粤海置地

GUANGDONG LAND HOLDINGS LIMITED
粵 海 置 地 控 股 有 限 公 司

(Incorporated in Bermuda with limited liability)
(Stock Code: 0124)

Positive Profit Alert

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group, it is expected that the Group will record an unaudited profit attributable to owners of the Company of not less than HK$300 million (excludes the fair value changes on investment properties and the impact of the relevant deferred tax charges) for the six months ended 30 June 2020, while the unaudited loss attributable to owners of the Company for the same period in 2019 was approximately HK$33.89 million.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2020 (in particular, the work for determining the fair value of the Group's investment properties is still ongoing). The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and such information has not been audited or reviewed by the auditor 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 may be subject to adjustments.

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

This announcement is made by Guangdong Land Holdings Limited (the "**Company**", which together with its subsidiaries shall be referred to as the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group, it is expected that the Group will record an unaudited profit attributable to owners of the Company of not less than HK$300 million (excludes the fair value changes on investment properties and the impact of the relevant deferred tax charges) for the six months ended 30 June 2020, while the unaudited loss attributable to owners of the Company for the same period in 2019 was approximately HK$33.89 million.

The major factors that affected the said anticipated results of the Group for the six months ended 30 June 2020 include the following:

(a) completion of works (竣工備案) has been filed for the properties built on the Northwestern Land of the GDH City Project and the Group has started to deliver properties to the purchasers in June 2020, resulting in a significant increase in revenue and profit as compared to the same period in 2019;

(b) an increase in the selling and marketing expenses when comparing with the same period in 2019 due to the increase in revenue and sales activities; and

(c) the Group recorded net exchange gains of approximately HK$12.17 million during the first half of 2019. The increase in net exchange gains was mainly resulted from the settlement of certain loans denominated in Renminbi due to the Company from a subsidiary of the Company. There was no such a settlement during the period under review.

In addition to above, regarding the investment properties under development built on the Southern Land of the GDH City Project, the Group obtained the construction permit in relation to the main construction of such properties on 15 January 2020. As at 30 June 2020, the Company considered that the fair value of such investment properties under development could be reliably measured and therefore adopted a fair value model to measure such investment properties under development for the first time. Change in fair value on such investment properties under development would be recognised in the consolidated statement of profit or loss. As at the date of this announcement, while the valuation of the fair value of such investment properties is ongoing and has not been reviewed by the Company's auditor, it is preliminarily estimated that the Group would record a fair value gain (net of the relevant deferred tax charges) of not less than HK$1.3 billion.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2020 (in particular, the work for determining the abovementioned fair value of the Group's investment properties is still ongoing). The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and such information has not been audited or reviewed by the auditor 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 may be subject to adjustments. The Group's unaudited financial information for the six months ended 30 June 2020, which may be different from the information contained in this announcement, is expected to be announced by the end of August 2020.

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

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

Hong Kong, 22 July 2020

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.