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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)

Hongri Acron's production line resumes production officially

To further accelerate the growth of fertiliser business to the national forefront

(Hong Kong, 18 August, 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"), announced after market closed on 3 August 2016 that the Group has entered into an acquisition agreement to proceed with a proposed acquisition of 50.5% equity interest in Shandong Hongri Acron Chemical Joint Stock Company Ltd. ("Hongri Acron"), a renowned compound fertiliser manufacturer in the PRC. Today, Hongri Acron held a ceremony of resumption of production line at Hongri Acron's headquarter in Linyi City, Shandong Province. Senior management of the Group and Hongri Acron as well as the customers, distributors, local government officials and industry leaders with approximately 1,200 participants attended the ceremony.

Hongri Acron's plant and production facilities are located at Linyi City, Shandong Province, the PRC, with total area of approximately 632,000 square metres, with 9 major production lines mainly for the processing and production of compound fertilizers in total with an aggregate annual production capacity of approximately 820,000 tonnes. It is expected to resume 6 production lines in 2016 and expected to resume the remaining 3 production lines by 2017, in order to procure the full production operating target. Upon completion of the acquisition, the Group is expected to bring in revenue contribution to fertilizer business. The Group aims to develop its fertilizer business to the national forefront. Therefore, the Group has been actively expanding its production scale and the annual capacity is expected to reach 850,000 tonnes in 2016 through technology upgrade of existing production capacities. The Group also intends to build a new production line with annual capacity of 1.4 million tonnes on its newly acquired land in Ruichang City, Jiangxi Province, to further expand the total production capacity of fertilizer business.

Hongri Acron experienced half a century of development milestone, is one of the leading compound fertilizer manufacturers with glorious history. In China's fertilizer industry, Hongri

Acron is the inventor of sulfur compound fertilizer technology and the leader of sulfur compound fertilizer industry, which have given extraordinary contribution to the development and innovation of fertilizer industry in China, as well as a precedent of technology revolution for China's fertilizer industry which recorded a new chapter for Chinese fertilizer development history. It has become an iconic corporation with potassium sulfate compound fertilizer technology in China. Hongri Acron has strong and experienced technical team in fertilizer production and R&D, and it possessed a total of 5 self-invented patents in relation to the fertilizer production technology. Hongri Acron has extensive industry experience, strong product portfolio and vast market network, and its premium products and popular brands Yangyangtian (艷陽天) and Dongfanghong (東方紅) received wide recognition within PRC fertilizer industry, grew popularity and followers amongst consumers. Hongri Acron with sound production facilities, extensive distribution network, it ranked 375th among China Top 500 Chemical Industrial Enterprises in 2016 and ranked 75th among China Top 100 Fertilizer Corporations in 2015.

Mr. Chi Wen Fu, Chairman of the Group said, "As our vision is to continue to enhance the growth of fertiliser business, we are pleased to have an opportunity to build a centennial enterprise with Hongri Acron, the sound compound fertiliser player. Given Hongri Acron's solid foundation and boundless creditability, upon the completion of Hongri Acron's acquisition, it is expected to enhance interaction and achieve synergies by integrating technologies, markets and products of the Group's existing production bases in Jiangsu and Jiangxi province, as to expand its market footprints covering northern, central and southern China, further enhance its corporate values and rapidly expand the Group's business and accelerate the growth of fertilizer business."



Hongri Acron held a ceremony of resumption of production line at its headquarter in Linyi City, Shandong Province



Senior management of the Century Sunshine and Hongri Acron as well as the customers, distributors and, local government officials and industry leaders with approximately 1,200 participants have attended the ceremony

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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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