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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)

OVERSEAS REGULATORY ANNOUNCEMENT
CONSENT SOLICITATION
IN RELATION TO

US\$400,000,000 8.25% SENIOR NOTES DUE 2019 (ISIN: XS1008223858)

The Board announces that the Company is soliciting consent from the Holders to amend the Indenture in the manner more fully described in the Consent Solicitation Statement sent to the Holders at the Launch Date, which is summarized under the section headed "Consent Solicitation" in this announcement.

The principal purpose of the Consent Solicitation is to introduce certain amendments to the Indenture which enable the Company to become more adaptive to the fast-changing competition landscape, increase the flexibility of the Company to implement business plans in the future and bring the terms of the Notes more in line with the terms of senior notes issued by comparable issuers in the market.

As there is no assurance that the Requisite Consents will be obtained, Shareholders, Holders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This overseas regulatory announcement is made by the Company pursuant to Rule 13.10B of the Listing Rules.

Reference is made to the announcements of the Company dated 29 January 2014, 21 January 2014 and 20 January 2014 in relation to the Notes.

The Board announces that the Company is soliciting consents from the Holders to amend the Indenture in the manner more fully described in the Consent Solicitation Statement sent to the Holders at the Launch Date, which is summarized under the section headed “Consent Solicitation” in this announcement.

CONSENT SOLICITATION

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The Company is seeking the Requisite Consents from the Holders in relation to proposed amendments to the terms of the Indenture which include, among others, the following (capitalized terms below have the same meanings as defined in the Indenture): (i) Indebtedness; (ii) Restricted Payments; (iii) the definition of “Permitted Investment” with regards to investments in Associates and Tencent Joint Ventures; (iv) the definition of “Permitted Business”; (v) restructuring and spin-off; (vi) Non-guarantor Subsidiaries; (vii) Asset Sales; (viii) Affiliate Transaction; (ix) Events of Default; and (x) the definition of “Subsidiary”.

These proposed amendments together constitute a single proposal and a consenting Holder must consent to the proposed amendments as an entirety and may not consent selectively with respect to certain proposed amendments.

Subject to the Consent Solicitation Statement, the Company will make a cash payment of the Consent Fee of US\$4.5 to each Holder for each US\$1,000 in principal amount of Notes in respect of which such Holder has validly delivered (and not validly revoked) a consent on or prior to the Expiration Date. Any Consent Fee due is currently expected to be paid on the Payment Date (as defined in the Consent Solicitation Statement) to such Holders.

The acceptance of the consents from the Holders by the Company and the payment of Consent Fee is conditional upon, among other things, (i) there being validly delivered (and not validly revoked) consents from the Holders of not less than a majority in aggregate principal amount of the outstanding Notes pursuant to the terms of the Consent Solicitation Statement on or prior to the Expiration Date and (ii) in the case the Requisite Consents have been received, an affirmative determination by the Company that accepting the Consents, paying the Consent Fee and effecting the transactions contemplated thereby are in the best interest of the Company.

If the Requisite Consents are not received on or prior to the Expiration Date or if the Company has not accepted any consents in respect of the Notes, (i) the proposed amendments to the terms of the Indenture will not be effected, and (ii) no Consent Fee will be paid to any Holder.

If the Requisite Consents are received on or prior to the Expiration Date and the proposed amendments to the terms of the Indenture become effective, the proposed amendments will be binding on all Holders, including non-consenting Holders. However, non-consenting Holders will not receive any Consent Fee.

The results of the Consent Solicitation will be published on the websites of the Company at www.chinasouthcity.com, the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk, the

Singapore Exchange Securities Trading Limited at www.sgx.com and the Information and Tabulation Agent at <http://sites.dfkingltd.com/ChinaSouthCity>.

FURTHER DETAILS

For a detailed statement of the terms and conditions of the Consent Solicitation, Holders should refer to the Consent Solicitation Statement.

The Consent Solicitation Statement will be distributed in electronic format to the Holders. The Company has engaged Merrill Lynch Far East Limited, Citigroup Global Markets Limited and The Hongkong and Shanghai Banking Corporation Limited as the Solicitation Agents. A Holder (or a beneficial owner that is not a Holder) may also contact the Solicitation Agents or the Information and Tabulation Agent for the Consent Solicitation and all documentation relating to the Consent Solicitation and any updates will be available from the Information and Tabulation Agent (email: ChinaSouthCity@dfkingltd.com or at the following website: <http://sites.dfkingltd.com/ChinaSouthCity> or telephone: +852 3953 7230 (Hong Kong) / +44 20 7920 9700 (London, United Kingdom)) or his/her/its broker, dealer, bank, trust company or other nominee for assistance concerning the Consent Solicitation.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the development and operation of large-scale integrated logistics and trade centers in the PRC.

GENERAL

This announcement is not a solicitation of consent with respect to the Notes. The Consent Solicitation is being made solely pursuant to the Consent Solicitation Statement and related documents dated 16 March 2016, which set forth in detail the terms of the Consent Solicitation. Holders should not contact the Company with respect to the Consent Solicitation and should not rely solely on this announcement. All statements contained herein are qualified by the Consent Solicitation Statement.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession of this announcement comes are required to inform themselves about, and to observe, any such restrictions. Forward-looking statements in this announcement, including, among others, statements relating to the Consent Solicitation are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Notes, changes in the business and financial condition of the Group, changes in the real estate or infrastructure industries and changes in the financial and capital markets in general.

As there is no assurance that the Requisite Consents will be obtained, Shareholders, Holders and potential investors 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 have the following meanings:

“Board”	the board of directors of the Company
“CET”	Central European Time

“Company”	China South City Holdings Limited, a company incorporated in Hong Kong with limited liability whose Shares are listed on the Stock Exchange
“Consent Fee”	a cash payment of US\$4.5 to each Holder per US\$1,000 in principal amount of Notes in respect of which such Holder has validly delivered (and not validly revoked) a consent on or prior to the Expiration Date
“Consent Solicitation”	soliciting consents from Holders to certain proposed amendments to the Indenture
“Consent Solicitation Statement”	the consent solicitation statement dated 16 March 2016 in relation to the seeking of consents for certain amendments to the Indenture
“Directors”	the directors of the Company
“Expiration Date”	5:00 p.m., CET on 31 March 2016, unless terminated or extended by the Company from time to time in its sole discretion
“Group”	the Company and its subsidiaries
“Holders”	the registered holders of the Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Indenture”	the indenture dated 29 January 2014 (as supplemented from time to time) specifying the terms of Notes
“Information and Tabulation Agent”	D.F. King Ltd.;
“Launch Date”	means 16 March 2016
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notes”	US\$400,000,000 8.25% senior notes due 2019 issued by the Company in January 2014
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong and Macao Special Administrative Region of the People’s Republic of China
“Requisite Consents”	means there being validly delivered (and not validly revoked) consents from the Holders of not less than a majority in aggregate principal amount of the outstanding Notes pursuant to the terms set out in the Consent Solicitation Statement on or prior to the Expiration Date
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$” United States dollar, the lawful currency of the United States of America

“%” per cent

By Order of the Board
China South City Holdings Limited
CHENG Chung Hing
Co-Chairman & Executive Director

Hong Kong, 16 March 2016

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, 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, JP, Mr. Li Wai Keung, Mr. Hui Chiu Chung, JP and Mr. Yung Wing Ki Samuel, SBS, MH, JP.