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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)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

The board (the “**Board**”) of directors (“**Directors**”) of China South City Holdings Limited (the “**Company**”) announces that the Board has resolved on 9 April 2011 to grant 226,900,000 share options (“**Share Options**”) on 11 April 2011 (the “**Date of Grant**”) to an executive director and a certain employees of the Company and its subsidiaries (“**Grantees**”) to subscribe for, in aggregate, up to 226,900,000 ordinary shares of HK\$0.01 each of the Company (the “**Shares**”), subject to the acceptance of such Grantees, under the share option scheme adopted by the Company on 4 September 2009.

A summary of the grant of Share Options is set out below:

Date of Grant	: 11 April 2011
Number of Share Options granted	: 226,900,000 Share Options
Exercise price of Share Options granted	: HK\$1.29 per Share
Closing price on the Date of Grant	: HK\$1.26 per Share
Validity period of Share Options	: 5 years from the Date of Grant but subject to the following vesting schedule

In these Share Options, there are three types of vesting schedules, details as below:

1. 118,200,000 Share Options are subject to the following vesting schedule:

- (a) up to one-third of the total number of Share Options under this type will be vested from the Date of Grant;
 - (b) additional one-third of the total number of Share Options under this type will be vested upon the first anniversary of the Date of Grant; and
 - (c) remaining one-third of the total number of Share Options under this type will be vested upon the second anniversary of the Date of Grant.
2. 68,700,000 Share Options are subject to the following vesting schedule:
- (a) up to one-third of the total number of Share Options under this type will be vested upon the first anniversary of the Date of Grant;
 - (b) additional one-third of the total number of Share Options under this type will be vested upon the second anniversary of the Date of Grant; and
 - (c) remaining one-third of the total number of Share Options under this type will be vested upon the third anniversary of the Date of Grant.
3. 40,000,000 Share Options will be fully vested from the Date of Grant.

Among the total of 226,900,000 Share Options, 15,000,000 Share Options were granted to Professor Xu Yang, an executive Director of the Company. In accordance with Rule 17.04(1) of the Listing Rules, the grant of the Share Options to this director has been approved by the independent non-executive directors of the Company.

Save as disclosed above, none of the Grantees is a director, chief executive or substantial shareholder of the Company, or any their respective associates (as defined under the Listing Rules) as at the date of this announcement.

For and on behalf of the Board
China South City Holdings Limited
Cheng Chung Hing
Co-Chairman and Executive Director

Hong Kong, 11 April 2011

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Chung Hing, Mr. Leung Moon Lam and Professor Xu Yang; 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 and Mr. Cheng Tai Po; 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. Shi Wan Peng.