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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)**

## **Resignation and Appointment of Directors**

The board of directors (the “**Board**”) of China South City Holdings Limited (the “**Company**”) together with its subsidiaries, collectively the “**Group**”) hereby announces that the following changes in Directors of the Company with effect from 1 April 2020:

- (1) Dr. Ma Kai Cheung (“**Dr. Ma**”), for the purpose of devoting more time on personal affairs and charity affairs, has tendered his resignation as Non-Executive Director of the Company, and accepted the Company’s sincere invitation to act as Honourable Adviser of the Group;
- (2) Mr. Fung Sing Hong Stephen (“**Mr. Fung**”), for the purpose of devoting more time with family, developing personal interest (exploration of religion and philosophy) and participating in charity activities, has tendered his resignation as the Vice Chairman of the Group and Executive Director of the Company, and accepted the Company’s sincere invitation to act as Senior Adviser of the Group;

Dr. Ma and Mr. Fung respectively confirmed that they have no disagreement with the Board and there is no other matter that needs to be brought to the attention of the shareholders of the Company nor the Stock Exchange of Hong Kong Limited (“**Hong Kong Stock Exchange**”), in relation to their resignations.

Dr. Ma is one of the five founding shareholders of the Group, and Mr. Fung has held several senior management positions in the Group since joining the Group in 2006. For more than ten years, Dr. Ma and Mr. Fung have been working side by side with the Company’s Directors in dedicating to the development of the Group by providing valuable advices and suggestions, helping the Group to develop its business from a single project in Shenzhen to eight large scale projects in eight provincial cities and municipality in China, and establishing a diversified and flexible business model. The Board would like to express its sincere gratitude to their tremendous contributions to the Group over the years, and thank them for accepting the appointment as Honourable Adviser and Senior Adviser of the Group respectively and continue to provide their valuable guidance and advices for the better development of the Group. The Board sincerely wishes both resigning Directors a happy and healthy life.

- (3) Mr. Wu Guangquan (“**Mr. Wu**”), will be appointed as an Executive Director of the Company.

Mr. Wu, aged 58, will be appointed as an Executive Director of the Company with effect from 1 April 2020. He is primarily responsible for the management of the Group’s resources integration, business development strategy and daily operations of the Group. Mr. Wu graduated from Tongji University with a

master degree in Business Administration. He has extensive experience in finance, administration and management. He is the president of presidium of China Federation of Industrial Economics, and also as the president and executive chairman of Federation of Shenzhen Industries.

Before joining the Group, Mr. Wu served as the chairman/chairman of the board of Aviation Industry Corporation of China (“AVIC”) International Holding Corporation, AVIC International Shenzhen Company Limited, and the following listed companies: AVIC International Holdings Limited (stock code: 161.HK) and AVIC International Holding (HK) Limited (stock code: 232.HK), which are listed on the mainboard of Hong Kong Stock Exchange, and Mr. Wu also served as an executive director of these two companies; Tianma Microelectronics Co., Ltd. (stock code: 000050.SZ), FIYTA Holdings Ltd. (stock code: 000026.SZ), Rainbow Department Store Co., Ltd. (stock code: 002419.SZ) and AVIC Real Estate Holding Company Limited (stock code: 000043.SZ) which are listed on the Shenzhen Stock Exchange.

Save as disclosed above, Mr. Wu did not hold any directorship in other public companies of which the securities are listed on any securities market in Hong Kong or overseas in the three years preceding the date of this announcement, nor hold any position with the Company or any of its subsidiaries. As far as the Board is aware, saves as disclosed above, Mr. Wu does not have any relationship with any director, senior management, substantial shareholder or controlling shareholder (as defined in the Rules Governing the Listing of Securities on Hong Kong Stock Exchange (the “**Listing Rules**”)) of the Company.

As at the date of this announcement, Mr. Wu does not have any interest in nor is deemed to have any interest in any share or underlying share of the Company or its associated corporations within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr. Wu will enter into a service contract with the Company as an Executive Director of the Company in three-year term with effect from 1 April 2020. He shall hold office until the next annual general meeting, and eligible for re-election at such annual general meeting pursuant to the Company’s Articles of Association. Mr. Wu’s director remuneration shall be approximately HK\$5,200,000 per annum, together with discretionary bonus set by the Board of Directors (if any). The Board will consider granting him 15,000,000 share options in accordance with the provisions of the relevant share option scheme of the Company.

Save as disclosed herein, there is no other matter relating to the appointment of Mr. Wu as an Executive Director of the Company that needs to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The Board sincerely express its warmest welcome to Mr. Wu on his appointment as an Executive Director of the Company.

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

Hong Kong, 27 March 2020

*As at the date of this announcement, the executive directors of the Company are Mr. Cheng Chung Hing, Mr. Fung Sing Hong Stephen, Mr. Zhao Lidong and Ms. Cheng Ka Man Carman; the non-executive directors of the Company are Dr. Ma Kai Cheung, SBS, BBS, 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, JP and Mr. Yung Wing Ki Samuel, SBS, MH, JP.*