
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China South City Holdings Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**GENERAL MANDATES
TO ISSUE SHARES AND BUY-BACK SHARES,
RE-ELECTION AND ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China South City Holdings Limited to be held at Kowloon Room, Mezzanine Floor, Kowloon Shangri-La, Hong Kong Hotel, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong, on Friday, 22 September 2023 at 2:30 p.m. is set out on pages 20 to 23 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish and in such event, the form of proxy will be deemed to be revoked.

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DEFINITIONS

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

“2009 Share Option Scheme”	the share option scheme adopted by the Company on 4 September 2009
“2019 Share Option Scheme”	the share option scheme adopted by the Company on 13 September 2019
“AGM”	the annual general meeting of the Company to be held at Kowloon Room, Mezzanine Floor, Kowloon Shangri-La, Hong Kong Hotel, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 22 September 2023 at 2:30 p.m.
“AGM Notice”	the notice convening the AGM as set out on pages 20 to 23 of this circular
“Articles”	the Memorandum of Association and New Articles of Association of the Company
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Auditor”	the auditor from time to time of the Company
“Board”	the board of Directors
“Buy-back Mandate”	a general and unconditional mandate to buy-back Shares up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing of the relevant ordinary resolution to grant such mandate
“Company”	China South City Holdings Limited, a company incorporated in Hong Kong with limited liability and the Shares are listed on the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate to allot and issue the Shares up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing of the relevant ordinary resolution to grant such mandate
“Latest Practicable Date”	31 July 2023 being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	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
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



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

(incorporated in Hong Kong with limited liability)

(Stock Code: 1668)

Board of Directors

Co-Chairmen:

Mr. Li Wenxiong (*Non-Executive Director*)
Mr. Cheng Chung Hing (*Executive Director*)

Executive Directors:

Ms. Geng Mei (*Chief Operating Officer*)
Mr. Wan Hongtao (*Group's Vice President*)
Mr. Qin Wenzhong (*Group's Financial Controller*)
Ms. Cheng Ka Man Carman

Non-Executive Directors:

Mr. Fung Sing Hong Stephen
Ms. Shen Lifeng
Ms. Li Aihua
Ms. Deng Jin

Independent Non-Executive Directors:

Mr. Leung Kwan Yuen Andrew *GBM, GBS, JP*
Mr. Li Wai Keung
Mr. Hui Chiu Chung *JP*
Ms. Zee Helen
Dr. Li Xu

Registered Office:

Suites 3306–08, 33/F.,
Tower 5, The Gateway
15 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

30 August 2023

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES
TO ISSUE SHARES AND BUY-BACK SHARES,
RE-ELECTION AND ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM. These resolutions include, among other things, (i) the granting to the Directors the Issue Mandate and the Buy-back Mandate and adoption and the extension of the Issue Mandate to include Shares bought back pursuant to the Buy-back Mandate; and (ii) the re-election and election of the Directors in accordance with the Articles. The resolutions to be proposed at the AGM for Shareholders' approval are set out in the AGM Notice as contained in this circular.

LETTER FROM THE BOARD

2. GENERAL MANDATES

At the last annual general meeting of the Company held on 22 September 2022, ordinary resolutions were passed to grant the Directors general and unconditional mandates to allot, issue and otherwise deal with the Shares of up to a maximum of 20% of the issued share capital of the Company as at 22 September 2022 and to buy-back the Shares of up to a maximum of 10% of the issued share capital of the Company as at 22 September 2022 respectively and to extend the general mandates to allot and issue Shares to include Shares bought back under the general mandates to buy-back Shares. These general mandates will lapse at the conclusion of the AGM, unless renewed at the AGM. It is therefore proposed to renew these general mandates at the AGM.

(a) Issue Mandate

At the AGM, an ordinary resolution set out in resolution no. 5 of the AGM Notice will be proposed to the Shareholders to consider and, if thought fit, granting the Directors a new general and unconditional mandate to allot and issue Shares up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing of the relevant ordinary resolution. As at the Latest Practicable Date, the total number of Shares in issue was 11,441,892,848. Subject to the passing of the proposed resolution, the maximum number of new Shares to be issued under the Issue Mandate will be 2,288,378,569 Shares (assuming that there will be no further Shares issued or bought back prior to the AGM).

Subject to the passing of the Issue Mandate and the Buy-back Mandate, an ordinary resolution set out in resolution no. 7 of the AGM Notice will be proposed to extend the Issue Mandate to increase the limit of the Issue Mandate by adding to it the number of Shares bought back under the Buy-back Mandate.

(b) Buy-back Mandate

At the AGM, an ordinary resolution set out in resolution no. 6 of the AGM Notice will be proposed to the Shareholders to consider, and if thought fit, granting the Directors a new general and unconditional mandate to exercise all powers of the Company to buy-back, subject to the criteria set out in the circular, Shares up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing of the relevant ordinary resolution.

An explanatory statement containing relevant information relating to the Buy-back Mandate as required by the Listing Rules to be sent to the Shareholders is set out in the Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Buy-back Mandate at the AGM.

LETTER FROM THE BOARD

3. RE-ELECTION AND ELECTION OF THE DIRECTORS

According to the Articles, Mr. Li Wenxiong, Ms. Cheng Ka Man Carman, Ms. Li Aihua, Ms. Deng Jin, Mr. Leung Kwan Yuen Andrew, Ms. Zee Helen and Dr. Li Xu shall retire from office by rotation at the AGM. All of them being eligible will offer themselves for re-election or election at the AGM. At the AGM, ordinary resolutions set out in resolution no. 3 of the AGM notice will be proposed to re-elect (i) Ms. Cheng Ka Man Carman as Executive Director; (ii) Mr. Leung Kwan Yuen Andrew as Independent Non-Executive Director; and to elect (iii) Mr. Li Wenxiong as Non-Executive Director; (iv) Mr. Fung Sing Hong Stephen as Non-Executive Director; (v) Ms. Li Aihua as Non-Executive Director; (vi) Ms. Deng Jin as Non-Executive Director; (vii) Ms. Zee Helen as Independent Non-Executive Director; and (viii) Dr. Li Xu as Independent Non-Executive Director.

Pursuant to the Code Provision set out in A.4.3 of Appendix 14 to the Listing Rules, any further appointment of an Independent Non-Executive Director serving more than 9 years should be subject to a separate resolution to be approved by the Shareholders. Mr. Leung Kwan Yuen Andrew (“**Mr. Leung**”) has served as an Independent Non-Executive Director of the Company for more than 9 years since 4 September 2009. Mr. Leung is chairman of Nomination Committee and members of Audit Committee and Remuneration Committee. Mr. Leung has extensive experience and knowledge and in-depth understanding of the Company’s operations and business. During his tenure of office, Mr. Leung has been able to fulfill all the requirements regarding independence as Independent Non-Executive Director under Rule 3.13 of the Listing Rules. Besides, he has been providing objective and independent views to the Company over the years, and he remain committed to his independent role. The Nomination Committee and the Board were of the view that the long service of Mr. Leung would not affect him exercise of independent judgement and was satisfied that he has the required character, integrity and experience to continue fulfilling the role of an Independent Non-Executive Director. The board also believes that Mr. Leung’s continued tenure brings considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Leung who has over time gained valuable insight into the Group.

Biographical details of the Directors proposed for re-election and election, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 20 to 23 of this circular to consider the resolutions relating to, *inter-alia*, the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate, the re-election and election of the Directors.

A form of proxy at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the

LETTER FROM THE BOARD

AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof if you wish and in such event, the form of proxy will be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting will be taken by poll. The poll results will be announced in the manners prescribed under Rule 2.07C and 13.39(5) of the Listing Rules.

5. RECOMMENDATION

The Directors consider that the proposed granting to the Directors of the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate, the re-election and election of the Directors are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of the relevant resolutions as set out in the AGM Notice.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirmed that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
China South City Holdings Limited
Li Wenxiong and Cheng Chung Hing
Co-Chairmen

This appendix serves an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration in respect of the Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company has a total of 11,441,892,848 Shares in issue. Subject to the passing of the relevant resolution(s) as set out in the AGM Notice and assuming that no further Shares are issued or brought back by the Company, the Directors will be authorized to buy-back up to 1,144,189,284 Shares (being 10% of the aggregate number of Shares in issue as at the date of the AGM) pursuant to the Buy-back Mandate during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or (iii) the revocation and variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR BUY-BACKS

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to buy-back its Shares on the Stock Exchange. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders.

3. FUNDING OF BUY-BACKS

In buying back Shares, the Company may only apply funds legally available for such purposes in accordance with the Articles and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The Companies Ordinance (Chapter 622 of the Laws of Hong Kong) provides that the amount of capital repaid in connection with a share buy-back may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the buy-back to such extent allowable under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

4. IMPACT OF BUY-BACKS

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the fiscal year ended 31 March 2023) in the event of the Buy-back Mandate were to be carried out in full. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have material adverse impact on the working capital requirements of the Company or the gearing levels which, in the opinion of the Board, are from time to time appropriate for the Company.

5. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have traded on the Stock Exchange for the last twelve months to the Latest Practicable Date:

	Share Prices Per Share	
	Highest HK\$	Lowest HK\$
2022		
August	0.530	0.495
September	0.510	0.405
October	0.455	0.375
November	0.570	0.385
December	0.590	0.520
2023		
January	0.590	0.550
February	0.600	0.520
March	0.570	0.500
April	0.540	0.510
May	0.530	0.450
June	0.510	0.455
July (<i>up to the Latest Practicable Date</i>)	0.510	0.450

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong in the event that it is granted by the Shareholders of the AGM.

The Company has not been notified by any connected person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

7. EFFECT OF THE TAKEOVERS CODE

If as a result of a buy-back of securities, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of such increase, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Shenzhen SEZ Construction and Development Group Co., Ltd. ("SZCDG", a wholly-owned subsidiary of Shenzhen State-owned Assets Supervision and Administration Commission), being the single largest Shareholder of the Company through SEZ Construction & Development Investment Holding LIMITED is interested in 3,350,000,000 Shares, representing approximately 29.28% of the total number of issued Shares. In the event that the Directors exercise in full the power to buy-back Shares under the Buy-back Mandate and if there is no other change in the total number of issued Shares of the Company, SZCDG interests in the Company will be increased to approximately 32.53% of the total number of issued Shares of the Company. Such increase may give rise to the respective parties to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequences of any purchases made under the Buy-back Mandate which may arise under the Takeovers Code. The Directors do not intend to exercise the Buy-back Mandate to such an extent that the Company cannot satisfy its minimum requirement for public float under the Listing Rules.

8. SHARE BUY-BACK BY THE COMPANY

The Company has not repurchased any Shares during the six months preceding the Latest Practicable Date.

The biographical details of the eight Directors proposed to be re-elected and elected at the AGM are set out as follows:

CO-CHAIRMAN

Mr. LI Wenxiong (“**Mr. Li**”), aged 54, has been appointed as a Co-Chairman of the Group and a Non-Executive Director of the Company since 23 September 2022, and is primarily responsible for advising on the formulation of the Group’s general business model, development strategies and major business matters as well as leading the Board together with Mr. Cheng Chung Hing. Mr. Li is currently the secretary of the Party Committee and the chairman of Shenzhen SEZ Construction and Development Group Co., Ltd.* (深圳市特區建設發展集團有限公司) (“**SZCDG**”, the single largest shareholder of the Company) and a member of the second session of the council of China Ocean Development Foundation* (中國海洋發展基金會第二屆理事會理事). Mr. Li had previously served as the deputy secretary of the Party Committee and the secretary of the Disciplinary Committee, a director, the general manager of the SZCDG; and also served as the deputy secretary of the Party Committee and the secretary of the Disciplinary Committee of Shenzhen Yantian Port Group Co., Ltd.* (深圳市鹽田港集團有限公司). Mr. Li obtained a Bachelor’s degree in Philosophy from Sun Yat-sen University* (中山大學) and a Master’s degree in Law from Xi’an Jiaotong University* (西安交通大學).

Save as disclosed herein, Mr. Li does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Mr. Li has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month’s notice in writing served on the other party. Mr. Li will not receive any director’s remuneration, annual performance bonus and/or grant of share options from the Company since his appointment. Therefore, Mr. Li does not have any Director’s emoluments for the fiscal year ended 31 March 2023.

As at the Latest Practicable Date, Mr. Li did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

EXECUTIVE DIRECTOR

Ms. CHENG Ka Man Carman (“**Ms. Cheng**”), aged 34, has been an Executive Director since 4 May 2017. She is primarily responsible for the administration and operations of the Group. Ms. Cheng graduated from the University of London with a Bachelor of Science degree in Financial and Business Economics. She also obtained a Master of Science degree in Management from the Imperial College London and a Master of Philosophy degree in Real Estate Finance from the University of Cambridge. Prior to joining the Group, Ms. Cheng was an executive director of Man Sang International Limited, a company listed on the Main Board of The Hong Kong Stock Exchange (stock code: 938). She had also worked in a leading investment firm in Asia. Ms. Cheng is the daughter of Mr. Cheng Chung Hing, a Co-Chairman and Executive Director and the niece of Mr. Cheng Tai Po, a Non-Executive Director.

Save as disclosed herein, Ms. Cheng does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Ms. Cheng has entered a service contract with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The contract may be terminated by either party for not less than one month’s notice in writing served on the other party. Currently, Ms. Cheng is entitled to a basic salary of HK\$1,500,000 per annum and a performance-based bonus of an amount of 0.2% of the core net profit attributable to owners of the parent, being the net profit attributable to owners of the parent excluding adjustments on fair value of investment properties and certain tax effect and other non-operating items of the relevant fiscal year. In addition, Ms. Cheng is entitled to a discretionary bonus (if any), subject to annual review by the remuneration committee and the Board.

For the fiscal year ended 31 March 2023, Ms. Cheng received the Directors’ emoluments in the total sum of HK\$1,500,000 (Note (A)). The remuneration is determined in accordance with the Company’s policy on Directors’ remuneration and with reference to comparable market conditions.

As at the Latest Practicable Date, Ms. Cheng has the following interests in the Company within the meaning of Part XV of the SFO:

Class of Shares	Number of Shares held under corporate interest	Number of Shares held under personal/family interest	Number of underlying Shares held under equity derivatives	Total	Approximate Percentage of the Company's Total number of issued shares
Share Options	-	-	7,800,000 ^(C)	7,800,000	0.07%

Save as disclosed above, Ms. Cheng did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

NON-EXECUTIVE DIRECTORS

Mr. FUNG Sing Hong Stephen (“**Mr. Fung**”), aged 58, has been appointed as a Non-Executive Director of the Company since 25 August 2023. He is primarily responsible for advising on the formulation of the Group’s general business models, development strategies and the resolution of major issues. Mr. Fung first joined our Group in July 2006 and since then he acted as the Group’s Chief Financial Officer until 19 May 2016. He was an Executive Director of the Company from August 2014 to April 2020. Mr. Fung was the Chief Executive Officer of the Group from 1 January 2016 until he was promoted to Vice Chairman of the Group on 4 May 2017. Mr. Fung resigned as Vice Chairman of the Group and an Executive Director and was appointed as a Senior Adviser of the Group on 1 April 2020. Mr. Fung has more than 30 years of experience in financial management, mergers and acquisitions, capital markets financing and corporate restructuring. Prior to joining our Group, Mr. Fung was an executive director and the chief financial officer of Guangdong Investment Limited (“**GDI**”). Before joining GDI, Mr. Fung served as an executive director and the chief financial officer of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (“**GDL**”). Both GDI and GDL are companies listed on the Main Board of The Hong Kong Stock Exchange (Stock Codes: 270 and 124, respectively).

Mr. Fung graduated from the University of Wales, United Kingdom with a master’s degree in business administration. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants.

Mr. Fung is a Hong Kong Accounting Advisor appointed by the Ministry of Finance of the People's Republic of China, a member of the Hong Kong Election Committee, a member of the Advisory Committee of the Accounting and Financial Reporting Council in Hong Kong, a vice president of the Association of Hong Kong Accounting Advisors, the former president of the Hong Kong Business Accountants Association, an executive committee member of the Hong Kong Professionals and Senior Executives Association, a standing member of the Chongqing Committee of the Chinese People's Political Consultative Conference and an executive vice president of the Hong Kong Chongqing Friendship Federation.

Save as disclosed herein, Mr. Fung does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Mr. Fung has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month's notice in writing served on the other party. Currently, Mr. Fung is entitled to a director's remuneration of HK\$380,000 per annum, subject to annual review by the remuneration committee and the Board at the end of each fiscal year of the Company. As Mr. Fung has been appointed as a director with effect from 25 August 2023, therefore, Mr. Fung does not have any Director's emoluments for the fiscal year ended 31 March 2023.

As at the Latest Practicable Date, Mr. Fung has the following interests in the Company within the meaning of Part XV of the SFO:

Class of Shares	Number of Shares held under corporate interest	Number of Shares held under personal/ family interest	Number of underlying Shares held under equity derivatives	Total	Approximate
					Percentage of the Company's Total number of issued shares
Ordinary Shares	-	200,000	-	200,000	0.0017%

Save as disclosed above, Mr. Fung did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

Ms. LI Aihua (“**Ms. Li**”), aged 35, has been appointed as a Non-Executive Director of the Company since 16 May 2023. Ms. Li is primarily responsible for advising on the formulation of the Group’s general business models, development strategies and the resolution of major issues. Ms. Li is currently the director of the financial management department of SZCDG and the supervisor of Shenzhen Special Zone Construction & Development Group, Marine Industry Development Co., Ltd. (深圳市特區建發海洋產業發展有限公司) and Shenzhen Marine Expo Co., Ltd.* (深圳海博會有限公司) (both of which are a subsidiary of SZCDG). Ms. Li previously served as the deputy director of the financial management department of SZCDG and the director of the financial management department of Shenzhen Special Zone Construction & Development Group, Marine Industry Development Co., Ltd. Ms. Li obtained a Bachelor of Management from the Shenzhen University with a major in Accounting in 2009, and obtained a Master of Science in Real Estate from the University of Greenwich in 2016.

Save as disclosed herein, Ms. Li does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Ms. Li has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month’s notice in writing served on the other party. Ms. Li will not receive any director’s remuneration, annual performance bonus and/or grant of share options from the Company since her appointment. Therefore, Ms. Li does not have any Director’s emoluments for the fiscal year ended 31 March 2023.

As at the Latest Practicable Date, Ms. Li did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

Ms. DENG Jin (“**Ms. Deng**”), aged 32, has been appointed as a Non-Executive Director of the Company since 16 May 2023. Ms. Deng is primarily responsible for advising on the formulation of the Group’s general business models, development strategies and the resolution of major issues. Ms. Deng currently serves as the deputy director of the strategy and investment department of SZCDG and a director of Shenzhen Infrastructure Investment Fund Management Co., Ltd.* (深圳市基礎設施投資基金管理有限責任公司) (a subsidiary of SZCDG). Ms. Deng obtained a Bachelor of Economics from Northwest University in Xian City, the People’s Republic of China in 2010 with a major in Finance, and obtained a Master of Science in Management from Case Western Reserve University in 2011.

Save as disclosed herein, Ms. Deng does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Ms. Deng has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month's notice in writing served on the other party. Ms. Deng will not receive any director's remuneration, annual performance bonus and/or grant of share options from the Company since her appointment. Therefore, Ms. Deng does not have any Director's emoluments for the fiscal year ended 31 March 2023.

As at the Latest Practicable Date, Ms. Deng did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LEUNG Kwan Yuen Andrew (“**Mr. Leung**”), *GBM, GBS, JP*, aged 72, has been an Independent Non-Executive Director since 4 September 2009. He has more than 43 years of management experience in the textile manufacturing, wholesale and distribution businesses. Mr. Leung was elected as the President of the Sixth and Seventh Legislative Council of Hong Kong and a member of the Industrial (First) Functional Constituency of the Legislative Council of Hong Kong, he is also a member of the Thirteen National Committee of the Chinese People's Political Consultative Conference. Mr. Leung is currently the honorary chairman of Textile Council of Hong Kong, the honorary president of the Federation of Hong Kong Industries, a fellow member of the Textiles Institute as well as the Clothing and Footwear Institute in the United Kingdom. He was a council member of the Hong Kong Trade Development Council. In addition, Mr. Leung is an independent non-executive director of Wharf Real Estate Investment Company Limited (stock code: 1997) and Dah Sing Financial Holdings Limited (stock code: 440), both are companies listed on the Main Board of The Hong Kong Stock Exchange.

Mr. Leung has served as an Independent Non-Executive Director of the Company for more than 9 years since 4 September 2009. During his years of services, Mr. Leung has demonstrated his ability to provide independent view to the Company's matter. Notwithstanding his years of services as Independent Non-Executive Director, the Nomination Committee and the Board are of the view that Mr. Leung is able to continue to fulfill his role as required and thus recommends him for re-election as Independent Non-Executive Director at the AGM.

Save as disclosed herein, Mr. Leung does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Mr. Leung has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month's notice in writing served on the other party. Currently, Mr. Leung is entitled to a director's remuneration of HK\$380,000 per annum, subject to annual review by the remuneration committee and the Board.

For the fiscal year ended 31 March 2023, Mr. Leung received the Directors' emoluments in the total sum of HK\$380,000 (Note (A)). The remuneration is determined in accordance with the Company's policy on Directors' remuneration and with reference to comparable market conditions.

As at the Latest Practicable Date, Mr. Leung has the following interests in the Company within the meaning of Part XV of the SFO:

Class of Shares	Number of Shares held under corporate interest	Number of Shares held under personal/family interest	Number of underlying Shares held under equity derivatives	Total	Approximate
					Percentage of the Company's Total number of issued shares
Share Options	–	–	2,000,000 ^(B)	2,000,000	0.02%

Save as disclosed above, Mr. Leung did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

Ms. ZEE Helen (“**Ms. Zee**”), aged 55, has been appointed as an Independent Non-Executive Director of the Company since 6 January 2023. Ms. Zee has almost 20 years of experience in investment banking and corporate finance, and held various senior positions including Deputy Chief Executive and Managing Director in Haitong International Capital Limited from 2013 to 2019. Ms. Zee has vast experiences in public services, she is currently a member of the Mandatory Provident Fund Schemes Advisory Committee, University Grants

Committee and Cyberport Advisory Panel. She is also a member of as well as chairperson of the Investment Committee of the Hong Kong Deposit Protection Board, and a member of the Police Children's Education Trust Investment Advisory Board and the Police Education and Welfare Trust Investment Advisory Board. She was a former member of the Listing Committee of the Main Board and GEM of The Hong Kong Stock Exchange from 2013 to 2019. In addition, Ms. Zee is an independent non-executive director of Henderson Sunlight Asset Management Limited (as the manager of Sunlight Real Estate Investment Trust (stock code: 435), a real estate investment trust listed on The Hong Kong Stock Exchange). Ms. Zee holds a Bachelor of Science, Business Administration degree from University of California, Berkeley, and is a member of the American Institute of Certified Public Accountants.

Save as disclosed herein, Ms. Zee does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Ms. Zee has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month's notice in writing served on the other party. Currently, Ms. Zee is entitled to a director's remuneration of HK\$380,000 per annum, subject to annual review by the remuneration committee and the Board at the end of each fiscal year of the Company.

For the fiscal year ended 31 March 2023, Ms. Zee received the Directors' emoluments in the total sum of approximately HK\$88,000 (Note (A)). The remuneration is determined in accordance with the Company's policy on Directors' remuneration and with reference to comparable market conditions.

As at the Latest Practicable Date, Ms. Zee did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

Dr. LI Xu ("Dr. Li"), aged 48, has been appointed as an Independent Non-Executive Director of the Company since 16 May 2023. He obtained a Bachelor of Economics with a major in International Business Administration from the University of International Business and Economics in 1997. He obtained his Master's degree in Finance from Boston College in 1998 and his Doctor of Philosophy (in Accounting) from Massachusetts Institute of Technology in 2004. Dr. Li joined the School of Business of The University of Hong Kong ("HKU") as an Associate Professor in Accounting in July 2012 and he teaches accounting and finance related

courses and conducts related research there since then. Currently Dr. Li also serves as the Programme Director of the Executive Master of Business Administration (EMBA) Programme offered by the School of Business, HKU. Before joining HKU, Dr. Li worked as an Assistant Professor in Lehigh University from August 2010 to June 2012 and The University of Texas at Dallas from July 2004 to August 2010, respectively. In 1999, he worked as an associate manager in Lucent Technologies, Inc., a strategic information technology consulting firm, where he was primarily responsible for conducting financial analysis. Dr. Li has obtained the Certified Financial Analyst (CFA) qualification from the Association for Investment Management and Research (now known as the CFA Institute) in October 2003. Dr. Li is currently an independent non-executive director of China Tianbao Group Development Company Limited (stock code: 1427), the shares of which are listed on the Main Board of The Hong Kong Stock Exchange, China Kangda Food Company Limited, the shares of which are primarily listed on the Main Board of The Hong Kong Stock Exchange (stock code: 834) and secondarily listed on the Singapore Exchange Securities Trading Limited (stock code: P74) and Pizu Group Holdings Limited, the shares of which are listed on GEM of The Hong Kong Stock Exchange (stock code: 8035).

Save as disclosed herein, Dr. Li does not have any relationship with other directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorship in the past three years in any public companies the securities of which are listed on any securities markets in Hong Kong and overseas.

Dr. Li has entered a letter of appointment with the Company for a specific term of three years, subject to retirement by rotation and re-election at annual general meeting of the Company. The appointment may be terminated by either party for not less than one month's notice in writing served on the other party. Currently, Dr. Li is entitled to a director's remuneration of HK\$380,000 per annum, subject to annual review by the remuneration committee and the Board at the end of each fiscal year of the Company. As Dr. Lee has been appointed as a director with effect from 16 May 2023, therefore, Dr. Li does not have any Director's emoluments for the fiscal year ended 31 March 2023.

As at the Latest Practicable Date, Dr. Li did not have any other interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above and information in this circular, the Board is not aware of any other information that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of the Rule 13.51(2) of the Listing Rules.

* *For identification purpose only*

Notes:

- (A) Unless otherwise defined, details of the Directors' emoluments for the fiscal year ended 31 March 2023 are set out in "Directors' Emoluments" and notes to the financial statements as set out in the Annual Report for the fiscal year ended 31 March 2023. The amount stated in this section represents total cash received or entitled by the respective Directors.
- (B) The relevant interests are share options granted to the respective Directors pursuant to the 2009 Share Option Scheme adopted on 4 September 2009.
- (C) The relevant interests are share options granted to the respective Directors pursuant to the 2019 Share Option Scheme adopted on 13 September 2019.

NOTICE OF ANNUAL GENERAL MEETING



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

(incorporated in Hong Kong with limited liability)

(Stock Code: 1668)

NOTICE IS HEREBY GIVEN that an annual general meeting of China South City Holdings Limited (the “**Company**”) will be held at Kowloon Room, Mezzanine Floor, Kowloon Shangri-La, Hong Kong Hotel, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 22 September 2023 at 2:30 p.m. for the following purposes:

As ordinary business,

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and independent auditor of the Company (the “**Auditor**”) for the year ended 31 March 2023.
2. To declare a final dividend of HK2.0 cents per Share for the year ended 31 March 2023.
3. To re-elect and elect the Directors and to authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
4. To re-appoint Messrs. Ernst & Young as independent auditor and to authorize the Board to fix their remuneration.

To consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions.

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional ordinary shares of the Company and to make or grant offers, agreements and options (including but not limited to bonds,

NOTICE OF ANNUAL GENERAL MEETING

warrants and debentures convertible into Shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including but not limited to bonds, warrants and debentures convertible into ordinary shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of ordinary shares of the Company allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution), (ii) the exercise of the subscription or conversion rights attaching to any warrants, preference shares, convertible bonds or other securities issued by the Company which are convertible into ordinary shares of the Company, (iii) the exercise of options granted by the Company under any share option agreements and/or share option scheme or similar arrangement for the time being adopted for the grant to Directors, employees, officers, agents and/or consultants of the Company and/or any of its subsidiaries and/or other eligible person (if any) of rights to acquire the ordinary shares of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of the ordinary shares of the Company in lieu of the whole or part of a dividend on the ordinary shares in accordance with the new articles of association of the Company (the “**Articles**”), shall not exceed 20% of the aggregate number of ordinary shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held; or
 - (iii) the revocation and variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company (“**Shareholders**”) in general meeting, and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of ordinary shares open for a period fixed by the Company (or by the Directors) to holders of ordinary shares on the Register of Members (ordinary shares) of the Company on a fixed record date in proportion to their then holdings of such ordinary shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any authorized regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy-back the ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the ordinary shares of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirement of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of ordinary shares of the Company to be authorized to buy-back by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate number of ordinary shares of the Company in issue as at the date of passing of this resolution; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon the passing of resolutions no. 5 and no. 6 set out in the notice convening this meeting, the aggregate number of ordinary shares of the Company which are brought back by the Company under the authority granted to the Directors as mentioned in the said resolution no. 6 shall be added to the aggregate number of ordinary shares of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the approval in the said resolution no. 5.”

For and on behalf of the Board
China South City Holdings Limited
Li Wenxiong and Cheng Chung Hing
Co-Chairmen

30 August 2023

Notes:

- (1) The register of members of the Company will be closed for the following periods:
- (a) For the purpose of determining shareholders of the Company who are entitled to attend and vote at the AGM to be held on Friday, 22 September 2023, the register of members of the Company will be closed on Tuesday, 19 September 2023 to Friday, 22 September 2023, both days inclusive. In order to qualify for attending and voting at the AGM, Shareholders shall lodge all transfer documents for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 18 September 2023.
 - (b) For the purpose of determining shareholders of the Company who are qualified for the final dividend, the register of members of the Company will be closed on Thursday, 28 September 2023 to Wednesday, 4 October 2023, both days inclusive. The ex-dividend date will be on Tuesday, 26 September 2023. In order to qualify for the final dividend, Shareholders shall lodge all transfer documents for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 27 September 2023. The proposed final dividend, subject to the approval of Shareholders at the AGM, will be distributed on or before Friday, 29 December 2023 to shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 4 October 2023.
- (2) A member entitled to attend and vote at the above meeting convened by the above notice, is entitled to appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (3) A form of proxy for the meeting is enclosed. The form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time for holding meeting or adjourned meeting thereof, and in defaults the form of proxy shall not be treated as valid.
- (4) Completion and return of the form of proxy will not preclude members from attending and voting in person at the above meeting or any adjourned meeting thereof should they so wish. In such case, such form of proxy shall be deemed to be revoked.
- (5) Where there are joint holders of any Shares, the vote of the senior who tenders a vote whether is person, or by proxy, shall be accepted to the exclusion of the votes of other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company.