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世紀陽光

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

(Stock code: 509.HK)

## Announces 1Q 2016 Results

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**Steady growth of sales volume for fertiliser and magnesium product businesses**

**Commencement of production for Xinjiang production line  
Marks further expansion of magnesium business**

- Sales volume of magnesium product and fertiliser businesses posted growth of 31.9% and 10.7% respectively
- Revenue of magnesium product business rose 9.9%
- Successful commencement of production for Xinjiang production line drove rapid expansion of magnesium product business

### Results Highlights

For the three months ended 31 March	2016	2015	Change
<b>Magnesium Product Business</b>			
Sales volume (tonnes)	5,083	3,855	31.9%
ASP (HK\$/tonne)	24,424	29,303	-16.7%
Revenue (HK\$'000)	124,138	112,959	9.9%
Gross margin	29.2%	30.9%	-1.7ppt
<b>Fertiliser Business</b>			
Sales volume (tonnes)	140,809	127,147	10.7%
ASP (HK\$/tonne)	2,123	2,431	-12.7%
Revenue (HK\$'000)	298,911	309,156	-3.3%
Gross margin	26.5%	27.0%	-0.5ppt
Gross margin of the Group	28.7%	30.2%	-1.5ppt

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(Hong Kong, 16 June, 2016) **Century Sunshine Group Holdings Limited** (“Century Sunshine” or the “Company”, stock code: 509.HK, or together with its subsidiaries collectively referred to as the “Group”), is pleased to announce the unaudited operational data of the Group’s two core businesses for the three months ended 31 March 2016 (the “Period”).

The sales volume of fertilizer and magnesium products both grew steadily during 1Q 2016. The average selling price of the two core businesses have decreased, mainly due to the market price fluctuation of particular low-end products and the exchange depreciation of RMB against HKD, the overall gross profit of the Group adjusted slightly to 28.7%. During the Period, the Group strived to maintain and improve the sales of higher gross margin products in order to maintain its profit margin at an above average level in the industry amid the economic slowdown and intense market competition.

In terms of fertiliser business, the Group plans to build a fertiliser production base with an annual capacity of 1.4 million tonnes in Ruichang City, Jiangxi Province. The first phase with an annual capacity of 800,000 tonnes is expected to be completed in 2018, while the second phase with an annual capacity of 600,000 tonnes is expected to be completed in 2019. In the meantime, the Groups’ production base in Jiangsu Province has completed 300,000 tonnes fertiliser capacity expansion through technology upgrade of existing production facilities, the annual capacity is expected to reach 850,000 tonnes in 2016. The overall capacity could reach over 2 million tonnes in the future including the newly expanded production capacity of 1.4 million tonnes at the Jiangxi production base, marks the Group as the leading fertiliser corporation. The Group will continue to proactively seek out appropriate M&A opportunities, so as to further accelerate the rapid growth of its fertiliser business.

Moreover, there are two established production lines in Xinjiang owned by Group Sense (International) Limited (Stock Code: 601.HK), the subsidiary of the Group, with annual production capacities of 15,000 tonnes of magnesium ingot and 600,000 tonnes of semi-coke. Among which, the magnesium production line successfully commenced production after trial runs in the 1Q 2016. The Xinjiang production base of magnesium owned by Group Sense has a planned capacity of 100,000 tonnes and it is expected that the total production capacity of magnesium will reach 175,000 tonnes in the future after completion of its expansion, which facilitates the Group to becoming the leader in the global magnesium industry.

**Mr Chi Wen Fu, Chairman of the Group** said, “Despite the influence of price fluctuation of raw material and exchange depreciation, we were still able to maintain a steady development of our two core businesses during the 1Q 2016. As an industry leader of differentiated fertiliser and rare earth magnesium, through capitalising on our advantages in patented technologies and market niche, we will continue to position ourselves in the forefront of the industry and seize opportunities for stronger growth of our magnesium business. In the meantime, we

strive to seize the favorable opportunity of agricultural modernisation supported by the government, to further expand our production capacity in fertiliser business, aiming to become a vertically integrated and environmentally friendly provider of magnesium alloys and ecological fertilisers in the Asia-Pacific region in order to further enhance our 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 Main Board of the Hong Kong Stock Exchange on 1 August 2008 with stock code of 509.HK. In February 2015, the Group successfully acquired Group Sense (International) Limited (601.HK), currently holding approximately 51.88% shares.

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

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