



世纪阳光

世紀陽光集團控股有限公司

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

## Century Sunshine Announces 3Q 2015 Results Steady Growth of Two Core Businesses Proactive Market Position Enhancement through Capacity Expansion

- Magnesium product and fertiliser businesses posted revenue growth of 15.4% and 28.9% respectively
- Gross margin for magnesium products rose 1.5 ppt to 34.3%
- Acquired magnesium product manufacturer in Xinjiang and boosted fertiliser production line in Jiangxi to achieve extensive capacity expansion

(Hong Kong, 18 November, 2015) **Century Sunshine Group Holdings Limited** (Stock code: 00509.HK, “Century Sunshine”, 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 for the nine months ended 30 September 2015 (the “Period”).

|                                   | For the nine<br>months ended<br>30 September 2015 | For the nine<br>months ended<br>30 September 2014 | Change  |
|-----------------------------------|---|---|---------|
| <b>Magnesium Product Business</b> |   |   |         |
| Sales volume (tonnes)             | 18,276  | 16,490  | +10.8%  |
| ASP (HK\$/tonne)                  | 31,879  | 30,046  | +6.1%   |
| Revenue (HK\$'000)                | 600,918   | 520,621   | +15.4%  |
| Gross margin                      | 34.3%   | 32.8%   | +1.5ppt |
|                                   |   |   |         |
| <b>Fertiliser Business</b>        |   |   |         |
| Sales volume (tonnes)             | 490,827   | 397,314   | +23.5%  |
| ASP (HK\$/tonne)                  | 2,417   | 2,319   | +4.3%   |
| Revenue (HK\$'000)                | 1,187,805   | 921,751   | +28.9%  |
| Gross margin                      | 27.5%   | 27.4%   | +0.1ppt |
|                                   |   |   |         |
| Gross margin of the Group         | 31.4%   | 32.4  | -1.0ppt |

The overall profits grew steadily during the third quarter of 2015, driven by dual growth in sales volume and revenue. During the period, the Group further optimised its product mix and maintained high gross margin through increasing the proportion of high-margin products. Total segment revenue for magnesium products and fertilisers businesses rose 15.4% and 28.9% respectively.

During the third quarter, the Group announced to acquire a land parcel with a site area of approximately 800 mu located at Ruichang City, Jiangxi Province to build a production line for fertiliser with an annual production capacity of 1,400,000 tonnes and its self-owned cargo handling terminal. Leveraging on the convenient land and water transportation network of Ruichang City, as well as the low transportation cost of raw materials and products, the Group will proactively expand its sales network to enhance the market coverage of its products and at the same time enhance the overall operation efficiency.

In addition, Group Sense (International) Limited (Stock code: 00601.HK, "Group Sense"), the Group's subsidiary, announced the acquisition of a magnesium product manufacturer in Xinjiang, who is principally engaged in the production and distribution of magnesium ingot and semi coke. Its production capacity comprises 60,000 tonnes of magnesium ingot, 1,200,000 tonnes of semi coke and 100,000 tonnes of ferroalloy per annum, and its two established major production lines, being the processing and production of magnesium ingot and semi coke have production capacity of 15,000 tonnes per annum and 900,000 tonnes per annum respectively. After the completion of the acquisition, the overall magnesium production capacity of the Group (including Group Sense) is estimated to reach 135,000 tonnes, so as to further realise the goal of becoming one of the largest corporations in the magnesium market. The acquisition serves as a milestone of the Group in strengthening its magnesium business amid the fast-moving market.

**Mr Chi Wen Fu, Chairman of the Group** said, "With the concerted efforts of the members of the Group, we maintained steady growth of both core businesses during the third quarter of 2015. In view of the government's strategic planning in energy conservation, emissions reduction and the trend toward more lightweight products, there would be tremendous opportunities ahead in the magnesium industry. On the other hand, the government's emphasis on environmental protection and green agricultural policies also provides favourable business environment for ecological fertilisers. Capitalising on its advantages in patented technologies and favourable market position, the Group will seize opportunities to further expand its production capacity in both magnesium and fertiliser businesses, aiming to become a vertically integrated and environmentally friendly provider of magnesium alloys and ecological fertilisers in the Asia-Pacific as well as further enhancing its market position."

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**About Century Sunshine Group Holdings Limited (Stock Code: 509.HK)**

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 00509.

In Feb 2015, the Group announced to acquire Group Sense (International) Limited (00601.HK), currently holding increased to 51.88%.

For more information, please visit the Company's website:

<http://www.centurysunshine.com.hk>

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

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