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.

粵海置地

GUANGDONG LAND HOLDINGS LIMITED
粵 海 置 地 控 股 有 限 公 司
(Incorporated in Bermuda with limited liability)
(Stock Code: 0124)

Unaudited Financial Information for the three months ended 31 March 2020

The board of directors (the "**Board**") of Guangdong Land Holdings Limited (the "**Company**") announces the unaudited financial information of the Company and its subsidiaries (the "**Group**") for the three months ended 31 March 2020 together with comparative figures. This announcement is made by the Company on a voluntary basis in pursuance of its policy to achieve a higher level of corporate governance.

FINANCIAL HIGHLIGHTS

	For the three months ended 31 March		
	2020	2019	
	HK$ '000	HK$ '000	Change
Revenue	**441,053**	181,179	+143.4%
(Loss)/profit after tax	**(2,017)**	3,385	N/A
(Loss)/profit attributable to owners of the Company	**(4,207)**	710	N/A
	As at 31 March 2020	As at 31 December 2019	
	HK$ '000	HK$ '000	Change
Total assets	**11,710,256**	11,852,678	-1.2%
Equity attributable to owners of the Company	**4,669,490**	4,763,849	-2.0%

RESULTS

For the three months ended 31 March 2020, the consolidated revenue of the Group was approximately HK$441 million (three months ended 31 March 2019: HK$181 million), representing an increase of approximately 143.4% from the same period last year. The increase in revenue was mainly attributable to the increase in the gross floor area ("**GFA**") of properties sold. During the period under review, the Group's profit before tax increased when compared with the same period last year. The loss attributable to owners of the Company was approximately HK$4.21 million (three months ended 31 March 2019: profit of HK$0.71 million).

In addition to the aforementioned increase in the GFA of properties sold, when compared to the same period last year, the major factors affecting the results of the Group for the three months ended 31 March 2020 include the following:

(a) certain investment properties of the Group were measured and carried at fair value. During the period under review, there were net fair value gains on the investment properties of approximately HK$18.81 million (three months ended 31 March 2019: nil);

(b) the Group acquired 廣東粵海房地產開發有限公司 (Guangdong Yuehai Property Development Co., Ltd.) in 2018 and part of the considerations paid was financed by a bank loan. As the Group has partially repaid the bank loan, interest expenses charged to the statement of profit or loss decreased from the same period last year;

(c) due to the increase in the sales of properties, and certain residential properties of the Laurel House Project were sold to the original property owners of that lot at agreed prices for the same period last year, there was an increase in the income tax expense. Further, due to the continuous business expansion, there were increases in selling and marketing expenses as well as administrative expenses; and

(d) the Group recorded net exchange losses of approximately HK$1.61 million (three months ended 31 March 2019: net exchange gains of approximately HK$12.01 million). The net exchange gains recorded by the Group in the first three months of 2019 were mainly due to the settlement of certain loans denominated in Renminbi ("**RMB**") due to the Company from a subsidiary of the Company. There was no such a settlement during the period under review.

BUSINESS REVIEW

The GDH City Project

The Group holds a 100% interest in the GDH City Project, which is a multi-functional commercial complex with jewelry as the main theme, located in Luohu District, Shenzhen City in the People's Republic of China (the "**PRC**" or "**Mainland China**"). The GFA included in the calculation of the plot ratio of the project amounts to approximately 432,051 square metres ("**sq. m.**"). In addition, an underground area of 30,000 sq. m. could be developed for commercial use. The project, which is in close proximity to the urban highways and subway stations and adjoins Weiling Park, is surrounded by several municipal parks within a radius of 1.5 kilometres and enjoys convenient transportation and superb landscape resources.

During the period under review, the Group continues the development and construction of the GDH City Project. Under the first phase of the project, external frames and construction equipment of the buildings under construction have been removed and some of the constructions have completed acceptance. It is expected that the constructions will be completed and filed (竣工備案) in the second quarter of 2020. Under the second phase of the project, the foundation pit support construction for the Northern Land has completed acceptance and the foundation pit support construction for the Southern Land has been completed.

Land lot	Usage	Appro-ximate total site area (sq. m.)	Appro-ximate GFA* (sq. m.)	Approximate GFA contracted Period under review (sq. m.)	Approximate GFA contracted Accumu-lated (sq. m.)	Progress	Expected completion and filing date
Northwestern Land	Business apartments/ Commercial	16,680	116,000	1,220	16,880	Structures completed, and construction works entered the final stage	2nd quarter of 2020
Northern Land	Commercial/ Offices/Mall	33,802	146,551	N/A	N/A	Basement structure construction has been commenced	2nd half of 2022
Southern Land	Offices/Mall	16,044	199,500	N/A	N/A		2023

**Note: Including (1) underground commercial GFA of 30,000 sq. m.; and (2) common area.*

The Laurel House Project, the Baohuaxuan Project and the Ruyingju Project

All the three projects are situated in Guangzhou City, the PRC. The Laurel House Project is located in Yuexiu District, with a GFA of approximately 119,267 sq. m. The Baohuaxuan Project is located in Liwan District, with a GFA of approximately 5,241 sq. m. The Ruyingju Project is located in Panyu District, with a GFA of approximately 126,182 sq. m.

Property project	Usage	Interest held by the Group	Approximate GFA (sq. m.)	Approximate GFA delivered Period under review (sq. m.)	Approximate GFA delivered Accumulated (sq. m.)	The proportion of GFA delivered to GFA for sale Accumulated
Laurel House	Residential	100%	65,636	4,690	27,408	41.8%
Baohuaxuan	Residential	100%	3,884	-	3,558	91.6%
Ruyingju	Residential	80%	94,617	1,181	93,280	98.6%
Ruyingju	Car-parking spaces	80%	8,052	-	3,841	47.7%

As at 31 March 2020, the occupancy rate of the commercial properties of the Laurel House Project was approximately 82.0%.

The Chenyuan Road Project

The Group holds a 100% interest in the Chenyuan Road Project, which is located in Pengjiang District, Jiangmen City, the PRC. The Chenyuan Road Project has a maximum GFA included in the calculation of the plot ratio of approximately 164,216 sq. m. The proposed types of properties, including residential units, commercial units, and car parking spaces, will all be for sale.

For the three months ended 31 March 2020, the geological exploration works, project development and construction application, positioning, planning and design and preliminary preparation for site construction for the project are in progress. The project is expected to start construction in the second quarter of 2020 and will be developed by phases. It is expected that the properties for the first phase of development will be ready for pre-sale by 2021.

FINANCIAL REVIEW

As at 31 March 2020, the total assets of the Group was approximately HK$11.71 billion (31 December 2019: HK$11.85 billion), representing a decrease of approximately 1.2% from the year-end of 2019. Based on the number of shares in issue as at 31 March 2020, the net asset value per share attributable to owners of the Company at the end of the period was approximately HK$2.73 (31 December 2019: HK$2.78) per share, representing a decrease of approximately 1.8% over the year-end of 2019. The decrease in the net asset value per share attributable to owners of the Company was mainly due to a change in the exchange rate of RMB against HK$ during the period under review.

As at 31 March 2020, the Group has aggregate outstanding interest-bearing loans of approximately HK$3,371 million (31 December 2019: HK$3,159 million) with a gearing ratio[1] of approximately 45.9% (31 December 2019: 44.7%). As at 31 March 2020, the Group's financial position remained stable. And the aggregate available banking facilities to the Group were RMB2,150 million (equivalent to approximately HK$2,353 million). The Group will review its funding needs from time to time and consider obtaining funds through various financing means and channels according to the future development of its businesses so as to ensure that adequate financial resources will be available to support its business development.

OUTLOOK

The recent outbreak of Coronavirus disease ("**COVID-19 outbreak**") has spread around the globe. In order to avoid a large amount of people going around and gathering, governments from different countries, including the PRC government introduced a number of quarantine measures, which affect the worldwide economic activities. International Monetary Fund and Organisation for Economic Cooperation and Development have downward revised the expected worldwide economic growth rate this year. The PRC government actively dealt with the impact of the COVID-19 outbreak to the society and economy by adjusting the macro-economic policies and implementation intensity to release the market demand in the PRC. Given the implementation of the protective measures against the COVID-19 outbreak, the PRC government drives the resumption of the commercial activities and markets. In the medium to long term, as governments from different countries have paid attention and introduced various measures to tackle the COVID-19 outbreak, the economic impact of the COVID-19 outbreak will be gradually decreased upon the gradually stability of the COVID-19 outbreak.

[1] Gearing ratio = (Interest-bearing loans + lease liabilities - cash and cash equivalents) ÷ Net assets

Entering 2020, the PRC government continues to maintain the direction of the overarching principle of "housing is for living, but not for speculation" (房住不炒) and the long-term management mechanism of the real estate market. Due to the COVID-19 outbreak, a number of provinces and cities in Mainland China postponed the sale of land pieces in the first quarter of 2020, resulted in the short-term decrease in the supply of land. Transactions in land pieces dropped and most of the real estate enterprises postponed in various degrees in their plans for land acquisition, development and investment as well as property sales. Further, as affected by the measures against COVID-19 outbreak, the sales offices of real estate enterprises closed temporarily and resulted in the drop of property transactions. The Group continues to closely monitor the development of the COVID-19 outbreak as well as the economic and market environment. Given the implementation of the protective measures against the COVID-19 outbreak, the Group formulated relevant proposals for its property projects as appropriate, including the uphold of the construction period, establishment of online sales platform, increase in the sale and promotion effort, partially waive of rental charges for those tenants of commercial properties under the Laurel House Project of the Group that greatly affected by the COVID-19 outbreak as an initiative to assist. These measures greatly alleviate the impact of the COVID-19 outbreak to the Group and demonstrated our commitment to corporate social responsibility.

Projects held by the Group, such as the GDH City Project, the Laurel House Project and the Chenyuan Road Project, are located in the core cities of the Guangdong-Hong Kong-Macao Greater Bay Area ("**Greater Bay Area**") or covered by the "Core, Coastal Belt and Zone Initiative" (which fosters the optimised development of the Pearl River Delta Core Area, connects Eastern Guangdong, Western Guangdong and cities within the Pearl River Delta as a coastal economic belt like a beaded bracelet, and establishes the mountainous areas of Northern Guangdong as an ecological development zone), and would benefit from the strong development momentum in the Greater Bay Area or the "Core, Coastal Belt and Zone Initiative". It is expected that the filing in respect of the completion of construction of the first phase of the GDH City Project will be made and properties will be delivered in the second quarter of 2020, contributing to the revenue and profit for the Group. The types of properties under the second phase development include office buildings and a shopping mall, and both commercial activities and consumer groups are proposed to be brought into that community.

At present, the Group has a good financial position, a robust controlling shareholder and ample project and financial resources. As the sole capital development platform for the real estate development business of GDH Limited, the largest foreign integrated conglomerate in Guangdong Province, the Group will, by seizing market opportunities, take an active approach in striving for and leveraging on the resources advantages of the Company's controlling shareholder and further make use of and take advantage of its status as a listed company platform. By leveraging on the professional capabilities, industry experience and resource advantages secured by the Group, we will layout the strategic plan and proactively and cautiously seek opportunities for business development as well as seize the opportunities of the land bank supply windows to increase land bank.

Under the leadership of the Board, the Group is confident in the prospect of its future business development and will actively promote the development of its property business in order to create greater returns for shareholders of the Company as we did in the past.

CAUTION STATEMENT

The Board wishes to remind shareholders of the Company and potential investors that the above financial information is based on the Company's internal records and management accounts. The above financial information for the three months ended 31 March 2020 has not been audited or reviewed by the external auditor of the Company. Accordingly, any information contained in this announcement should in no way be regarded as to provide any indication of or assurance on the financial information of the Group for the three months ended 31 March 2020.

Shareholders of the Company and potential investors are urged to exercise caution in dealing in the securities of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

By Order of the Board
Guangdong Land Holdings Limited
XU Yeqin
Chairman

Hong Kong, 27 April 2020

In this announcement, the English name of the PRC entity is translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.

As at the date of this announcement, the Board comprises five Executive Directors, namely Mr. XU Yeqin, Mr. LI Yonggang, Mr. WU Mingchang, Ms. ZHU Guang and Mr. ZHANG Jun; and three Independent Non-Executive Directors, namely Mr. Alan Howard SMITH, Mr. Felix FONG Wo and Mr. Vincent Marshall LEE Kwan Ho.