

[For Immediate Release]



世纪阳光

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

(Stock code: 509)

Century Sunshine Announces a Sales and Purchase Agreement of a Possible Reorganisation of Magnesium Business

(Hong Kong, 1 Sept, 2017) **Century Sunshine Group Holdings Limited** ("Century Sunshine" or the "Company", stock code: 0509.HK, or together with its subsidiaries collectively referred to as the "Group"), announces a sales and purchase agreement with Group Sense (International) Limited ("GSIL", stock code: 601), regarding a possible disposal of Century Sunshine's interests in China Rare Earth Magnesium Technology Holdings Limited ("China Rare Earth") and its magnesium business to GSIL ("the Transaction"). The possible Transaction transfers Century Sunshine's interests in the magnesium business to GSIL.

Total consideration of the 100% interests in China Rare Earth is HK\$1,900,000,000, of which HK\$1,480,000,000 is to be settled by GSIL by the issue of 3,700,000,000 GSIL shares at HK\$0.4 per share and (ii) issue of convertible bond of HK\$420,000,000 by GSIL.

Upon completion of the possible reorganisation, the magnesium business of Century Sunshine held by China Rare Earth is to be transferred to GSIL, so that all of Century Sunshine's interests in its magnesium business will be held through GSIL to allow better delineation of the businesses of Century Sunshine and GSIL. Century Sunshine will engage in fertiliser business, while GSIL will mainly engage in magnesium business, with production bases in Jilin Province and Xinjiang.

Mr. Chi Wen Fu, Chairman of the Board said, "The reorganisation is a milestone of our Group. We have strived to develop the two core businesses and place ourselves at the forefront of the fields. The reorganisation signals that a growing business is now flourishing on a separate listing platform and the business potential maximized. Going forward, we will expand the two core businesses under two listing arms and each valuation will be truly reflected."

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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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