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Inside Information Profit Warning

This announcement is made by the board of directors (the “**Board**”) of China South City Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”), investors and potential investors (collectively, the “**Other Investors**”) that, based on the preliminary assessment of the Group's unaudited management accounts for the six month months ended 30 September 2023 (the “**1H FY2023/24**”) and other information currently available, the Group is expected to suffer a loss of approximately HK\$600 million in the 1H FY2023/24. The expected loss is mainly due to: (i) weak macro market performance leading to a decrease in rental income; (ii) fair value losses on investment properties; (iii) increased financing costs; (iv) increased selling expenses to speed up inventory destocking; and (v) increased property management service fee.

The information contained in this announcement is only based on the preliminary assessment of the Group's unaudited management accounts for the 1H FY2023/24 and other information currently available, which has not been audited or reviewed by the auditor or the Audit Committee of the Company, and it could be subject to further adjustments or revisions. The Company's results announcement for the 1H FY2023/24 is expected to be published no later than 30 November 2023. Shareholders and other investors should read it carefully.

Shareholders and Other Investors are advised to exercise caution when dealing in the securities of the Company, avoid undue reliance on such information, and to seek professional advice from their own professional or financial advisers when in doubt.

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

24 November 2023

As at the date of this announcement, the Co-Chairmen of the Company are Mr. Li Wenxiong (Non-Executive Director) and Mr. Cheng Chung Hing (Executive Director); the Executive Directors of the Company are Ms. Geng Mei, Mr. Wan Hongtao, Mr. Qin Wenzhong and Ms. Cheng Ka Man Carman; the Non-Executive Directors of the Company are Mr. Fung Sing Hong Stephen, Ms. Shen Lifeng, Ms. Li Aihua and Ms. Deng Jin; and the Independent Non-Executive Directors of the Company are Mr. Leung Kwan Yuen Andrew, GBM, GBS, JP, Mr. Li Wai Keung, Mr. Hui Chiu Chung, JP, Ms. Zee Helen and Dr. Li Xu.