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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)**

## **Voluntary Announcement**

### **Proposed Issue of Short-Term Notes in the PRC**

The Board is pleased to announce that the Company's wholly-owned subsidiary, China South International, obtained the relevant approval for the proposed issue of the short-term notes in an aggregate maximum principal amount of RMB4.3 billion with a term of 365 days in the PRC (the "**Short-Term Notes**"). It is expected that the Short-Term Notes will be issued in more than one tranche in 2 years and if proceeded with, the first tranche of issue which is expected to be in the amount of approximately RMB2.2 billion shall be completed before 15 November 2014. The main purpose of the issue of the Short-Term Notes is to further broaden the channels of financing and to repay part of the existing bank loans of the Group.

The Board is pleased to announce that the Company's wholly-owned subsidiary, China South International, obtained a notice of acceptance of registration from 中國銀行間市場交易商協會 (the "**Inter-Banks Association**") approving the proposed issue of the Short-Term Notes in an aggregate maximum principal amount of RMB4.3 billion in 2 years from the date of 15 September 2014. The Short-Term Notes can be issued in more than one tranche and if proceeded with, the first tranche of issue which is expected to be in the amount of approximately RMB2.2 billion shall be completed before 15 November 2014.

China South International has mandated Industrial Bank and China Citic Bank as the joint lead underwriters to form an underwriting syndicate to underwrite the issue of the Short-Term Notes. The principal terms of the first tranche of the Short-Term Notes planned to be issued are as follows:

Issuer :	China South International
Aggregate maximum principal amount of the Short-Term Notes registered with the Inter-Banks Association:	RMB4.3 billion
Planned principal amount of the first tranche of the Short-Term Notes:	Approximately RMB2.2 billion

Term of the first tranche of the Short-Term Notes:	365 days
Purpose and use of proceeds of the issue of the first tranche of the Short-Term Notes:	To further broaden the channels of financing of the Group and to repay part of the existing bank loans of the Group
Credit ratings of the issuer and the first tranche of the Short-Term Notes:	The issuer and the first tranche of the Short-Term Notes were rated AA rating and A-1 rating respectively by 大公國際資信評估有限公司 (Dagong Global Credit Rating Co., Ltd.*)

The issue of the Short-Term Notes is subject to the satisfaction of certain conditions and it may or may not be proceeded with. If the issue of the Short-Term Notes is proceeded with, further announcement(s) will be made by the Company in accordance with the Listing Rules if and when required.

The issue of the Short-Term Notes will not constitute any transaction under Chapter 14 and Chapter 14A of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of directors of the Company
“China Citic Bank”	China CITIC Bank Corporation Limited (中信銀行股份有限公司)
“China South International”	華南國際工業原料城（深圳）有限公司 (China South International Industrial Materials City (Shenzhen) Co., Ltd.*), a company incorporated in the PRC and a wholly-owned subsidiary of the Company
“Company”	China South City Holdings Limited, a company incorporated in Hong Kong whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Industrial Bank”	Industrial Bank Co., Ltd. (興業銀行股份有限公司)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	The People’s Republic of China, for the purposes of this announcement, excludes Hong Kong, Macau and Taiwan

“RMB”

Renminbi, the lawful currency of the PRC

For and on behalf of the Board  
**China South City Holdings Limited**  
**CHENG Chung Hing**  
*Co-chairman and Executive Director*

Hong Kong, 23 September 2014

*As at the date of this announcement, the executive Directors of the Company are Mr. Cheng Chung Hing, Mr. Leung Moon Lam and Mr. Fung Sing Hong Stephen; the non-executive Directors of the Company are Dr. Ma Kai Cheung, SBS, BBS, Mr. Sun Kai Lit Cliff, BBS, JP, Dr. Ma Wai Mo, Mr. Cheng Tai Po and Mr. Lin Ching Hua; and the independent non-executive Directors of the Company are Mr. Leung Kwan Yuen Andrew, GBS, SBS, JP, Mr. Li Wai Keung, Mr. Hui Chiu Chung Stephen, JP and Mr. Yung Wing Ki Samuel, SBS, MH, JP.*

*\* For identification purposes only*