世纪阳光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED
世紀陽光生態科技控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8276)

ANNOUNCEMENT
ACQUISITION OF LAND IN FUJIAN PROVINCE, THE PRC

The Directors are pleased to announce that Century Sunshine Ecological Technology Ltd., a wholly-owned subsidiary of the Company (as the Purchaser), had entered into the Acquisition Agreement with the Administrative Commission of Yunling Industrial Development Zone of Yunxiao County, Fujian Province (as the Vendor) to purchase the Acquisition Asset for a cash consideration of approximately RMB7,372,000 on 29 October 2005.

The Directors, having made all reasonable enquiries, confirmed that, to the best of their knowledge and belief, the Vendor and its ultimate beneficial owner are independent third party and are not connected with the Company, the Directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

The Acquisition does not constitute a notifiable transaction under the GEM Listing Rules. However, the Directors consider that the Acquisition represents a major business development of the Company and thus wish to disclose the relevant information to the shareholders of the Company in this announcement.

THE ACQUISITION AGREEMENT

Date:	29 October 2005
Purchaser:	Century Sunshine Ecological Technology Ltd.
Vendor:	The Administrative Commission of Yunling Industrial Development Zone of Yunxiao County, Fujian province, which is one of the authorized and official authority to grant land in Yunxiao county, Fujian province, the PRC

The Directors, having made all reasonable enquiries, confirmed that, to the best of their knowledge and belief, the Vendor and its ultimate beneficial owner are independent third party and are not connected with the Company, the Directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

Acquisition Asset:	A parcel of land located at 雲霄縣雲陵工業開發區內國道324線東側 (the eastern side of the State-highway No. 324, Yunling Industrial Development Zone of Yunxiao County, Fujian province, the PRC) granted by the Vendor, with a site area of approximately 126,700 square meters.
Consideration:	Cash consideration of approximately RMB7,372,000 is to be settled in three installments: the first installment of RMB1,000,000 is to be made within seven days from the date of signing the Acquisition Agreement; the second installment of RMB5,000,000 is to be made within seven days from the date of issuance by the Vendor the land use red-line diagram; and the final installment is to be made within 10 days from the date of obtaining from the Vendor the land use rights certificate of the Acquisition Asset.

The Directors confirm that the consideration of RMB7,372,000 of the Acquisition was determined after arm's length negotiations between the parties to the Acquisition Agreement on normal commercial terms and with reference to the market prices of land in the vicinity. The Directors consider that the terms of the Acquisition are fair and reasonable and the Acquisition are in the best interests of the shareholders of the Company as a whole.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the research and development, production and sale of microbial compound fertilizer, organic fertilizer and organic compound fertilizer products in the PRC.

As set out in the Company's announcement for the 2005 unaudited interim results, turnover and profit attributable to shareholders of the Group for the six months ended 30 June 2005 amounted to RMB62,934,000 and RMB20,480,000 respectively, representing an increase of 82% and 88% respectively from the same period last year. The significant increase in turnover was primarily attributable to the continued rise in demand for the Group's products. Following the commencement of operation of the Jiangxi plant in May 2005, the Group's total annual production capacity of organic fertilizers increased significantly by 100,000 tonnes to 150,000 tonnes. The Directors are of the view that the demand for organic fertilizer products in the PRC will remain strong in the foreseeable future. The Group's current production capacity will not be enough to satisfy the market demand. As such it is necessary for the Group to acquire land for future capacity expansion.

The Group plans to build new production facilities on the Acquisition Asset with a total annual capacity of 400,000 tonnes of organic fertilizers. These facilities will be built in two phases: phase I is expected to be completed by December 2006 with an annual production capacity of 200,000 tonnes and phase II is expected to be completed by December 2007 with an annual production capacity of 200,000 tonnes. The construction of new production facilities on the Acquisition Asset to produce organic fertilizers is the principal activity and in the ordinary and usual course of business of the Company. The Directors consider that it does not constitute a notifiable transaction under the GEM Listing Rules.

The Acquisition Asset is located in South-western Fujian province. This strategic location will allow the Group not only to cover the southern Fujian market, but also to penetrate into the nearby Guangdong province.

The Acquisition will be financed by the Group's internal cash resources. The Directors confirm that taking into account payment for the consideration of the Acquisition, the Group will have sufficient working capital for the operation of its business.

GENERAL

The Acquisition does not constitute a notifiable transaction under the GEM Listing Rules. However, the Directors consider the Acquisition represents a major business development of the Company and thus wish to disclose the relevant information to the shareholders of the Company in this announcement.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

"Acquisition"	the acquisition of the Acquisition Asset by the Purchaser from the Vendor pursuant to the Acquisition Agreement
"Acquisition Agreement"	the agreement entered into between the Purchaser and the Vendor on 29 October 2005 in relation to the Acquisition
"Acquisition Asset"	a parcel of land to be acquired by the Purchaser from the Vendor, details of which are set out in the Acquisition Agreement
"Board"	the board of Directors
"Company"	Century Sunshine Ecological Technology Holdings Limited, a company incorporated in Cayman Islands with limited liability and the shares of which are listed on the Growth Enterprise Market of the Stock Exchange
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	The Rules Governing the Listing of Securities on GEM
"Purchaser"	Century Sunshine Ecological Technology Ltd., a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Vendor"	福建省雲霄縣雲陵工業開發區管委會 (The Administrative Commission of Yunling Industrial Development Zone, Yunxiao County, Fujian Province)

By order of the Board
Shum Sai Chit
Executive Director

Hong Kong, 31 October 2005

As at the date hereof, the executive Directors of the Company are Mr. Chi Wen Fu, Mr. Shum Sai Chit and Mr. Zhou Xing Dun; the non-executive Directors are Ms. Zou Li, Ms. Wong May Yuk and Mr. Wu Wen Jing, Benjamin and the independent non-executive Directors are Mr. Shen Yi Min, Mr. Cheung Sound Poon and Mr. Kwong Ping Man.

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the "Latest Company Announcement" page for at least 7 days from the date of its posting.