

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 17 September 2009 (the “**Prospectus**”) issued by China South City Holdings Limited (the “**Company**”).*

*The Company makes this announcement pursuant to Section 9(2) of the Securities and Futures (Price Stabilization) Rules (Chapter 571W of the Laws of Hong Kong) (the “**Stabilizing Rules**”) and this announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.*



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

(incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)
(Stock Code: 1668)

**STABILIZING ACTIONS, END OF STABILIZATION PERIOD
AND LAPSE OF
OVER-ALLOTMENT OPTION**

The Company announces that the stabilization period in connection with the Global Offering ended on 22 October 2009.

The Company has been advised by the Stabilizing Manager that stabilizing actions undertaken during the stabilization period from 30 September 2009 to 22 October 2009, in compliance with the Stabilizing Rules, which involved:

- (1) over-allocations of an aggregate of 225,000,000 Shares in the International Offering, representing 15% of the Offer Shares initially offered under the Global Offering before the exercise of the Over-allotment Option; and
- (2) successive market purchases of an aggregate of 225,000,000 Shares at a price in the price range of HK\$1.40 to HK\$1.63 per Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee) during the stabilization period to cover over-allocations in the International Offering.

The last purchase in the course of stabilising actions was made on 22 October 2009 at the price of HK\$1.49 per Share.

The Over-allotment Option had not been exercised by the Joint Bookrunners (on behalf of the International Underwriters) during the stabilization period and lapsed on 22 October 2009.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company makes this announcement pursuant to Section 9(2) of the Stabilizing Rules and announces that the stabilization period in connection with the Global Offering ended on 22 October 2009, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering.

As advised by Merrill Lynch Far East Limited, the Sole Sponsor and the Stabilizing Manager on behalf of the Underwriters, the stabilizing actions undertaken during the stabilization period from 30 September 2009 to 22 October 2009, in compliance with the Stabilizing Rules, which involved:

- (1) over-allocations of an aggregate of 225,000,000 Shares in the International Offering, representing 15% of the Offer Shares initially offered under the Global Offering before the exercise of the Over-allotment Option; and
- (2) successive market purchases of an aggregate of 225,000,000 Shares at a price in the price range of HK\$1.40 to HK\$1.63 per Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee) during the stabilization period to cover over-allocations in the International Offering.

The last purchase in the course of stabilising actions was made on 22 October 2009 at the price of HK\$1.49 per Share.

LAPSE OF OVER-ALLOTMENT OPTION

The Over-allotment Option had not been exercised by the Joint Bookrunners (on behalf of the International Underwriters) during the stabilization period and lapsed on 22 October 2009.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By order of the Board
China South City Holdings Limited
Cheng Chung Hing
Co-chairman and Executive Director

Hong Kong, 27 October 2009

As at the date of this announcement, the executive Directors are Mr. Cheng Chung Hing, Mr. Leung Moon Lam and Professor Xu Yang; the non-executive Directors are Dr. Ma Kai Cheung, SBS, BBS, Mr. Sun Kai Lit Cliff, BBS, JP and Dr. Ma Wai Mo; and the independent non-executive Directors are Mr. Shi Wan Peng, Mr. Leung Kwan Yuen Andrew, SBS, JP and Mr. Li Wai Keung.