

[For immediate release]



世纪阳光

世紀陽光集團控股有限公司
 CENTURY SUNSHINE GROUP HOLDINGS LIMITED

Century Sunshine Announces 1Q 2014 Results Outstanding Results of Two Core Businesses

- Revenue of Rare Earth Magnesium Alloys surges by 49.1%
- Revenue of Organic Fertilisers surges by 53.5%
- Overall gross profit margin increases by 2.8pp to 32.2%

(Hong Kong, 28 May 2014) **Century Sunshine Group Holdings Limited** (Stock code: 509.HK, the “Company”, together with its subsidiaries, collectively referred to as the “Group”), today is delighted to announce the unaudited operational data of the Group’s two core businesses (magnesium products and fertilisers) for the three months ended 31 March 2014 (the “Period”). The two cores accounted for over 94% of the Group’s overall revenue for the Period.

Magnesium Product Business

| | For the three months ended 31 March 2014 | For the three months ended 31 March 2013 | Change |
|------------------------------------|---|--|--------|
| Rare earth magnesium alloys | | | |
| Sales volume (tonnes) | 1,670 | 1,116 | +49.6% |
| ASP (HK\$/tonne) | 39,359 | 39,496 | -0.3% |
| Revenue (HK\$'000) | 65,714 | 44,078 | +49.1% |
| Gross margin | 38.4% | 38.2% | +0.2pp |
| | | | |
| Basic magnesium products | | | |
| Sales volume (tonnes) | 1,843 | 1,347 | +36.8% |
| ASP (HK\$/tonne) | 18,901 | 20,744 | -8.9% |
| Revenue (HK\$'000) | 34,833 | 27,942 | +24.6% |

| | | | |
|--------------------------|---------|--------|--------|
| Gross margin | 14.6% | 21.6% | -7.0pp |
| | | | |
| Total revenue (HK\$'000) | 100,547 | 72,020 | +39.6% |

Fertiliser Business

| | For the three months ended 31 March 2014 | For the three months ended 31 March 2013 | Change |
|-----------------------------|--|--|--------|
| Compound fertilisers | | | |
| Sales volume (tonnes) | 79,727 | 60,557 | +31.7% |
| ASP (HK\$/tonne) | 2,428 | 2,703 | -10.2% |
| Revenue (HK\$'000) | 193,607 | 163,686 | +18.3% |
| Gross margin | 23.5% | 21.5% | +2.0pp |
| | | | |
| Organic fertilisers | | | |
| Sales volume (tonnes) | 34,108 | 26,028 | +31.0% |
| ASP (HK\$/tonne) | 2,114 | 1,804 | +17.2% |
| Revenue (HK\$'000) | 72,104 | 46,955 | +53.5% |
| Gross margin | 38.1% | 37.4% | +0.7pp |
| | | | |
| Total revenue (HK\$'000) | 265,711 | 210,641 | +26.1% |

The Group continued to achieve outstanding operating results in the first quarter of 2014 and has seen continuous rapid growth in its business scale. During the period, sales volumes for all major products reported remarkable improvement, resulting in overall revenue growth. Total segment revenue of magnesium products and fertilisers rose 39.6% and 26.1% respectively. In particular, segment revenue of rare earth magnesium alloys and organic fertilisers rose 49.1% and 53.5% respectively. The Group's overall gross profit margin increased 2.8 percentage points to 32.2% (2013: 29.4%).

Mr Chi Wen Fu, Chairman and CEO of the Group said, "The satisfactory results of the Group's two core businesses during the period were mainly driven by our successful product differentiation strategy. The Group's ongoing commitment to advanced technology has enabled our highly differentiated products to outperform the market amid fierce competition, and thus created higher entry barriers that discourage new rivals. The Group will continue to stress technological innovation and product enhancement, in order to secure our market leadership and strengthen competitive

edge against competitors.”

Commenting on the remainder of the current financial year, Mr Chi added, “Aligning with objectives of China’s recent economic reforms and the government’s emphasis on ‘Green’ issues such as ecological protection, energy saving and economic sustainability, the Group’s ecological fertilisers business contributes to China’s environmental protection and sustainable development. Furthermore, magnesium alloys, one of the lightest engineering materials, are expected to play an important role in China’s energy saving campaign and environmental economics. Aiming to capture business opportunities arising from economic reforms, the Group will continue to invest in advanced technologies and optimise our product mix to further expand market share, while also maximising growth and profitability in order to create value for our shareholders.”

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About Century Sunshine Group Holdings Limited (Hong Kong Stock Code: 00509)

Century Sunshine and its subsidiaries engage in vertically integrated business activities including R&D, production, and distribution of magnesium alloys and ecological fertilizers. The Group was listed on the GEM Board on 17 February 2004 then was transferred to the Main Board on 1 August 2008. Ordinary shares of the Company is listed on the Hong Kong Stock Exchange, trading ticker is 0509.

For more information, please visit the Company’s website:
<http://www.centurysunshine.com.hk/en/index.php>.

Issued by **Financial PR (HK) Limited** for and on behalf of Century Sunshine Group Holdings Limited

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