged in pig farming and pig trading continued to improve. Share of profit of the associate of the Group was HK\$14.55 million (30 June 2024: share of losses of HK\$18.77 million), a turnaround from losses to profits was noted. After addition of such share of profit, the segment profit of the fresh and live foodstuffs business was HK\$106 million, increased by HK\$28.21 million or 36%, as compared to the same period last year.

Through continuous expansion strategy of the slaughtering business, and extension of the business chain which includes food processing, cold chain transportation and terminal network, they contributed earnings to the Group.

Management Discussion and Analysis (continued)

BUSINESS REVIEW (continued)

Tinplating

Currently, the annual production capacity of tinplate products of the Group are 490,000 tonnes. For the first half of 2025, the still intensified competition of the tinplating industry caused a drop in the selling price of our tinplate products period-on-period. Nevertheless, due to expansion of export sales, improvements of marketing mix and enhancement for cost reduction measures, an increase in profit of tinplating business period-on-period has been recorded. The Group produced 160,000 tonnes of tinplate products during the period, representing an increase of 6% as compared to the same period last year, and sold 150,000 tonnes of tinplate products, an increase of 12% as compared to the same period last year.

The revenue of the tinplating business accounted for 17% of the Group's revenue. Revenue for the period was HK\$1,053 million, an increase of HK\$74.19 million or 8% as compared to the same period last year. The segment profit was HK\$43.30 million, an increase of HK\$28.32 million or 189% as compared to the same period last year.

Due to the intensified market competition, the Group strengthens the supply chain management of raw material procurement, so as to effectively control procurement costs. Meanwhile, guided by research and innovation, the Group strove to enhance product competitiveness and enrich product mix to increase added values, which in return gains customers' recognition. The Group also strove to make every effort in market expansion to enlarge its customer base. Accordingly, profit growth would be attained leveraging on such marketing strategies covering the whole value chain.

Property Leasing

The Group's leasing properties comprise the plant and dormitories in Mainland China and the office units in Hong Kong. In the first half of 2025, the property occupancy rate for the property leasing business of the Group was 85.3%, representing an increase of 2.7% as compared to the same period last year. Amid an increase in revenue by 6% to HK\$9.18 million, the segment profit amounted to HK\$3.90 million, which held steady as compared to the same period last year. In addition, the fair value of investment properties held by the Group was stable, no valuation gains or losses on investment properties were recorded for the period (30 June 2024: valuation losses HK\$2.34 million).

Management Discussion and Analysis (continued)

FINANCIAL POSITION

As at 30 June 2025, the Group's total assets and total liabilities amounted to HK\$5,237 million and HK\$2,288 million, representing an increase of HK\$299 million and HK\$207 million respectively when compared with the positions as at 31 December 2024. The net current assets amounted to HK\$1,365 million and increased by HK\$77.85 million as compared with that as at 31 December 2024. The current ratio (current assets divided by current liabilities) is 1.79, slightly down from 1.84 as at 31 December 2024.

Liquidity and Financial Resources

The Group's cash and cash equivalents as at 30 June 2025 was HK\$860 million, representing a decrease of 10% when compared with the position as at 31 December 2024, of which 82.5% was denominated in Renminbi, 2.3% was denominated in United States Dollars, 0.5% was denominated in Euro Dollars, while the remaining balance was mainly denominated in Hong Kong Dollars. Interest income was HK\$3.49 million, representing a decrease of HK\$1.32 million over the same period.

As at 30 June 2025, the Group's gearing ratio, calculated by dividing the net borrowings (being borrowings less pledged deposits and cash and cash equivalents) by total equity attributable to equity shareholders of the Company, was 9.4% (31 December 2024: 0.6%).

As at 30 June 2025, the Group's available banking facilities which are used for working capital and trade finance purposes amounted to HK\$2,766 million (31 December 2024: HK\$2,746 million), of which HK\$1,017 million (31 December 2024: HK\$813 million) was utilised. Currently, the cash reserves and available banking facilities, as well as the steady cash flow generated from operations, are sufficient to meet the Group's needs and obligations for business operations.

Capital Expenditure and Capital Commitments

The Group's capital expenditure in the first half of 2025 amounted to HK\$27.63 million (30 June 2024: HK\$23.42 million). The Group's capital commitments outstanding as at 30 June 2025 not provided for in the consolidated interim financial report amounted to HK\$393 million (31 December 2024: HK\$381 million), mainly for the construction project of a slaughterhouse in Lishui Town and the renovation of production equipment of tinplating business. It is expected that the capital expenditure for 2025 will be approximately HK\$133 million.

Acquisitions of Investments

On 6 August 2025, GDH Lishui Food (Foshan) Co., Ltd. ("GDH Lishui Food"), being a subsidiary of the Company, successfully won the bid for the land use rights of the land in Lishui Town, Foshan City, Guangdong Province, the PRC, for the consideration of RMB56.16 million (equivalent to approximately HK\$61.66 million). GDH Lishui Food intends to develop, construct and operate a slaughterhouse and related facilities on the land.

Except for the abovementioned matter, the Group had no other material acquisitions and disposals of investments as at the date of this report.

Management Discussion and Analysis (continued)

FINANCIAL POSITION (continued)

Pledge of Assets

As at 30 June 2025, deposits at banks of HK\$7.83 million (31 December 2024: HK\$9.37 million) were pledged as securities for bills payable.

As at 30 June 2025, an amount of HK\$285 million (31 December 2024: HK\$281 million) among the banking facilities which were secured by mortgages over land and buildings with an aggregate carrying value of HK\$160 million (31 December 2024: HK\$160 million). Other than the above, none of the assets of the Group was pledged.

Contingent Liabilities

As at 30 June 2025, the Group had no material contingent liabilities.

Exchange Rate and Interest Rate Exposures

The Group's operations are mainly conducted in Mainland China and Hong Kong. The Group is exposed to foreign currency risk primarily through purchases from overseas suppliers and export sales to overseas customers that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is mainly the United States Dollars against Renminbi. In respect of trade receivables and payables denominated in currencies other than the functional currency of the operations to which they relate, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates or entering into forward foreign exchange contracts where necessary to address short-term imbalances.

In view of the continuous fluctuation of Renminbi against the United States Dollars, the Group has enhanced research and monitoring of the foreign exchange market in order to reduce the exposure to exchange rate risks, and will take appropriate measures to hedge the risks when necessary. As at 30 June 2025 and 31 December 2024, no forward foreign exchange contracts against Renminbi were held by the Group to hedge against currency risk in respect of export sales.

The Group's interest rate risk arises primarily from pledged deposits, cash and cash equivalents, bank loans, loans from a fellow subsidiary and lease liabilities. Lendings and borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. As the Group considers that its current exposure to interest rate risk is not material, no interest rate hedging has been carried out. The management closely monitors the changes in market interest rates.

Management Discussion and Analysis (continued)

PROFIT GUARANTEE IN RELATION TO SUBSCRIPTION OF REGISTERED CAPITAL AND CAPITAL INCREASE IN GDH FOOD (GUANGZHOU) CO., LTD.

As disclosed in the announcements of the Company dated 6 November 2023, 8 November 2023, 30 December 2024 and 21 March 2025, pursuant to the capital increase agreement (as supplemented and amended by the amendment agreement), a profit guarantee was given by Guangzhou Rural Fresh Trading Co., Ltd. (the "Original Shareholder") and Mr. Yang Yihai (the "Warrantor") to GDH Guangnan Investment Company Limited (the "Guangnan Investment", a wholly-owned subsidiary of the Company). Following the recording of an actual net loss of approximately RMB1,391,000 by GDH Food (Guangzhou) Company Limited for the period from the date of subscription completion to 31 December 2024, the Original Shareholder and the Warrantor shall pay cash compensation of approximately RMB617,000 to Guangnan Investment, which was outstanding as at the date of this report. During the period, Guangnan Investment, had actively negotiated with the Original Shareholder and the Warrantor for payment of the cash compensation but no favourable results had yet been achieved. The Group will take actions, including initiating legal proceedings, to safeguard the Group's interests whenever and wherever appropriate. Further updates regarding aforementioned profit guarantee will be announced by the Company as and when appropriate.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 1,505 full-time employees, an increase of 2 employees from the end of 2024. 300 employees were based in Hong Kong and 1,205 employees were based in Mainland China. Staff remuneration is determined in accordance with the duties, workload, skill requirements, hardship, working conditions and individual performance and with reference to the prevailing industry practices. In 2025, the Group continued to implement control over the headcount, organisational structure and total salaries of each subsidiary. The performance bonus incentive scheme for the management is in place for accruing performance bonus according to various profit rankings and with reference to net cash inflow from operations and profit after taxation based on the assessment of the operating results of each subsidiary. In addition, bonuses are rewarded to the management and key personnel through assessment of individual performance. These incentive schemes have effectively improved the morale of the staff members.

Management Discussion and Analysis (continued)

PROSPECTS

Looking ahead to the second half of 2025, the domestic and international macro environments present numerous complex new challenges and uncertainties. The ongoing tension in international geopolitical situations has casted a shadow over global economic development. While the domestic economy has maintained a steady growth momentum driven by a series of proactive policies in the earlier period, changes in the external environment have still brought about risks such as rising costs and increased market volatility. Against this backdrop, the Group will adopt a prudent stance, acutely seize opportunities arising from industrial upgrading and expanding domestic demand, respond flexibly and decisively to the dynamic changes in the market and policy environments, and move towards the goal of sustainable development.

In respect of the fresh and live foodstuffs business, the Group takes innovation as the core driving force for development and excellent quality as the foundation for establishing a foothold in the market. It continues to deepen industrial integration, optimise resource allocation, and make every effort to promote sustainable innovation and high-quality development of the fresh and live foodstuffs business. Leveraging the geographical advantages of the Guangdong-Hong Kong-Macau Greater Bay Area, the Group actively explores regional cooperation, extends the fresh and live foodstuffs sector to the upstream and downstream of the industrial chain, actively advances the construction of the slaughterhouse project of GDH Lishui Food, and carries out university-industry-research projects. Meanwhile, guided by market demand, it strengthens market segmentation, enhances brand building, strives to create the brand image of a high-quality food supplier in the Greater Bay Area, and elevates its industry status and market competitiveness in the food sector.

In respect of the tinplating business, guided by research and innovation as well as customer needs, the Group continuously optimises product quality, processes and technologies to meet the high-standard requirements of customers across various industries. By deepening strategic cooperation with customers, the Group accurately gains insights into market dynamics and evolving trends in customer needs, enabling enhancement and optimisation of products and services to ensure that customer expectations are continuously met and exceeded. Furthermore, the Group actively expands its customer base, continuously exploring and seizing new market opportunities through in-depth market research and strategic marketing initiatives. Leveraging innovative marketing strategies and product diversification, it strives to increase market share and consolidate the brand reputation and influence established in the packaging sector. The Group also persists in optimising its product portfolio to enhance competitiveness, thereby maintaining a leading position amid intense market competition.

Against the backdrop of significantly heightened global economic uncertainties, the Group adheres to prudent risk management principles. By strengthening its risk management system, optimizing the layout of core businesses and flexibly adjusting its operating strategies, the Group ensures the steady growth of its business. Leveraging its sound financial strategies and sufficient cash flow support, the Group actively seizes the development opportunities in the Guangdong-Hong Kong-Macau Greater Bay Area, enhances its market competitiveness and profitability, and creates greater value for shareholders.

Review Report



Review report to the board of directors of GDH Guangnan (Holdings) Limited

(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 11 to 35 which comprises the consolidated statement of financial position of GDH Guangnan (Holdings) Limited as of 30 June 2025 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2025

Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025 — unaudited
(Expressed in Hong Kong dollars)

	Note	Six months ended 30 June	
		2025 \$'000	2024 \$'000
Revenue	3	6,081,142	5,417,004
Cost of sales		(5,796,054)	(5,176,033)
Gross profit		285,088	240,971
Other revenue	4	11,819	23,929
Other net gains	4	5,247	34,015
Selling and distribution costs		(17,928)	(18,308)
Administrative expenses		(94,511)	(108,476)
Other operating expenses		(70,032)	(41,598)
Profit from operations		119,683	130,533
Valuation losses on investment properties	8(b)	—	(2,336)
Finance costs	5(a)	(14,805)	(15,368)
Share of profit of a joint venture		1	18
Share of profits/(losses) of associates		14,555	(18,077)
Profit before taxation	5	119,434	94,770
Income tax	6	(29,391)	(23,901)
Profit for the period		90,043	70,869
Attributable to:			
Equity shareholders of the Company		76,207	57,727
Non-controlling interests		13,836	13,142
Profit for the period		90,043	70,869
Earnings per share			
Basic	7(a)	8.40 cents	6.36 cents
Diluted	7(b)	8.40 cents	6.36 cents

The notes on pages 18 to 35 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 16.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025 — unaudited
(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Profit for the period	90,043	70,869
Other comprehensive income for the period:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of:		
— subsidiaries outside Hong Kong	29,969	(16,214)
— associates outside Hong Kong	2,656	(1,194)
— a joint venture outside Hong Kong	168	(79)
— tax credit/(expense) related to a subsidiary outside Hong Kong	321	(149)
Net-of-tax amount	33,114	(17,636)
Total comprehensive income for the period	123,157	53,233
Attributable to:		
Equity shareholders of the Company	105,915	41,384
Non-controlling interests	17,242	11,849
Total comprehensive income for the period	123,157	53,233

The notes on pages 18 to 35 form part of this interim financial report.

Consolidated Statement of Financial Position

At 30 June 2025

(Expressed in Hong Kong dollars)

	Note	At 30 June 2025 Unaudited \$'000	At 31 December 2024 Audited \$'000
Non-current assets			
Property, plant and equipment	8	1,682,221	1,692,000
Investment properties	8	190,328	187,935
		1,872,549	1,879,935
Goodwill	12	85,516	84,576
Interests in associates		167,398	150,187
Interest in a joint venture		11,046	10,877
		2,136,509	2,125,575
Current assets			
Inventories	9	460,298	423,268
Trade and other receivables, deposits and prepayments	10	1,772,832	1,425,286
Pledged deposits	21	7,830	9,374
Cash and cash equivalents	11	859,942	954,811
		3,100,902	2,812,739
Current liabilities			
Trade and other payables	14	1,029,784	965,741
Bank loans	13	505,940	327,356
Loans from a fellow subsidiary	15	151,905	189,295
Lease liabilities		14,370	14,296
Current tax payable		19,695	14,696
Financial liability at amortised cost		14,645	14,645
		1,736,339	1,526,029
Net current assets		1,364,563	1,286,710
Total assets less current liabilities		3,501,072	3,412,285

Consolidated Statement of Financial Position (continued)

At 30 June 2025

(Expressed in Hong Kong dollars)

	Note	At 30 June 2025 Unaudited \$'000	At 31 December 2024 Audited \$'000
Non-current liabilities			
Bank loans	13	169,129	159,232
Loans from a fellow subsidiary	15	292,548	304,429
Deferred revenue		11,652	12,382
Lease liabilities		13,295	12,447
Deferred tax liabilities		63,899	65,360
Provision for long service payments		1,599	1,599
		552,122	555,449
NET ASSETS		2,948,950	2,856,836
CAPITAL AND RESERVES			
Share capital		459,651	459,651
Reserves		2,216,325	2,133,100
Total equity attributable to equity shareholders of the Company		2,675,976	2,592,751
Non-controlling interests		272,974	264,085
TOTAL EQUITY		2,948,950	2,856,836

The notes on pages 18 to 35 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025 — unaudited
(Expressed in Hong Kong dollars)

Note	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Exchange reserve	Revaluation reserve	Special capital reserve	Other reserves	Retained profits	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2025	459,651	(69,618)	15,116	107,440	120,962	1,959,200	2,592,751	264,085	2,856,836
Changes in equity for the six months ended 30 June 2025:									
Profit for the period	-	-	-	-	-	76,207	76,207	13,836	90,043
Other comprehensive income	-	29,708	-	-	-	-	29,708	3,406	33,114
Total comprehensive income	-	29,708	-	-	-	76,207	105,915	17,242	123,157
Transfer to statutory reserves	-	-	-	-	820	(820)	-	-	-
Capital injection received from a non-controlling shareholder	-	-	-	-	-	-	-	5,181	5,181
Dividends approved in respect of the previous year 16(b)	-	-	-	-	-	(22,690)	(22,690)	-	(22,690)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(13,534)	(13,534)
Balance at 30 June 2025	459,651	(39,910)	15,116	107,440	121,782	2,011,897	2,675,976	272,974	2,948,950

Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2025 — unaudited
(Expressed in Hong Kong dollars)

Note	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Exchange reserve	Revaluation reserve	Special capital reserve	Other reserves	Retained profits	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2024	459,651	17,132	15,116	107,440	118,224	1,852,451	2,570,014	225,631	2,795,645
Changes in equity for the six months ended 30 June 2024:									
Profit for the period	–	–	–	–	–	57,727	57,727	13,142	70,869
Other comprehensive income	–	(16,343)	–	–	–	–	(16,343)	(1,293)	(17,636)
Total comprehensive income	–	(16,343)	–	–	–	57,727	41,384	11,849	53,233
Transfer to statutory reserves	–	–	–	–	1,190	(1,190)	–	–	–
Liquidation of an associate	–	(37,102)	–	–	(11,288)	7,249	(41,141)	–	(41,141)
Capital injection received from a non-controlling shareholder	–	–	–	–	–	–	–	11,834	11,834
Dividends approved in respect of the previous year	16(b)	–	–	–	–	(18,152)	(18,152)	–	(18,152)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	(11,723)	(11,723)
Balance at 30 June 2024	459,651	(36,313)	15,116	107,440	108,126	1,898,085	2,552,105	237,591	2,789,696
Balance at 1 July 2024	459,651	(36,313)	15,116	107,440	108,126	1,898,085	2,552,105	237,591	2,789,696
Changes in equity for the six months ended 31 December 2024:									
Profit for the period	–	–	–	–	–	83,027	83,027	17,126	100,153
Other comprehensive income	–	(33,305)	–	–	–	–	(33,305)	(2,033)	(35,338)
Total comprehensive income	–	(33,305)	–	–	–	83,027	49,722	15,093	64,815
Transfer to statutory reserves	–	–	–	–	12,836	(12,836)	–	–	–
Acquisition of a subsidiary	–	–	–	–	–	–	–	3,000	3,000
Capital injection received from a non-controlling shareholder	–	–	–	–	–	–	–	9,332	9,332
Dividends approved in respect of the current year	16(a)	–	–	–	–	(9,076)	(9,076)	–	(9,076)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	(931)	(931)
Balance at 31 December 2024	459,651	(69,618)	15,116	107,440	120,962	1,959,200	2,592,751	264,085	2,856,836

The notes on pages 18 to 35 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2025 — unaudited
(Expressed in Hong Kong dollars)

	Note	Six months ended 30 June	
		2025 \$'000	2024 \$'000
Operating activities			
Cash used in operations		(59,352)	(107,217)
Tax paid, net		(26,190)	(27,605)
Net cash used in operating activities		(85,542)	(134,822)
Investing activities			
Payment for the purchase of property, plant and equipment		(32,353)	(16,517)
Proceed from disposal of property, plant and equipment		369	17
Proceeds from liquidation of an associate		—	17,462
Net cash (used in)/generated from investing activities		(31,984)	962
Financing activities			
Proceeds from loans from a fellow subsidiary		21,574	269,432
Repayment of loans from a fellow subsidiary		(97,449)	(25,745)
Proceeds from bank loans		341,111	305,182
Repayments of bank loans		(221,157)	(688,820)
Dividend paid to non-controlling shareholders		(13,534)	(11,723)
Capital injection received from a non-controlling shareholder		5,181	11,834
Other cash flows arising from financing activities		(24,217)	(21,148)
Net cash generated from/(used in) financing activities		11,509	(160,988)
Net decrease in cash and cash equivalents		(106,017)	(294,848)
Cash and cash equivalents at 1 January	11	954,811	1,035,928
Effect of foreign exchange rate changes		11,148	(4,905)
Cash and cash equivalents at 30 June	11	859,942	736,175

The notes on pages 18 to 35 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by the auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 10.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by products and services. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Fresh and live foodstuffs: this segment distributes, purchases and sells foodstuffs and provides slaughtering services.
- Tinplating: this segment produces and sells tinplate and related products which are mainly used as packaging materials for food and industrial products.
- Property leasing: this segment leases office and industrial premises to generate rental income.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (continued)

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines:		
Sales of goods		
— Fresh and live foodstuffs	4,970,531	4,357,394
— Tinplate products	1,053,442	979,256
	6,023,973	5,336,650
Commission income from the distribution of fresh and live foodstuffs	14,065	26,562
Slaughtering service income	33,920	45,143
Revenue from other sources		
Rental income from property leasing	9,184	8,649
	6,081,142	5,417,004
Disaggregated by geographical location of customers:		
Hong Kong (place of domicile)	783,575	441,929
Mainland China	4,933,470	4,866,716
Asian countries (excluding Mainland China and Hong Kong)	189,745	61,424
Other countries	174,352	46,935
	5,297,567	4,975,075
	6,081,142	5,417,004

The geographical analysis above includes property rental income from external customers in Hong Kong and in Mainland China for the six months ended 30 June 2025 of \$506,000 (30 June 2024: \$495,000) and \$8,678,000 (30 June 2024: \$8,154,000) respectively.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Fresh and live foodstuffs		Tinplating		Property leasing		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
For the six months ended 30 June								
Reportable segment revenue	5,018,516	4,429,099	1,053,442	979,256	9,184	8,649	6,081,142	5,417,004
Reportable segment profit (including share of profits/(losses) of associates)	106,358	78,147	43,300	14,979	3,897	3,912	153,555	97,038
Share of profits/(losses) of associates	14,555	(18,765)	–	–	–	–	14,555	(18,765)
As at 30 June/31 December								
Reportable segment assets (including interest in associates)	2,576,063	2,417,392	1,863,706	1,852,465	191,453	193,330	4,631,222	4,463,187
Interest in associates	167,398	150,187	–	–	–	–	167,398	150,187
Reportable segment liabilities	1,413,212	1,172,908	672,393	730,962	37,910	37,026	2,123,515	1,940,896

(c) Reconciliations of reportable segment profit or loss, assets and liabilities

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Profit		
Reportable segment profit derived from the Group's external customers and associates	153,555	97,038
Unallocated income and expenses	(19,317)	(15,380)
Valuation losses on investment properties	–	(2,336)
Finance costs	(14,805)	(15,368)
Share of profit of a joint venture not attributable to any segment	1	18
Share of profit of an associate not attributable to any segment	–	688
Gains from liquidation of an associate not attributable to any segment	–	30,110
Consolidated profit before taxation	119,434	94,770

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (continued)

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Assets		
Reportable segment assets	4,631,222	4,463,187
Interest in a joint venture not attributable to any segment	11,046	10,877
Unallocated assets	595,143	464,250
Consolidated total assets	5,237,411	4,938,314
Liabilities		
Reportable segment liabilities	2,123,515	1,940,896
Unallocated liabilities	164,946	140,582
Consolidated total liabilities	2,288,461	2,081,478

4 OTHER REVENUE AND NET GAINS

	Six months ended 30 June 2025 \$'000	2024 \$'000
Other revenue		
Interest income on financial assets measured at amortised cost	3,489	4,808
Government grants and subsidies received	3,921	14,513
Others	4,409	4,608
	11,819	23,929
Other net gains		
Net realised and unrealised exchange gain	5,281	7,261
Net gains on forward foreign exchange contracts	–	67
Net losses on disposals of property, plant and equipment	(307)	(110)
Gains from liquidation of an associate	–	30,110
Others	273	(3,313)
	5,247	34,015

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
(a) Finance costs		
Interest on bank loans	8,341	11,642
Interest on loans from a fellow subsidiary	5,775	4,712
Interest on lease liabilities	689	255
	14,805	16,609
Less: interest expense capitalised into construction-in-progress*	–	(1,241)
	14,805	15,368
(b) Staff costs		
Contributions to defined contribution retirement plans	16,080	13,339
Salaries, wages and other benefits	154,872	153,980
	170,952	167,319
(c) Other items		
Depreciation charge		
— Owned property, plant and equipment	52,884	52,652
— Right-of-use assets	9,372	5,087
Research and development costs	51,971	41,598
Expected credit loss recognised on trade receivables	18,061	3,302
Rental income from investment properties less direct outgoings of \$763,000 (30 June 2024: \$802,000)	(8,421)	(7,847)

* No borrowing costs have been capitalised during the period. The borrowing costs have been capitalised at a rate of 2.80% – 5.69% during the period of 30 June 2024.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

	Note	Six months ended 30 June	
		2025 \$'000	2024 \$'000
Current tax — Hong Kong			
Provision for the period		3,041	3,785
Current tax — the People's Republic of China (the "PRC")			
Provision for the period		27,579	21,794
Under/(over)-provision in respect of prior year		166	(595)
Deferred tax			
Origination and reversal of temporary differences		(1,395)	(1,083)
	(i)	29,391	23,901

Notes:

- (i) The provision for Hong Kong Profits Tax for the six months ended 30 June 2025 is calculated at 16.5% (30 June 2024: 16.5%) of the estimated assessable profits for the period.

Income tax for subsidiaries established and operating in the PRC is calculated using the estimated annual effective rate of 25% that is expected to be applicable in the PRC, except for two subsidiaries that is entitled to tax incentive as a new and high technology enterprise, enjoys 15% annual effective tax rate.

- (ii) Dividends declared by the PRC subsidiaries and associates to investors incorporated in Hong Kong are subject to a withholding tax at 5%.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to ordinary equity shareholders of the Company of \$76,207,000 (30 June 2024: \$57,727,000) and 907,593,000 (30 June 2024: 907,593,000) ordinary shares in issue during the period.

(b) Diluted earnings per share

There were no potential dilutive shares in existence during the six months ended 30 June 2025 and 2024.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

8 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

(a) Acquisitions and transfers of owned assets

During the six months ended 30 June 2025, the Group had acquired additions to property, plant and equipment with a cost of \$40,490,000 (30 June 2024: \$23,420,000). Also, during the six months ended 30 June 2025, the Group has not transferred any investment properties to property, plant and equipment (30 June 2024: \$33,400,000 was transferred upon change in use).

(b) Investment properties

The valuations of investment properties carried at fair value were revalued at 30 June 2025 by independent firms of surveyors, RHL Appraisal Limited (31 December 2024: Jones Lang LaSalle Limited), using the same valuation techniques as were used by the valuer when carrying out the December 2024 valuations. As a result of the revaluation, no valuation gains or losses (30 June 2024: valuation losses of \$2,336,000) have been recognised in profit or loss for the period.

9 INVENTORIES

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Raw materials, spare parts and consumables	226,704	245,027
Work in progress	47,848	33,421
Finished goods	185,746	144,820
	460,298	423,268

Based on management's assessment of the net realisable value of inventories, there was a reversal of write-down of inventories to estimated net realisable value by approximately \$1,185,000 during the period (30 June 2024: a write-down of inventories by approximately \$2,507,000).

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

10 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Trade debtors	869,349	601,051
Bills receivable	140,135	267,213
Other receivables, deposits and prepayments	763,348	557,022
Trade and other receivables, deposits and prepayments (note (i))	1,772,832	1,425,286

Note:

- (i) As at 30 June 2025 and at 31 December 2024, all of the trade and other receivables, deposits and prepayments of the Group are expected to be recovered or recognised as expense within one year.

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable, based on the payment due date and net of loss allowance, is as follows:

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Current or less than 1 month past due	922,861	816,772
1 to 3 months past due	34,964	7,032
Over 3 months to 1 year past due	51,578	46,211
Over 1 year past due	25,212	5,319
	1,034,615	875,334
Less: Expected credit loss	(25,131)	(7,070)
	1,009,484	868,264

In respect of trade receivables relating to the tinplating business, deposits, prepayments and bills or letters of credit are normally obtained from customers. Credit evaluations are performed on all customers requiring credit over a certain amount. Trade receivables are usually due within 1 to 3 months from the date of billing or the date of receipt of goods by the customers. For the foodstuffs trading business and slaughtering business, the credit period usually ranges from 1 to 3 months. For the distribution of fresh and live foodstuffs business, the credit period is usually less than 1 month. Cash deposits or financial guarantees from other parties are required for certain customers. For the Group's property leasing business, rental is collected 1 month in advance and rental deposits are obtained from the tenants. In general, debtors of the Group with balances that are more than 1 month overdue are requested to settle all outstanding balances before any further credit is granted.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

11 CASH AND CASH EQUIVALENTS

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Deposits with banks	285,991	238,620
Cash at bank and on hand	573,951	716,191
Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated cash flow statement	859,942	954,811

12 GOODWILL

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Acquisition of:		
— GDH Food (Foshan) Company Limited	1,415	1,415
— Brilliant Food Products Limited	22,390	22,390
— GDH Dezhirun Food (Zhuhai) Company Limited (formerly be GDH Food (Zhuhai) Company Limited) (note (i) & (ii))	60,343	59,424
— GDH Food (Guangzhou) Company Limited (note (i))	1,368	1,347
Cost and carrying amount	85,516	84,576

Note:

- (i) The movement solely represented the exchange difference.
- (ii) GDH Food (Zhuhai) Company Limited was deregistered after the business combination to GDH Dezhirun Food (Zhuhai) Company Limited.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

13 BANK LOANS

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Within 1 year or on demand	505,940	327,356
After 1 year but within 2 years	5,485	1,947
After 2 years but within 5 years	32,912	25,926
After 5 years	130,732	131,359
	169,129	159,232
	675,069	486,588

As at 30 June 2025, the Group's available banking facilities amounted to \$2,766,173,000 (31 December 2024: \$2,746,420,000), of which \$1,016,688,000 (31 December 2024: \$812,853,000) was utilised. Certain portion of the utilised banking facilities were secured by deposits. The banking facilities include \$285,116,000 (31 December 2024: \$280,774,000) which were secured by mortgages over land and buildings with an aggregate carrying value of \$159,878,000 (31 December 2024: \$160,456,000). Part of the unsecured bank loans amounted to \$166,000,000 (31 December 2024: \$120,000,000) were provided in the facility agreements that the Company undertakes to the banks that it shall remain ultimately majority-owned (directly and/or indirectly) by Guangdong Holdings Limited and remain majority-owned (directly and/or indirectly) by GDH Limited. If the Company fails to perform any of its obligations under the facility agreements, then the lenders were entitled to request immediate repayment of these outstanding loans and all accrued interests.

All of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2025, none of the covenants of the facilities had been breached.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

14 TRADE AND OTHER PAYABLES

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Trade creditors	253,738	170,758
Bills payable	354,142	391,792
Other payables and accrued charges	326,412	318,638
Contract liabilities	71,017	83,740
Amounts due to fellow subsidiaries (note (i))	1,178	206
Derivative financial instruments (note 17)	607	607
Dividend payable	22,690	–
	1,029,784	965,741

Notes:

- (i) The amounts due to fellow subsidiaries are unsecured, interest-free and repayable on demand.
- (ii) All of the Group's trade and other payables are expected to be settled or recognised as income within one year.

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable, based on the payment due date, is as follows:

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Due within 1 month or on demand	607,880	562,550
	607,880	562,550

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

15 LOANS FROM A FELLOW SUBSIDIARY

As at 30 June 2025, the loans from a fellow subsidiary amounted to \$151,905,000 (31 December 2024: \$189,295,000) were unsecured, interest-bearing at ranging from 2.2% – 2.7% (31 December 2024: 2.2% – 2.8%) per annum and repayable within one year. Loans from a fellow subsidiary amounted to \$292,548,000 (31 December 2024: \$304,429,000) were unsecured, interest-bearing at ranging from 2.2% – 2.8% (31 December 2024: 2.2% – 2.8%) per annum and repayable after more than one year.

16 DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the interim period:

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Interim dividend declared and payable/paid after the interim period of 2.5 cents (30 June 2024: 1.0 cent) per ordinary share	22,690	9,076

The interim dividend declared after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Final dividend in respect of the previous financial year, approved during the following interim period, of 2.5 cents (30 June 2024: 2.0 cents) per ordinary share	22,690	18,152

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial instruments measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

Valuation reports on fair value measurement of financial instruments are prepared by the financial institutions. The chief financial officer has discussions with these financial institutions about the valuation assumptions and valuations results when the valuations are performed at each interim and annual reporting date.

	Fair value at 30 June 2025 \$'000	Fair value measurements as at 30 June 2025 categorised into		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements:				
Liability:				
Derivate financial instruments (note 14)	607	–	–	607

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Financial instruments measured at fair value (continued)

Fair value hierarchy (continued)

Fair value at 31 December 2024 \$'000	Fair value measurements as at 31 December 2024 categorised into		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000

Recurring fair value measurements:

Liability:

Derivate financial instruments (note 14)	607	–	–	607
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During the six months ended 30 June 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between the levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 3 fair value measurements

The fair value of derivate financial instruments in Level 3 is determined by using binomial option pricing model.

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2025 and 31 December 2024.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

18 RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees in Hong Kong under the jurisdiction of the Hong Kong Employment Ordinance. The assets of the MPF Scheme are held separately from those of the Group and administered by an independent trustee. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$30,000 (the "Cap"). The amounts in excess of the Cap are contributed to the MPF Scheme by both employers and employees as voluntary contributions. Mandatory contributions to the MPF Scheme are vested to the employees immediately. Any unvested balance from voluntary contributions is refunded to the Group.

Employees engaged by the Group outside Hong Kong are covered by the appropriate local defined contribution retirement schemes pursuant to the local labour rules and regulations.

For defined contribution pension plans with vesting conditions, any forfeited contributions by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions are not used by the employer to reduce any future contributions.

The Group's pension cost charged to the consolidated statement of profit or loss for the six months ended 30 June 2025 was \$16,080,000 (30 June 2024: \$13,339,000) (note 5(b)).

19 COMMITMENTS

(a) Capital commitments outstanding at 30 June 2025 not provided for in the interim financial report were as follows:

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Contracted for	8,245	5,086
Authorised but not contracted for	385,059	376,385
	393,304	381,471

The Group's capital commitments at 30 June 2025 and 31 December 2024 mainly are related to the construction of slaughterhouse and renovation of production equipment of tinplating business.

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

20 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in this interim financial report, the Group entered into the following material related party transactions.

(a) Transactions with related parties

The Group had the following transactions with the related parties during the period which the directors consider to be material:

	Note	Six months ended 30 June	
		2025 \$'000	2024 \$'000
Commission receivable/received from associates	(i)	2,194	3,132
Interest expense payable/paid to a fellow subsidiary	(ii)	5,775	4,712
Purchases of goods from associates	(iii)	120,562	135,170
Purchases of electricity from a fellow subsidiary	(iv)	21,972	24,473

Notes:

- (i) This represents commission earned for services rendered to associates in respect of distribution of fresh and live foodstuffs.
- (ii) This represents interest expense on loans from a fellow subsidiary.
- (iii) This represents purchases of goods from associates in respect of trading of fresh and live foodstuffs.
- (iv) This represents purchases of electricity from a fellow subsidiary.

(b) Transactions with other state-controlled entities in the PRC

The Group is a state-controlled entity and operates in an economic regime currently dominated by entities directly or indirectly controlled by the PRC government ("State controlled Entities") through its government authorities, agencies, affiliations and other organisations.

Other than those transactions disclosed elsewhere in this interim financial report, the Group also conducts business activities with other State-controlled Entities which include but are not limited to the following:

- Sales and purchase of goods and ancillary materials;
- Rendering and receiving services;

Notes to the Unaudited Interim Financial Report (continued)

(Expressed in Hong Kong dollars unless otherwise indicated)

20 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with other state-controlled entities in the PRC (continued)

- Lease of assets; and
- Purchase of property, plant and equipment.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not state-controlled. The Group has established its buying, pricing strategy and approval process for purchases and sales of products and services. Such buying, pricing strategy and approval processes do not depend on whether the counterparties are state-controlled or not.

Having considered the potential transactions impacted by related party relationships, the Group's pricing strategy, buying and approval process, and what information would be necessary for an understanding of the potential effects of the transactions on the interim financial report, the directors are of the opinion that there are no other transactions that require disclosure as related party transactions.

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors is as follows:

	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Short-term employee benefits	1,043	1,606
Post-employment benefits	166	405
	1,209	2,011

21 PLEDGED DEPOSITS

As at 30 June 2025, deposits at banks of \$7,830,000 (31 December 2024: \$9,374,000) were pledged as securities for bills payable.

22 SUBSEQUENT EVENTS

After the end of the reporting period, the directors proposed an interim dividend. Further details are disclosed in note 16(a).

Directors' Interests and Short Positions in Securities

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be (i) notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executives were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

INTERESTS AND SHORT POSITIONS IN THE COMPANY

Interests in ordinary shares

Name of Director	Capacity/nature of interests	Number of ordinary shares held	Long/short position	Approximate percentage of interests held (Note)
Li Kar Keung, Caspar	Personal	100,000	Long position	0.011%

Note: The approximate percentage of interests held was calculated on the basis of 907,593,285 ordinary shares of the Company in issue as at 30 June 2025.

INTERESTS AND SHORT POSITIONS IN GUANGDONG INVESTMENT LIMITED

Interests in ordinary shares

Name of Director	Capacity/nature of interests	Number of ordinary shares held	Long/short position	Approximate percentage of interests held (Note)
Yu Huijuan	Personal	208,000	Long position	0.003%

Note: The approximate percentage of interests held was calculated on the basis of 6,537,821,440 ordinary shares of Guangdong Investment Limited in issue as at 30 June 2025.

Directors' Interests and Short Positions in Securities (continued)

INTERESTS AND SHORT POSITIONS IN GUANGDONG LAND HOLDINGS LIMITED

Interests in ordinary shares

Name of Director	Capacity/nature of interests	Number of ordinary shares held	Long/short position	Approximate percentage of interests held (Note 1)
Yu Huijuan	Personal & family ^(Note 2)	1,336,144	Long position	0.08%

Notes:

1. The approximate percentage of interests held was calculated on the basis of 1,711,536,850 ordinary shares of Guangdong Land Holdings Limited in issue as at 30 June 2025.
2. Ms. Yu Huijuan holds personal interests in 886,144 ordinary shares as a beneficial owner and family interests in 450,000 ordinary shares held by her spouse.

Save as disclosed above, as at 30 June 2025, to the knowledge of the Company, none of the Directors or chief executives of the Company had any interests or short positions in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the period was the Company, its holding companies or any of its subsidiaries or associated corporation a party to any arrangements to enable the Directors of the Company or their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporates.

Substantial Shareholders' Interests

As at 30 June 2025, so far as is known to any Directors and chief executives of the Company, the following persons (other than Directors and chief executives of the Company) had, or were taken or deemed to have interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company under Section 336 of the SFO:

Name of shareholder	Capacity	Number of ordinary shares beneficially held	Long/short position	Approximate percentage of interests held (Note 1)
廣東粵海控股集團有限公司 (Guangdong Holdings Limited) ("Guangdong Holdings") ^(Note 2)	Interest of controlled corporation	537,198,868	Long position	59.19%
GDH Limited ("GDH")	Beneficial owner	537,198,868	Long position	59.19%

Notes:

1. The approximate percentage of interests held was calculated on the basis of 907,593,285 ordinary shares of the Company in issue as at 30 June 2025.
2. The attributable interest which Guangdong Holdings has in the Company is held through its 100% direct interest in GDH.

Save as disclosed above, as at 30 June 2025, the Company has not been notified by any persons (other than Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company under Section 336 of the SFO.

Corporate Governance and Other Information

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions and, where appropriate, the applicable recommended best practices set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025, except for the following deviation:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yang Zhe, an Executive Director and the General Manager, was appointed as the Acting Chairman of the Board on 21 March 2025. The Board considers that the balance of power and authority, accountability and independent decision making under present arrangement are not impaired because of the diverse background and experience of executive Directors, non-executive Directors and independent non-executive Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the code of conduct regarding Directors’ securities transactions. All Directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

CHANGE IN DIRECTORS’ INFORMATION

- (i) Commencing on 1 July 2025, the remuneration package of Mr. Yang Zhe, the Acting Chairman and General Manager, comprising basic salary, allowances, benefits in kind and pension scheme contributions, was adjusted to approximately HKD1,340,000 per annum, plus a discretionary bonus pegged to performance.
- (ii) Ms. Yu Huijuan, a Non-Executive Director, was appointed as a member of the Nomination Committee of the Company with effect from 24 June 2025.
- (iii) Mr. Chau Wang Kei, an Executive Director and Chief Financial Officer, concurrently served as the company secretary of the Company with effect from 29 April 2025.
- (iv) Mr. Wen Yinheng, a Non-Executive Director, was appointed as a non-executive director of Guangdong Land Holdings Limited (“GDL”) on 25 March 2025, and he is a director of certain subsidiaries of GDL. He resigned as an executive director and the managing director of Guangdong Investment Limited (“GDI”) on 25 March 2025. GDL and GDI are fellow subsidiaries of the Company, and both are Hong Kong listed companies.
- (v) Mr. Wang Longhai has tendered his resignation as a Non-Executive Director with effect from 24 March 2025 due to changes in work arrangement.

Save for the above changes in Directors’ information, there is no other information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed the unaudited interim financial report and the interim report of the Group for the six months ended 30 June 2025. In addition, the Company’s external auditor, KPMG, has also reviewed the aforesaid unaudited interim financial report.

Corporate Governance and Other Information (continued)

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange.

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

Pursuant to a facility letter (the "Facility Letter") entered into between the Company and a bank on 9 June 2025 in relation to revolving term loan facility in the principal amount of HK\$400 million (the "Facility") made available by the bank to the Company. The Facility shall terminate 360 days after 9 June 2025. The Company had undertaken to the bank that it shall:

- (i) remain ultimately majority-owned (directly and/or indirectly) by Guangdong Holdings; and
- (ii) remain majority-owned (directly and/or indirectly) by GDH.

If the Company fails to perform any of its obligations under the Facility Letter, the bank may by notice to the Company terminate the Facility whereupon such Facility (or any part thereof) shall be immediately cancelled and/or declare the total indebtedness to be immediately due and payable to the bank, whereupon it shall become so due and payable.

The outstanding principal of the Facility as at 30 June 2025 amounted to HK\$166 million.

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend for 2025 of HK2.5 cents per share (2024: HK1.0 cent per share). The interim dividend will be paid on Monday, 27 October 2025 to the shareholders whose names appear on the register of members of the Company on Friday, 10 October 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on Thursday, 9 October 2025 and Friday, 10 October 2025. During the period, no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 8 October 2025.

By order of the Board
Yang Zhe
Acting Chairman and General Manager

Hong Kong, 27 August 2025



粵海廣南(集團)有限公司
GDH GUANGNAN (HOLDINGS) LIMITED

