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INSIDE INFORMATION WINDING-UP PETITION

This announcement is made by the board of directors (the “**Board**”) of China South City Holdings Limited (the “**Company**”) under Rule 13.09 and Rule 13.25(1)(b) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

WINDING-UP PETITION

It has come to the attention of the Company that a winding-up petition (the “**Petition**”) dated 27 January 2025 was filed by Citicorp International Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company, in relation to the non-payment of an amount of US\$306,170,400 relating to the US\$288,840,000 9.0% senior notes due April 2024 issued by the Company, details of which have been set out in the announcement of the Company dated 9 February 2024.

EFFECTS OF THE PETITION

Pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the “**Companies (WUMP) Ordinance**”), in the event that the Company is ultimately wound up as a result of the Petition, any disposition of the property directly owned by the Company (for the avoidance of doubt, excluding the property of the subsidiaries of the Company), any transfer of shares of the Company, or alteration in the status of the members of the Company, made after the commencement date of the winding up, which is 27 January 2025 when the Petition was filed (the “**Commencement Date**”), will be void unless a validation order is obtained from the High Court. Any disposition of the property, transfer or alteration made on or after the Commencement Date will not be affected if the Petition is subsequently struck out, dismissed or permanently stayed.

The Company will oppose the Petition vigorously. However, given the effect of section 182 of the Companies (WUMP) Ordinance, the Board wishes to remind the shareholders and potential investors of the Company that, the transfer of the shares in the Company made on or after the Commencement Date would be void without a validation order from the High Court in the event that the Company is ultimately wound up by the High Court. Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited (“**HKSCC**”) in relation to the transfer of the shares of listed issuers after a winding up petition has been presented, in view of these restrictions and the uncertainties that may arise in relation to the transfer of shares, for participant(s) who conduct share transfers through HKSCC (the “**Participant(s)**”), HKSCC may at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System (“**CCASS**”) to temporarily suspend any of its services in respect of shares of the Company. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet re-registered in HKSCC Nominees Limited’s name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the Petition has been dismissed or permanently stayed, or the Company has obtained the necessary validation order from the High Court.

The filing of the Petition does not represent the successful winding up of the Company by the Petitioner. **No winding-up order has been granted by the High Court to wind up the Company as at the date of this announcement.** The High Court has set the first hearing date for the Petition to be held on 2 April 2025.

ACTIONS TO BE TAKEN BY THE COMPANY

The Company will seek legal advice and take all necessary actions to protect its legal rights. Furthermore, the Company will seek legal measures to resolutely oppose the Petition, as the Board is of the view that the Petition does not represent the interests of the other stakeholders of the Company and may impair the value of the Company.

The Company will consider if it is necessary to apply to the High Court for a validation order at a later stage after taking into account the progress of its offshore restructuring. The Company will keep its shareholders and investors informed of the decision and make further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company are reminded that there is no guarantee that the validation order would be applied for, or if applied for, would be granted by the High Court in these circumstances. If the validation order is not applied for or granted, any transfer of shares of the Company made after the Commencement Date (i.e., 27 January 2025) will be void in the event that the Company is ultimately wound up as a result of the Petition.

The Company intends to continue to proactively communicate and work with its offshore creditors on its restructuring plan, with the objective of announcing terms to the market as soon as practicable. Such intention has been announced by the Company in its announcement dated 29 April 2024, and it is expected that the Petition will not impact the Company’s intention to pursue a holistic restructuring process. Meanwhile, the Company will endeavour to maintain active communications with the Petitioner, and, while adhering to the principle of fairness to all creditors, to negotiate with the Petitioner amicably and

properly handle related matters (including making efforts to procure the withdrawal or dismissal of the Petition as soon as possible).

The Company encourages all stakeholders of the Company to maintain their confidence and support in the Company's efforts to promote an offshore restructuring solution that maximises value preservation and protects the interests of all stakeholders of the Company. The Company will continue to firmly uphold the interest of its investors, ensure project delivery, in quality and quantity, and ensure the normal operations and stability.

The Company will keep its shareholders and investors informed of any significant development in relation to the Petition and the offshore restructuring, and make further announcement(s) as and when appropriate.

Shareholders and other investors of the Company are advised to exercise caution when dealing in the securities of the Company and are recommended to consult their professional advisers if they are in any doubt about their position and actions that they should take.

For and on behalf of the Board
China South City Holdings Limited
CHAN Hing Chau
Company Secretary

28 January 2025

As at the date of this announcement, 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. Liu Heng; the Non-Executive Directors of the Company are Mr. Fung Sing Hong Stephen, 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, Ms. Zee Helen and Dr. Li Xu.