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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)

UPDATE ON OFFSHORE DEBT RESTRUCTURING APPOINTMENT OF EXTERNAL ADVISORS

This announcement is made by China South City Holdings Limited 華南城控股有限公司 (the “**Company**”, and together with its subsidiaries, 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).

Reference is made to the announcements of the Company dated 9 February 2024 and 11 March 2024 (the “**Announcements**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

APPOINTMENT OF EXTERNAL ADVISORS

In light of the existing challenges faced by the Company as described in the Announcements, the Company has concluded that it should immediately explore a holistic solution (the “**Holistic Solution**”) to the current offshore debts situation to secure the sustainable operations and the future development of the Group for the interests of all of its stakeholders.

In order to further engage with its offshore creditors to pursue a transparent dialogue in respect of the Holistic Solution, the Company has appointed Alvarez & Marsal Corporate Finance Limited as its financial advisor and Linklaters as its legal advisor. The Company will ensure that all its offshore creditors are treated in a fair and equitable manner, and at the same time will continue to communicate with offshore creditors in order to provide a Holistic Solution to resolve its current liquidity issue.

Offshore creditors of the Company may contact representatives of its financial advisor or legal advisor (whose contact details are set out below) in respect of the progress of the Holistic Solution:

Financial advisor:

Alvarez & Marsal Corporate Finance Limited

Address: Room 405-7, 4/F, St. George’s Building, 2 Ice House Street, Central, Hong Kong

Email: project_csc@alvarezandmarsal.com

Legal advisor:

Linklaters

Address: 11/F, Alexandra House, Chater Road, Hong Kong

Email: dlsc@linklaters.com

The Company reiterates that it is determined to realise a Holistic Solution that ensures the long-term development of the Group, safeguards the interests of all stakeholders and ensures equitable treatment of all offshore creditors. The Company looks forward to engaging and cooperating with its offshore creditors, and calls for offshore creditors' patience, understanding and support in working together with the Company towards a Holistic Solution to overcome the challenges. The Company will closely monitor the development of the aforesaid issues, constantly assess the potential impact of these events on the business development and financial condition of the Group. It will further announce material updates at the appropriate time.

The implementation of any Holistic Solution to the offshore debt issue will be subject to many factors beyond the control of the Company. As there is no assurance that any Holistic Solution will be successfully implemented, holders of securities of the Company and other investors of the Company are (i) advised not to rely solely on the information contained in this announcement or any other announcements as may be issued by the Company from time to time; and (ii) reminded to consider the related risks and exercise caution when dealing in the securities of the Company. When in doubt, holders of securities and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.

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

29 April 2024

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 Ms. Geng Mei, Mr. Wan Hongtao, Ms. Fang Ling and Ms. Cheng Ka Man Carman; 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.