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**China South City Holdings Limited**  
**華南城控股有限公司**

*(incorporated in Hong Kong with limited liability)*  
(Stock code: 1668)

## **COMPLETION OF SUBSCRIPTION OF NEW SHARES AND CHANGE OF SINGLE LARGEST SHAREHOLDER**

**Financial Advisor to the Company**



The Board is pleased to announce that the completion of the Subscription took place on 16 May 2022 and 3,350,000,000 new Shares were issued and allotted under the Specific Mandate and pursuant to the Subscription Agreement to SEZ Construction & Development Investment Holding LIMITED (an indirect wholly owned subsidiary of SZCDG) (“**SEZCDIH**”) at the Subscription Price of HK\$0.57 per Share.

References are made to the announcement dated 31 December 2021 (the “**Announcement**”) and the circular and the notice of the extraordinary general meeting (“**EGM**”) dated 27 January 2022 of China South City Holdings Limited (the “**Company**”), the announcements in relation to the poll results of the EGM held on 18 February 2022 regarding, among other things, the Subscription, and the announcement with respect to the update on the Subscription dated 29 April 2022. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

### **COMPLETION OF THE SUBSCRIPTION**

The Board is pleased to announce that all the conditions precedent to the Subscription had been fulfilled, and the completion of the Subscription took place on 16 May 2022 (the “**Completion**”). The Company has received the Subscription consideration of HK\$1,909.5 million from SEZCDIH. As a result, an aggregate of 3,350,000,000 new Shares were issued and allotted under the Specific Mandate and in accordance with terms and conditions of the Subscription Agreement by the Company to SEZCDIH (an indirect wholly owned subsidiary of SZCDG) at the Subscription Price of HK\$0.57 per Share on the same day.

## CHANGE OF SHARE CAPITAL AND THE SINGLE LARGEST SHAREHOLDER UPON COMPLETION OF THE SUBSCRIPTION

Immediately upon the Completion, there are 11,441,892,848 Shares in issue and SZCDG (through SEZCDIH) is interested in 3,350,000,000 Shares, representing approximately 29.28% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. SZCDG has become a substantial Shareholder and the single largest Shareholder.

The shareholding structure of the Company immediately before and after the Completion are as follows:

Name of Shareholder	Immediately before the completion of the Subscription		Immediately after completion of the Subscription	
	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Subscriber</b>				
SZCDG (through SEZCDIH)	-	-	3,350,000,000	29.28
<b>Other Substantial Shareholders of the Company</b>				
Mr. Cheng Chung Hing <sup>(1)(2)</sup>	2,306,553,791	28.50	2,306,553,791	20.16
Tencent Holdings Limited	955,936,666	11.81	955,936,666	8.35
Mr. Cheng Tai Po <sup>(2)</sup>	593,920,145	7.33	593,920,145	5.19
<b>Other Shareholders</b>	4,235,482,246	52.36	4,235,482,246	37.02
<b>Total</b>	<b>8,091,892,848</b>	<b>100.00</b>	<b>11,441,892,848</b>	<b>100.00</b>

Notes:

- (1) Mr. Cheng Chung Hing is interested in 100% of the issued share capital of Accurate Gain which in turn was deemed to have interests in 2,306,553,791 Shares.
- (2) Mr. Cheng Tai Po is interested in 100% of the issued share capital of Proficient Success Limited which in turn holds 588,984,145 Shares and is therefore deemed to be interested in the aforesaid 588,984,145 Shares. Mr. Cheng Tai Po is the elder brother of Mr. Cheng and the uncle of Ms. Cheng.

For and on behalf of the Board  
**China South City Holdings Limited**  
**Cheng Chung Hing**  
*Chairman and Executive Director*

Hong Kong, 16 May 2022

*As at the date of this announcement, the Executive Directors of the Company are Mr. Cheng Chung Hing, Ms. Geng Mei and Ms. Cheng Ka Man Carman; the Non-Executive Directors of the Company are Mr. Cheng Tai Po and Mr. Lei Ming; and the Independent Non-Executive Directors of the Company are Mr. Leung Kwan Yuen Andrew, GBM, GBS, JP, Mr. Li Wai Keung and Mr. Hui Chiu Chung, JP.*