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*This press release contains forward-looking statements regarding future events. Such forward-looking statements are not guarantees of future performance of China South City Holdings Limited and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in such forward-looking statements.*

## **For immediate release**



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

*Incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance*

# **China South City Holdings Limited Hong Kong Public Offer Over 33 Times Oversubscribed**

**Offer Price set at HK\$2.10 per Offer Share  
Trading debut on September 30**

HONG KONG, 28 September 2009 – **China South City Holdings Limited** (“China South City” or the “Group”; SEHK Stock Code: 1668), one of the leading developers and operators of large-scale, integrated logistics and trade centers in the PRC, has received more than 33 times over-subscription in the Hong Kong Public Offer.

The Offer Price of its Global Offering has been set at HK\$2.10 per Offer Share, the top end of the indicative price range. The amount of the net proceeds from the Global Offering before the exercise of the over-allotment option is approximately HK\$2,916 million.

China South City offers a total of 1,500,000,000 new shares under the Global Offering (excluding the Shares that may be allotted and issued under the over-allotment option). The over-subscription in the Hong Kong Public Offer has triggered a claw-back mechanism to increase the total number of the Hong Kong Public Offer shares to 450,000,000 Shares, representing 30 percent of the total number of shares under the Global Offering. The remaining 1,050,000,000 shares will be allotted to selected professional, institutional and private investors under the International Placing.

Results of allocations and the number of the Hong Kong Public Offer shares successfully applied for will be available on the results of allocation website of Computershare at <http://www.iporesults.com.hk> on a 24-hour basis from 8:00am on 29 September, 2009 (Tuesday) to 12:00 midnight on 5 October, 2009 (Monday), and the website of the Hong Kong Stock Exchange at <http://www.hkex.com.hk> at 9:00am on 29 September, 2009 (Tuesday). Basis of allocation of the Hong Kong Public Offer shares will be published in the South China Morning

Post and Hong Kong Economic Times on 29 September, 2009 (Tuesday).

Trading of the Shares on the Main Board of the Hong Kong Stock Exchange is expected to commence on 30 September, 2009 (Wednesday) under the stock code "1668". Shares will be traded in board lots of 2,000 shares.

Bank of America Merrill Lynch is the Sole Sponsor and Sole Global Coordinator of this transaction. Bank of America Merrill Lynch and BOCI Asia Limited are the Joint Bookrunners and Joint Lead Managers of this transaction.

China South City currently operates one integrated logistics and trade center platform in Shenzhen ("China South City Shenzhen"), which provides domestic and international suppliers, manufacturers and distributors of raw materials and finished goods with superior facilities and an integrated platform to display and sell their products. The Group has also identified two new sites for similar centers planned for future development in Nanchang, Jiangxi Province and Nanning, Guangxi Zhuang Autonomous Region.

China South City has enjoyed strong growth in rental income and profits in the past three fiscal years. In just five years since operation, Phase 1 of China South City Shenzhen has attracted approximately 2,100 occupants and achieved an occupancy rate of approximately 81.6%. The Group's rental income grew from approximately HK\$40.0 million for the fiscal year 2007 to approximately HK\$100.2 million in 2009, representing a CAGR (compound annual growth rate) of around 58%, while profit increased at a CAGR of about 108% to approximately HK\$753.6 million in 2009.

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