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China South City Holdings Limited

(In Liquidation)

華南城控股有限公司

(清盤中)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1668)

DISCLOSEABLE TRANSACTIONS EQUITY TRANSFER AGREEMENTS

EQUITY TRANSFER AGREEMENTS

On 11 August 2025, the Vendor entered into the Equity Transfer Agreement A with the Purchaser, pursuant to which the Vendor and the Purchaser have agreed the Vendor will dispose 100% equity interest in Project Company A (which will hold Property A) to the Purchaser for a purchase consideration of RMB72.0 million.

On 19 September 2025, the Vendor entered into the Equity Transfer Agreement B with the Purchaser, pursuant to which the Vendor and the Purchaser have agreed that the Vendor will dispose 100% equity interest in Project Company B to the Purchaser (which will hold Property B) for a purchase consideration of RMB145.0 million.

As one of the applicable percentage ratios in respect of the above Disposals (taken individually or in aggregate) are more than 5% but less than 25%, the Disposals constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

EQUITY TRANSFER AGREEMENT A

A summary of the principal terms of the Equity Transfer Agreement A is as follows:

Date : 11 August 2025.

Parties : (1) the Vendor; and
(2) the Purchaser.

- Subject property : 100% equity interest in Project Company A (which will hold Property A).
- Consideration : RMB72.0 million, which shall be paid by the Purchaser to the Vendor within 45 days after 11 August 2025 (i.e. 25 September 2025).
- Other terms : (1) The Purchaser shall inject RMB10.0 million as registered capital for Project Company A.
- (2) The Purchaser and the Vendor shall sign a confirmation letter, under which the Purchaser undertakes (amongst others) the following:
- (A) the Purchaser will, on behalf of the Development Company, pay to the Vendor outstanding unpaid taxes of RMB280,000 and late penalties of RMB40,000 accrued from February 2024 to 31 July 2025 under the Property A Construction Agreement, within 5 days of signing the Equity Transfer Agreement A;
- (B) the Purchaser will, from the period of signing the Equity Transfer Agreement A up to the date of the Project Company A transfer registration, pay all land use taxes and late penalties in relation to certain properties on sites 01 and 03 of Property A; and
- (C) from the date of the Equity Transfer Agreement A, the Purchaser will be responsible for all taxes incurred in connection with the possession and transfer of Property A.
- (3) The Purchaser and all the parties to the Property A Construction Agreement shall sign a confirmation letter, confirming that all parties will not assert any claim against the Vendor for amounts paid or payable under the Property A Construction Agreement; and
- (4) The Vendor will make arrangements to transfer its rights and obligations under all contracts it has entered into relating to Property A to the Purchaser.
- Transfer of Property : The Vendor will transfer the equity interest in Project Company A to the Company A to the Purchaser upon, amongst others, the Purchaser paying the purchase consideration to the Vendor.
- Following such transfer, the Vendor will cease to hold Property A and any equity interest in Project Company A. Project Company A therefore will cease to be a subsidiary of the Company.

EQUITY TRANSFER AGREEMENT B

A summary of the principal terms of the Equity Transfer Agreement B is as follows:

Date : 19 September 2025.

- Parties : (1) the Vendor; and
(2) the Purchaser.
- Subject property : 100% equity interest in Project Company B (which will hold Property B).
- Consideration : RMB145.0 million, which shall be paid by the Purchaser to the Vendor in the following manner:
- (1) the Purchaser shall pay RMB43.5 million to the Vendor within 7 days after 19 September 2025 (i.e. 26 September 2025);
 - (2) the Purchaser shall pay RMB72.5 million to the Vendor, on the date Property B is registered under the name of Project Company B; and
 - (3) the Purchaser shall pay RMB29.0 million to the Vendor by 10 days before the Vendor files an application for the Project Company B Transfer Registration (such date to be notified by the Vendor in writing).
- Other terms : (1) The Purchaser shall inject RMB10.0 million as registered capital for Project Company B.
- (2) The Purchaser and the Vendor shall sign a confirmation letter, under which the Purchaser undertakes the following:
 - (A) the Purchaser will be responsible for any taxes incurred as a result of the Disposal B;
 - (B) the Purchaser will, from the period of signing the Equity Transfer Agreement B up to the date of the Project Company B Transfer Registration, pay all land use taxes and late fees in relation to Property B;
 - (C) from the date of the Equity Transfer Agreement B, the Purchaser will be responsible for all taxes incurred in connection with the possession and transfer of Property B; and
 - (D) the Purchaser will be responsible for any taxes incurred as a result of the transfer of Property B from the Vendor to Project Company B.
- Transfer of Property : The Vendor will transfer the equity interest in Project Company B to the Company B to the Purchaser upon, amongst others, the Purchaser paying the purchase consideration in full to the Vendor.

Following such transfer, the Vendor will cease to hold Property B and any equity interest in Project Company B. Project Company B will therefore cease to be a subsidiary of the Company.

Having made enquires with the Relevant Personnel, the Liquidators understand that the consideration payable for each of the Disposals was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the market value of the respective Properties.

USE OF PROCEEDS

The consideration for the Disposals will be used to repay the financing costs and advances incurred by the Vendor in connection with the development of the Properties, and any excess amounts will thereafter be used for the general working purposes of the Group's onshore subsidiaries.

REASONS FOR AND BENEFITS OF THE DISPOSALS

Based on the information made available to the Liquidators by the Relevant Personnel and having regard to, among others, the aggregate consideration of the Disposals received by the Vendor in the sum of approximately RMB 217 million and the carrying value of the Properties as at 31 December 2024 of approximately RMB 879 million, the Liquidators expect the Group to record a loss on disposal of approximately RMB 662 million upon Completion.

Having made enquiries with the Relevant Personnel and based on the information made available to the Liquidators by the Relevant Personnel, the Liquidators are of the view that:

- (1) the Disposals are in line with the Vendor's business, which is the development of commercial and industrial properties in Harbin PRC. In this regard, the Liquidators understand from the Relevant Personnel that the disposal of the Properties will provide critical cash flow for the Group's onshore subsidiaries to continue the onshore business and operations; and
- (2) the terms of the Equity Transfer Agreements are on normal commercial terms, and are fair and reasonable and in the interests of the Company.

INFORMATION ABOUT THE GROUP, THE VENDOR AND THE PURCHASER

The Group is engaged in development and operation of large-scale integrated logistics and trade centres in China; property leasing and management; investment, development and construction of project sites, and supply chain integrated logistics solutions and intelligent hardware infrastructure to realize data and internet-based management of project sites.

The Vendor is principally engaged in property development in Harbin, PRC.

The Purchaser is a company established in the PRC on 14 August 2020, principally engaged in real estate brokerage services in the PRC. To the best of the Liquidators' knowledge, information and belief, and after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner is a third party independent of the Company and its connected persons (within the meaning given by the Listing Rules).

IMPLICATIONS UNDER THE LISTING RULES

Since one of the applicable percentage ratios in respect of Disposals, whether taken individually or in aggregate, is more than 5% but less than 25%, the Disposals constitute discloseable transactions of the Company and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

The Liquidators note that the announcement of the Equity Transfer Agreements is a late announcement under the Listing Rules relating to notifiable transactions. Following their appointment, the Liquidators became aware of the Disposals and the Equity Transfer Agreements on or around 12 September 2025. The Liquidators made enquiries with the Relevant Personnel as to the rationale and terms of the Disposals and the Equity Transfer Agreements, and have accordingly published this announcement pursuant to the requirements under the Listing Rules relating to notifiable transactions. The Liquidators will continue to take the necessary actions to keep the Company's creditors and stakeholders informed of the Company's affairs in accordance with the requirements of the Listing Rules.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 10:55 a.m. on Monday, 11 August 2025 and will remain suspended until further notice.

For enquiries from creditors and/or other stakeholders of the Company, please contact the Liquidators at ProjectCompassFTI@fticonsulting.com.

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

DEFINITIONS

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

“Board”	the board of Directors;
“Company”	China South City Holdings Limited (華南城控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange with stock code 1668;
“Development Company”	Heihe Jian'an Real Estate Development Co., Ltd* (黑河市建安房地產開發有限責任公司);
“Directors”	the directors of the Company;
“Disposal A”	the disposal of the 100% equity interest in Project Company A by the Vendor to the Purchaser, as contemplated under the Equity Transfer Agreement A;
“Disposal B”	the disposal of the 100% equity interest in Project Company B by the Vendor to the Purchaser, as contemplated under the Equity Transfer Agreement B;
“Disposals”	the Disposal A and the Disposal B, collectively;
“Equity Transfer Agreement A”	the equity transfer agreement in relation to the disposal of Project Company A dated 11 August 2025 and entered into between the

	Purchaser and the Vendor, as supplemented by a supplemental agreement dated 25 August 2025 entered into between the Purchaser and the Vendor, and a second supplemental agreement dated 10 September 2025 entered into between the Purchaser and the Vendor;
“Equity Transfer Agreement B”	the equity transfer agreement in relation to the disposal of Project Company B dated 19 September 2025 and entered into between the Purchaser and the Vendor, as supplemented by a supplemental agreement dated 19 September 2025 entered into between the Purchaser and the Vendor;
“Equity Transfer Agreements”	the Equity Transfer Agreement A and the Equity Transfer Agreement B;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
"Liquidators"	Chow Wai Shing Daniel and Pan Lu Yang, the joint and several liquidators of the Company;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“percentage ratio”	has the meaning ascribed to it under Rule 14.07 of the Listing Rules;
“PRC” or “China”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Properties”	Property A and Property B, collectively;
“Property A”	plot 01 and 03 referred to as 1668 Industrial Park* (1668 產業園項目), plot C22, located at Tuanjie Town, Daowai District, Harbin City, Heilongjiang Province, China, with planned land use area of 13,000 sq. m, gross floor area of 8,700 sq. m and capacity building area of 8,200 sq. m;
“Property A Construction Agreement”	the construction agreement (哈爾濱華南城C22地塊建築物業定制協議) entered into between (among others) the Development Company and the Vendor;
“Property B”	the property named Quality Zone D* (精品D區項目) located at Tuanjie Town, Daowai District, Harbin City, Heilongjiang Province, China, with planned land use area of 118,000 sq. m, gross floor area of 151,700 sq. m and capacity building area of 149,900 sq. m;

“Project Companies”	the Project Company A and the Project Company B, collectively;
“Project Company A”	Heilongjiang Wanbang Jiye Real Estate Development Co., Ltd.* (黑龍江萬幫基業房地產開發有限公司), a company established in the PRC on 12 August 2025 with limited liability;
“Project Company B”	Heilongjiang Dingrong Real Estate Development Co., Ltd.* (黑龍江鼎融房地產開發有限公司), a company established in the PRC on 12 August 2025 with limited liability;
“Purchaser”	Harbin Guangmai Real Estate Brokerage Co., Ltd.* (哈爾濱廣麥房地產經紀有限公司) a company established in the PRC with limited liability;
"Relevant Personnel"	The relevant personnel employed by the Group responsible for managing the business and affairs of the Vendor;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of the shares of the Company;
“sq. m.”	square meter(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Harbin China South City Co., Ltd.* (哈爾濱華南城有限公司), an indirect wholly-owned subsidiary of the Company which is a company established in the PRC with limited liability; and
“%”	per cent.

For and on behalf of
China South City Holdings Limited
(In Liquidation)
CHOW WAI SHING DANIEL
PAN LU YANG
Joint and Several Liquidators
Acting as agents without personal liabilities

Hong Kong, 3 October 2025

On the basis of the information available from the previous announcements made by the Company, the Co-Chairmen of the Company are Mr. Li Wenxiong (Non-Executive Director) and Mr. Cheng Chung Hing (Executive Director); the Executive Directors of the Company are Mr. Wan Hongtao, Ms. Fang Ling, Ms. Xu Hongxia and Mr. Li Zhi; the Non-Executive Directors of the Company are Ms. Shen Lifeng, Ms. Li Aihua and Ms. Deng Jin; and the Independent Non-Executive Directors of the Company are Mr. Leung Kwan Yuen Andrew, GBM, GBS, JP, Mr. Li Wai Keung, Mr. Hui Chiu Chung, JP and Dr. Li Xu. All powers of the Co-Chairmen, Executive Directors and Non-Executive Directors ceased upon making of the winding-up order by the High Court of the Hong Kong Special Administrative Region to wind up the Company on 11 August 2025 (Hong Kong Time).

**For identification purpose only*