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

**CONNECTED TRANSACTION**  
**FORMATION OF LIMITED PARTNERSHIP**

**FORMATION OF LIMITED PARTNERSHIP**

The Board is pleased to announce that, on 25 April 2023, GDH Guangnan Investment (a direct wholly-owned subsidiary of the Company) (as a Limited Partner) entered into the Partnership Agreement with GDH Investment Fund (as a General Partner, the Executive Partner and the Manager), Shunde Capital Management (as a General Partner), GDH Capital Group (as a Limited Partner), Shunkong Haochuang (as a Limited Partner), Shunyin Finance (as a Limited Partner) and Lianfeng Investment (as a Limited Partner), pursuant to which the Limited Partnership is formed to invest principally in non-listed corporations engaging in the areas of prefabricated dishes, fresh and live foodstuffs retailing, advanced food processing, agricultural, food and catering supply chain, and agricultural technologies.

Pursuant to the Partnership Agreement, the committed total capital contribution to the Limited Partnership by all Partners shall be RMB100 million (equivalent to approximately HK\$114,230,000), of which the capital contribution of GDH Guangnan Investment (as a Limited Partner) shall be RMB10 million (equivalent to approximately HK\$11,423,000).

## **LISTING RULES IMPLICATIONS**

GDH is the controlling shareholder of the Company holding approximately 59.19% of the total number of shares of the Company in issue. GDH is a wholly-owned subsidiary of Guangdong Holdings. As GDH Investment Fund (being one of the General Partners, the Executive Partner and the Manager) is a wholly-owned subsidiary of Guangdong Holdings, it is a fellow subsidiary and thus an associate of GDH, and hence a connected person of the Company under the Listing Rules. In addition, as GDH Capital Group (being one of the Limited Partners) is a wholly-owned subsidiary of GDH, it is also an associate of GDH and thus a connected person of the Company under the Listing Rules. Accordingly, the formation of the Limited Partnership constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratio in respect of the capital contribution to be made by GDH Guangnan Investment under the Partnership Agreement is more than 0.1% but less than 5%, the entering into of the Partnership Agreement is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **FORMATION OF LIMITED PARTNERSHIP**

The Board is pleased to announce that, on 25 April 2023, GDH Guangnan Investment (a direct wholly-owned subsidiary of the Company (as a Limited Partner) entered into the Partnership Agreement with GDH Investment Fund (as a General Partner, the Executive Partner and the Manager), Shunde Capital Management (as a General Partner), GDH Capital Group (as a Limited Partner), Shunkong Haochuang (as a Limited Partner), Shunyin Finance (as a Limited Partner) and Lianfeng Investment (as a Limited Partner), pursuant to which the Limited Partnership is formed to invest principally in non-listed corporations engaging in the areas of prefabricated dishes, fresh and live foodstuffs retailing, advanced food processing, agricultural, food and catering supply chain and agricultural technologies.

The rights and obligations of the Partners are governed by the Partnership Agreement, the principal terms of which are summarised as follows:

**Date:** 25 April 2023

**Parties:** **General Partners**

- (1) GDH Investment Fund (also as the Executive Partner and the Manager)
- (2) Shunde Capital Management

## Limited Partners

- (3) GDH Capital Group
- (4) Shunkong Haochuang
- (5) GDH Guangnan Investment
- (6) Shunyin Finance
- (7) Lianfeng Investment

<b>Proposed name of the Limited Partnership:</b>	GDH Shunkong (Foshan) Food Industry Investment Corporation (Limited Partnership)* (粵海順控(佛山)食品產業投資企業(有限合夥)) (subject to the approval of the industrial and commercial registration authority in the PRC)
<b>Scope of business:</b>	Engaging in investment activities with its own fund, engaging in activities such as equity investment, investment management and asset management through private equity fund (subject to registration with the Asset Management Association of China and the scope being finally approved and registered in the industrial and commercial registration authority in the PRC)
<b>Term of the Limited Partnership:</b>	The Limited Partnership is essentially a private equity fund (the “Fund”) structured in the form of limited partnership. The term of the Limited Partnership shall be ten years from the issuance date of the business registration certificate, and shall be extendable with the consent of all Partners. The term of the Fund shall be seven years, of which the first four years shall be the investment period and the remaining three years shall be the exit period. With the consent of the Partners’ meeting, the term of the Fund may be extended twice, each time for a period of one year. The term of the Fund shall not exceed the term of the Limited Partnership. After expiration of the investment period, the Limited Partnership shall not engage in any new investment projects.

**Investment scope and restrictions:**

The Limited Partnership shall invest principally in non-listed corporations engaging in the areas of prefabricated dishes, fresh and live foodstuffs retailing, advanced food processing, agricultural, food and catering supply chain and agricultural technologies. Before being registered with the Asset Management Association of China, the Limited Partnership shall be able to invest in cash management tools recognised by the China Securities Regulatory Commission, such as bank current deposits, national bonds, central bank bills and monetary market funds, for the purpose of cash management. After registration, the idle funds may be used to invest in national bonds, corporate bonds, bank wealth management products or inter-bank market products with higher liquidity and other tools with the premise of ensuring the safety of funds and improving the efficiency of idle funds.

Pursuant to the Partnership Agreement, the amount of investments made by the Limited Partnership in Shunde District, Foshan City, the PRC shall not be less than the total capital contribution made by Shunkong Haochuang and Shunde Capital Management.

The Limited Partnership is subject to the following investment restrictions. It shall not:

- (1) engage in businesses including those involved in the provision of guarantee, mortgage, entrusted loan, real estate and lending between financial institutions;
- (2) invest in securities in secondary market, futures, real estate, securities investment fund, corporate bonds with rating below “AAA”, trust products, non principal-guaranteed wealth management products, insurance plans and other financial derivative products;
- (3) raise funds by issue of trust or collective wealth management products;
- (4) provide sponsorship or make donation to any third parties;
- (5) engage in external investment with unlimited joint and several liability;

- (6) conduct inappropriate securities trading activities such as conducting insider dealings and manipulating securities prices;
- (7) directly invest in credit assets of commercial banks;
- (8) obtain financing by pledging the partnership interests;
- (9) directly or indirectly engage in debt or equity investment in areas or industries forbidden by the relevant laws and regulations or national policies of Mainland China; and
- (10) engage in other activities which are prohibited by the relevant laws and regulations of Mainland China, the China Securities Regulatory Commission and the Partnership Agreement.

**Capital contribution:**

Name of the Partners	Capital contribution <sup>(Note)</sup>		Partnership interest
	Capital contribution (RMB'000)	(equivalent to approximately HK\$'000)	
(1) GDH Investment Fund	1,000	1,142	1%
(2) Shunde Capital Management	1,000	1,142	1%
(3) GDH Capital Group	45,500	51,975	45.5%
(4) Shunkong Haochuang	37,500	42,836	37.5%
(5) GDH Guangnan Investment	10,000	11,423	10%
(6) Shunyin Finance	3,000	3,427	3%
(7) Lianfeng Investment	2,000	2,285	2%
<b>Total</b>	<u>100,000</u>	<u>114,230</u>	<u>100%</u>

*Note: The capital contributions expressed in Hong Kong dollars are for reference only.*

The size of the Limited Partnership and the capital contribution of each of the Partners were determined after arm's length negotiations among the Partners with reference to the anticipated capital requirements of the Limited Partnership and its investment plan and indicated return.

The capital contribution to be made by GDH Guangnan Investment shall be funded by its internal resources. The Limited Partnership will not become a subsidiary of the Company and its financial results will not be consolidated into the accounts of the Company.

**Payment of capital contribution:**

All capital contributions shall be made in cash in RMB. Each of the Limited Partners shall pay its capital contribution to the designated account of the Limited Partnership in the amount and by the deadline as set out in the capital contribution notice issued by the Executive Partner.

Each of the General Partners shall pay its capital contribution on a one-off basis to the designated account of the Limited Partnership within 20 working days from the opening of such account.

**Management of the Limited Partnership:**

**1. Executive Partner and the Manager**

All Partners have unanimously agreed that GDH Investment Fund shall be the Executive Partner of the Limited Partnership and the Manager of the Fund.

The Executive Partner is mainly responsible for the operation of the Limited Partnership including convening and chairing Partners' meetings, executing the resolutions passed in the Partners' meetings, and conducting administrative affairs (such as opening and maintaining bank accounts of the Limited Partnership, handling business registration, litigation, taxation matters on behalf of the Limited Partnership, etc.). The Manager is under the instructions of the Limited Partnership to provide investment management and administration services including managing and utilising the assets of the Limited Partnership, conducting investment analysis, and engaging in liquidation of the Limited Partnership and is entitled to management fee. The Manager shall manage the investments of the Limited Partnership in the principles of good faith and due diligence, and in the event that any counterparty(ies) of the investment transaction(s) of the Limited Partnership are connected to any Partners, other private equity funds managed by the Manager (if any), or any of their related parties with material interests, the Manager shall fully disclose such transactions to all Partners and obtain prior written consent of all Limited Partners for such transactions.

The Limited Partners shall not take part in the management of the Limited Partnership and shall not represent the Limited Partnership externally.

## **2. Investment Committee**

An investment decision-making committee (the “**Investment Committee**”) will be established by the Limited Partnership which is responsible for making final decisions on issues relating to investment projects and investment exit plans of the Limited Partnership.

The Investment Committee shall comprise three members. Each of the Manager, Shunde Capital Management and GDH Guangnan Investment shall be entitled to appoint one member while Shunyin Finance shall be entitled to nominate an observer (who does not have voting power) to join meetings of the Investment Committee. Each member of the Investment Committee shall have one vote. The resolution of the Investment Committee on the relevant matters shall be duly passed with consent of all members of the Investment Committee.

## **3. Partners’ Meeting**

The following matters are subject to unanimous consent of all Partners at Partners’ meeting:

- (1) adjustment of business scope and investment scope of the Limited Partnership;
- (2) amendment to the Partnership Agreement;
- (3) assigning or dealing with intellectual properties or other proprietary rights of the Limited Partnership;
- (4) payment of fees which are outside the scope of Fund fees as specified in the Partnership Agreement;
- (5) amendment to the terms of profit distribution under the Partnership Agreement;

- (6) non-cash distributions;
- (7) the return of properties (calculated based on the properties of the Limited Partnership and in proportion to the partnership interest held by that Partner) when a Partner withdraws from the Limited Partnership;
- (8) provision of guarantee externally in the name of the Limited Partnership;
- (9) the change of role of the Partners, transfer of partnership interests of Executive Partner and General Partners;
- (10) change of the Manager;
- (11) termination or dissolution of the Limited Partnership; and
- (12) pledge of partnership interest by a Limited Partner.

Where the accumulated investment amounts in a single project exceed 30% of the scale of the Fund, such matter should also be transacted in the Partners' meeting. Apart from matters (1) to (12) listed above, a resolution shall only be passed in a Partners' meeting if consent of Partners holding more than 50% of partnership interest is obtained.

**Management fee:**

The Limited Partnership shall pay the Manager an annual management fee which shall be calculated based on paid-in capital contributions of all Partners during the term of the Fund deducting capital which has already been returned to the Partners at the following rates:

- (1) Investment period (being the first four years of the Fund): 2%;
- (2) Exit period (being the fifth to seventh year of the Fund): 1%; and
- (3) Extension period (if any): no management fee will be payable.



**Distribution of profit  
and loss and debt  
sharing:**

The distributable income of the Limited Partnership shall be distributed among all Partners in the following principles and order:

- (1) distribution shall be made to all Partners in proportion to their respective paid-up capital contribution until the accumulated paid-up capital contributions of all Partners have been returned (the “**First Distribution**”);
- (2) threshold income to each Partner: if there is any balance after the First Distribution, distribution shall then be made to all Partners based on the accumulated paid-up capital contribution of each Partner at an annualized interest rate of 6% (which, for the avoidance of doubt, is not a guaranteed investment return rate and such interest rate might be adjusted based on the actual investment return) (the “**Second Distribution**”); and
- (3) 80/20 distribution: if there is any balance after the First Distribution and the Second Distribution, 80% of which shall be distributed to all Partners in proportion to their respective paid-up capital contribution while the remaining 20% shall be distributed to the General Partners in proportion as agreed between the General Partners.

The loss of the Limited Partnership shall first be shared by all Partners on a *pro rata* basis in accordance with their respective committed capital contribution, and thereafter, by the General Partners in proportion to their respective paid-up capital contribution and in accordance with the relevant laws of Mainland China. The Limited Partners shall be liable for the debt of the Limited Partnership to the extent of their respective committed capital contribution while the General Partners shall bear unlimited joint and several liability for the debt of the Limited Partnership.

**Transfer of partnership interest:**

The Limited Partners may transfer their respective interests in the Limited Partnership in accordance with the relevant laws of Mainland China and there are no other restrictions or requirements regarding the transfer of partnership interest by the Limited Partners under the Partnership Agreement. The Company understands that according to the Partnership Law\* (合夥企業法) of Mainland China, a Limited Partner may transfer its partnership interests to parties other than another Partner by giving a 30-day prior notice to all other Partners and such Partners shall have pre-emptive rights with regard to such proposed transfer of partnership interests over such third party on the same terms.

The General Partners shall not assign all or part of their respective partnership interests in the Limited Partnership to any third party unless the assignee of the General Partner undertakes to assume all its responsibilities and obligations and with the unanimous consent of all Limited Partners.

**Dissolution:**

The Limited Partnership shall be dissolved and liquidated upon the occurrence of, among others, the following events:

- (1) at the expiration of the term of the Limited Partnership and there is no extension of the term;
- (2) at the expiration of the term of the Fund and there is no extension of the term;
- (3) upon unanimous decision by all Partners;
- (4) the number of Partners is lower than the statutory requirement (i.e. a minimum of two partners, one being a general partner and the other being a limited partner) for a period of 30 days;
- (5) the purpose of the Limited Partnership has already been realized or cannot be realized;
- (6) the business licence of the Limited Partnership is revoked or the Limited Partnership is ordered to be closed or dissolved; or

- (7) the Manager is dissolved, insolvent, its business licence is revoked, resulting in the Limited Partnership being left with the Limited Partners only.

The Fund shall be terminated upon the dissolution of the Limited Partnership. The Fund shall be liquidated within 10 working days upon the occurrence of the events as mentioned above.

## **REASONS FOR AND BENEFITS OF FORMATION OF THE LIMITED PARTNERSHIP AND THE ENTERING INTO OF THE PARTNERSHIP AGREEMENT**

The Group is principally engaged in the distribution and trading of fresh and live foodstuffs and provision of slaughtering service, the manufacturing and sales of tinplate products and property leasing. As a key participant along the supply chain of the food industry with a deep root in Guangdong Province, the PRC and as part of its strategic planning, the Group has been endeavoured to facilitate and take part in the development of the food industry in the area, with the aim to create synergy with other participants along the supply chain of the food industry. Through its participation and investment in the Limited Partnership, the Group is able to invest in and explore other opportunities and businesses in the areas of prefabricated dishes, fresh and live foodstuffs retailing, advanced food processing, agricultural, food and catering supply chain and agricultural technologies, which is in line with its strategic planning as mentioned above. In addition, the participation of the Group in the Limited Partnership can effectively utilise its existing capital and improve the efficiency of capital utilisation, and the capital contribution to be made by the Group will not have any adverse impact on the financial condition and operating results of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Partnership Agreement are on normal commercial terms, albeit not in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the Directors has any material interest in the formation of Limited Partnership (including the entering into of the Partnership Agreement), and hence no Director is required to abstain from voting on the relevant board resolution(s) approving the Partnership Agreement and the transaction(s) contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

GDH is the controlling shareholder of the Company holding approximately 59.19% of the total number of shares of the Company in issue. GDH is a wholly-owned subsidiary of Guangdong Holdings. As GDH Investment Fund (being one of the General Partners, the Executive Partner and the Manager) is a wholly-owned subsidiary of Guangdong Holdings, it is a fellow subsidiary and thus an associate of GDH, and hence a connected person of the Company under the Listing Rules. In addition, as GDH Capital Group (being one of the Limited Partners) is a wholly-owned subsidiary of GDH, it is also an associate of GDH and thus a connected person of the Company under the Listing Rules. Accordingly, the formation of the Limited Partnership constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratio in respect of the capital contribution to be made by GDH Guangnan Investment under the Partnership Agreement is more than 0.1% but less than 5%, the entering into of the Partnership Agreement is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INFORMATION ON THE GROUP**

The Group is principally engaged in the distribution and trading of fresh and live foodstuffs and provision of slaughtering services, manufacturing and sale of tinsplate products and property leasing.

GDH Guangnan Investment is principally engaged in investment holding and is a direct wholly-owned subsidiary of the Company.

## **INFORMATION ON THE LIMITED PARTNERSHIP**

The Limited Partnership is a limited partnership established in the PRC. The purpose of the Limited Partnership is to conduct investment management and gain good investment return for the Partners. The Company understands that the investment strategy of the Limited Partnership will be around the theme of rural revitalization, focus on fresh and live foodstuffs and modern agriculture, and invest mainly in companies with growth potential in the Guangdong-Hong Kong-Macao Greater Bay Area in the PRC. When assessing the investment targets, the Limited Partnership shall take into account, among others, the scale, stability of cashflow and business models of the relevant target enterprises. There is no relevant financial information and previous performance of the Limited Partnership available for disclosure in this announcement.

## INFORMATION ON OTHER PARTIES TO THE PARTNERSHIP AGREEMENT

### GDH Investment Fund

GDH Investment Fund is principally engaged in management of private equity fund and venture capital fund. It is a wholly-owned subsidiary of Guangdong Holdings which in turn is held as to 90% by the Guangdong Government and as to 10% by the Guangdong Department of Finance.

As the Manager, GDH Investment Fund was established in March 2022 with a registered capital of RMB100 million. GDH Investment Fund, as the equity investment and capital operation platform of Guangdong Holdings, conducts investment business around the Guangdong Holdings's existing main business segments, upstream and downstream businesses along the industrial chain of Guangdong Holdings and strategic emerging industries, and aims to foster the business development, transformation and upgrading of Guangdong Holdings. GDH Investment Fund has registered with the Asset Management Association of China as a private equity and venture capital fund manager in August 2022.

The management team of GDH Investment Fund has considerable experience in investment. The key personnel of the management team of the Manager are 喬楷 (Qiao Kai\*) (“**Mr. Qiao**”), 魯翔 (Lu Xiang\*) (“**Mr. Lu**”), 羅蔓莉 (Luo Manli\*) (“**Ms. Luo**”), and 吳涵玉 (Wu Hanyu\*) (“**Ms. Wu**”). The qualifications of Mr. Qiao, Mr. Lu, Ms. Luo and Ms. Wu are as follows:

#### *Mr. Qiao*

Mr. Qiao is the general manager and legal representative of the Manager and has over 16 years of experiences in banking and equity investment industries. Prior to his current role, Mr. Qiao worked in, among others, 廣州農村商業銀行 (Guangzhou Rural Commercial Bank\*), 廣州市城發投資基金管理有限公司 (Guangzhou City Development Investment Fund Management Co., Ltd.\*) and 廣州新興產業發展基金管理有限公司 (Guangzhou Emerging Industry Development Fund Management Co., Ltd.\*), respectively. He has led and participated in fundraising and establishment of a number of equity funds in the form of limited partnership in the PRC and was responsible for investment projects involving both listed and non-listed companies in the PRC. Mr. Qiao obtained the fund practitioner qualification from the Asset Management Association of China in April 2018.

#### *Mr. Lu*

Mr. Lu is the deputy general manager of the Manager and has over 12 years of experiences in investment and investment related industries. Prior to his current role, Mr. Lu worked in, among others, 普華永道諮詢(深圳)有限公司 (PricewaterhouseCoopers Consultants (Shenzhen) Limited\*), 中科沃土基金管理有限公司 (CS Richland Asset Management Co., Ltd.\*) and 廣州金控基金管理有限公司 (Guangzhou Jinkong Fund Management Co., Ltd.\*),

respectively. Mr. Lu has led and participated in a considerable number of equity investment projects involving investment in non-listed companies in the PRC. Mr. Lu obtained the fund practitioner qualification from the Asset Management Association of China in May 2017.

### ***Ms. Luo***

Ms. Luo is the general manager of the business department of the Manager and has over ten years of experiences in investment and investment related industries. Prior to her current role, Ms. Luo worked in, among others, BOC & UTRUST Private Equity Fund Management (Guangdong) Co., Ltd. (中銀粵財股權投資基金管理(廣東)有限公司) and KPMG Huazhen (Special General Partnership) Guangzhou Branch (畢馬威華振會計師事務所(特殊普通合夥)廣州分所), respectively. Ms. Luo participated in a considerable number of equity investment projects involving investment in non-listed companies in the PRC. She is also a certified public accountant (non-practising) recognized by the Chinese Institute of Certified Public Accountants (中國註冊會計師協會). Ms. Luo obtained the fund practitioner qualification from the Asset Management Association of China in June 2018.

### ***Ms. Wu***

Ms. Wu is the risk control director of the Manager and has over eight years of experiences in investment and risk control industries. Prior to her current role, Ms. Wu worked in, among others, Changjiang Securities Company Limited (長江證券股份有限公司) (a company whose shares are listed on the Shenzhen Stock Exchange (Stock Code: 000783)) and Huiyindeqing Equity Investment Fund Management Co., Ltd. (珠海市匯垠德擎股權投資基金管理有限公司). Ms. Wu has experiences in initial public offerings, refinancing, asset restructuring, financing and a number of equity investment projects involving investment in non-listed companies in the PRC. She is also a qualified lawyer in the PRC. Ms. Wu obtained the fund practitioner qualification from the Asset Management Association of China in May 2019.

## **Shunde Capital Management**

Based on the information received by the Company after making reasonable enquiry, Shunde Capital Management is principally engaged in equity investment, management of investment, venture capital and asset management.

Insofar as the Directors are aware, as at the date of this announcement, Shunde Capital Management is ultimately and wholly owned by the Shunde SASAB.

## **GDH Capital Group**

GDH Capital Group is principally engaged in venture capital (unlisted corporation), investment activities with its own funds, corporation management, corporation management consultation services, financing advisory service, financial consultation and asset management services with own funds and is a wholly-owned subsidiary of GDH, the

principal business of which is investment holding. The Company understands from GDH that (i) GDH is wholly owned by Guangdong Holdings, a state-owned enterprise established in the PRC; and (ii) Guangdong Holdings is held as to 90% by the Guangdong Government and as to 10% by the Guangdong Department of Finance while State-owned Assets Supervision and Administration Commission of the Guangdong Government has been performing ownership and control functions in respect of Guangdong Holdings with the authorisation of the Guangdong Government.

### **Shunkong Haochuang**

Based on the information received by the Company after making reasonable enquiry, Shunkong Haochuang is principally engaged in equity investment, investment management, asset management in the form of private equity fund and as at the date of this announcement, is held by:

- (i) 廣東順德控股集團有限公司 (Guangdong Shunde Holding Group Company Limited\*) as to approximately 49.96%;
- (ii) 佛山市新城開發建設有限公司 (Foshan Xincheng Development and Construction Company Limited\*) as to approximately 49.96%; and
- (iii) 凱利易方資本管理有限公司 (Creedfont Capital Management Co., Ltd.\*) as to approximately 0.08%.

Both 廣東順德控股集團有限公司 (Guangdong Shunde Holding Group Company Limited\*) and 佛山市新城開發建設有限公司 (Foshan Xincheng Development and Construction Company Limited\*) are held by the Shunde SASAB and the Guangdong Department of Finance as to 90% and 10% respectively. 凱利易方資本管理有限公司 (Creedfont Capital Management Co., Ltd.\*) is ultimately controlled as to approximately 65% by 嚴祥軍 (Yan Xiangjun\*).

### **Shunyin Finance**

Based on the information received by the Company after making reasonable enquiry, Shunyin Finance is principally engaged in investment, investment management, investment consultation, asset management, corporation consultation services, computer services, software services, advertising planning and production, art authentication and consultation, cultural exhibition planning, commercial information consultation services, the development, sale and lease of mechanic and electronic devices, and recycling (excluding items the recycling of which shall obtain approval from the relevant authority, such as solid waste, dangerous waste and scrapped vehicles).

As at the date of this announcement, the three largest shareholders of Shunyin Finance (holding approximately 45% of the shares of Shunyin Finance in aggregate) are:

- (i) 廣東富華機械裝備製造有限公司 (Guangdong Fuhua Machinery Equipment Manufacturing Company Limited\*) (holding 15% of the shares of Shunyin Finance), which is held by 富華工程機械(香港)有限公司 (Fuwa Mechanical Engineering (HK) Company Limited\*) as to approximately 98.99% and 廣東富華機械集團有限公司 (Guangdong Fuhua Machinery Group Company Limited\*) as to approximately 1.01%, respectively. 富華工程機械(香港)有限公司 (Fuwa Mechanical Engineering (HK) Company Limited\*) is ultimately owned by 吳志強 (Wu Zhiqiang\*) and 吳淑敏 (Wu Shumin\*) as to 70% and 30%, respectively;
- (ii) 廣東順旭投資管理有限公司 (Guangdong Shunxu Investment Management Company Limited\*) (holding 15% of the shares of Shunyin Finance), which is wholly owned by 廣東萬乾投資發展有限公司 (Guangdong Wanqian Investment Development Company Limited\*). 廣東萬乾投資發展有限公司 (Guangdong Wanqian Investment Development Company Limited\*) is held by 盧礎其 (Lu Chuqi\*) as to 45%, 盧楚隆 (Lu Chulong\*) as to 25%, 盧楚鵬 (Lu Chupeng\*) as to 15%, and 葉遠璋 (Ye Yuanzhang\*) as to 15%, respectively; and
- (iii) 寧波梅山保稅港區樾宸投資管理有限公司 (Ningbo Meishan Bonded Port District Yuechen Investment Management Company Limited\*) (holding approximately 15% of the shares of Shunyin Finance), which is wholly owned by 寧波梅山保稅港區蒼弘投資有限公司 (Ningbo Meishan Free Trade Port Huihong Investment Company Limited\*). 寧波梅山保稅港區蒼弘投資有限公司 (Ningbo Meishan Free Trade Port Huihong Investment Company Limited\*) is a wholly-owned subsidiary of Media Construction (Hong Kong) Limited (美的建業(香港)有限公司), which is ultimately wholly-owned by Midea Real Estate Holding Limited (Stock Code: 3990), the shares of which are listed on the Main Board of the Stock Exchange.

As far as the Company is aware after making reasonable enquiry, the remaining approximately 55% of shares of Shunyin Finance are held by 19 other shareholders and none of them holds more than 10% of the shares in Shunyin Finance.

### **Lianfeng Investment**

Lianfeng Investment is principally engaged in real estate investment, hotel investment and other business investment. Based on the information received by the Company after making reasonable enquiry, it is ultimately owned by 陳健濤 (Chen Jiantao\*) and 梁排嬋 (Liang Paichan\*), as to 99% and 1%, respectively.



To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, other than GDH Investment Fund and GDH Capital Group as disclosed in this announcement, other parties to the Partnership Agreement and their respective ultimate beneficial owners are Independent Third Parties.

## DEFINITIONS

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

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	GDH Guangnan (Holdings) Limited (粵海廣南(集團)有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Executive Partner”	the executive Partner of the Limited Partnership from time to time
“GDH”	GDH Limited (粵海控股集團有限公司), a company incorporated in Hong Kong with limited liability and the immediate holding company of the Company
“GDH Capital Group”	廣東粵海資本集團有限公司 (GDH Capital Group Co., Ltd.*), a company established in the PRC with limited liability
“GDH Guangnan Investment”	廣東粵海廣南投資有限公司 (GDH Guangnan Investment Company Limited*), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company
“GDH Investment Fund”	廣東粵海私募股權投資基金管理有限公司 (GDH Private Equity Investment Fund Management Co., Ltd.*), a company established in the PRC with limited liability
“General Partners”	GDH Investment Fund and Shunde Capital Management, and each a “General Partner”

“Group”	the Company and its subsidiaries
“Guangdong Department of Finance”	廣東省財政廳 (the Department of Finance of the Guangdong Government*)
“Guangdong Government”	中國廣東省人民政府 (the People’s Government of Guangdong Province, the PRC)
“Guangdong Holdings”	廣東粵海控股集團有限公司 (Guangdong Holdings Limited*), a company established in the PRC with limited liability and the ultimate holding company of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Lianfeng Investment”	廣東聯豐投資集團有限公司 (Guangdong Lianfeng Investment Group Limited*), a company established in the PRC with limited liability
“Limited Partners”	collectively, GDH Capital Group, Shunkong Haochuang, GDH Guangnan Investment, Shunyin Finance and Lianfeng Investment, and each a “Limited Partner”
“Limited Partnership”	粵海順控（佛山）食品產業投資企業（有限合夥）(GDH Shunkong (Foshan) Food Industry Investment Corporation (Limited Partnership)*), a limited partnership corporation formed in the PRC pursuant to the Partnership Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	the manager of the private equity fund under the Limited Partnership from time to time
“Partners”	the General Partners and the Limited Partners, and each a “Partner”
“Partnership Agreement”	the agreement entered into between the Partners on 25 April 2023, pursuant to which the Limited Partnership is formed
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Shunde Capital Management”	廣東順德高新創業投資管理有限公司 (Guangdong Shunde Hi Tech Venture Capital Management Co., Ltd.*), a company established in the PRC with limited liability
“Shunde SASAB”	佛山市順德區國有資產監督管理局 (the State-owned Assets Supervision and Administration Bureau of Shunde District, Foshan City*)
“Shunkong Haochuang”	佛山順德區順控浩創股權投資合夥企業 (有限合夥) (Foshan Shunde Shunkong Haochuang Equity Investment Partnership (Limited Partnership)*), a limited partnership established in the PRC
“Shunyin Finance”	廣東順銀產融投資有限公司 (Guangdong Shunyin Industrial Finance Investment Company Limited*), a company established in the PRC with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

*For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK\$1.1423 has been used, where applicable, for purpose of illustration only and it does not constitute any representation that any amount has been, could have been or may be exchanged at that rate or at any other rate.*

*\* The English translations of the Chinese names of the relevant PRC entities included in this announcement are prepared for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.*

By order of the Board  
**GDH Guangnan (Holdings) Limited**  
**Chen Benguang**  
*Chairman*

Hong Kong, 25 April 2023

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Chen Benguang, Mr. Yang Zhe and Mr. Chau Wang Kei; one non-executive Director, namely Mr. Wang Longhai; and three independent non-executive Directors, namely Mr. Gerard Joseph McMahon, Mr. Li Kar Keung, Caspar and Dr. Wong Yau Kar, David.*