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

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 509)**

## CLARIFICATION ANNOUNCEMENT

This announcement relates to an article published on Ta Kung Pao (大公報) on 23 July 2012 (the "**Article**") alleging Century Sunshine Group Holdings Limited (the "**Company**") and its subsidiaries (together, the "**Group**") for exaggerating the revenue of the Group deriving from its organic fertiliser business.

The Company would like to make the following clarifications in response to the Article:

(1) Green Land Bio-Products Company Limited (福建省尤溪縣綠地生物製品有限公司) ("**Green Land**") is the first enterprise established by the Group to engage in production. As its production scale was small and there was little room for development, its production was suspended in October 2008. Part of its production facilities was moved to the production base in Jiangxi so as to expand the production capacity there. 世紀陽光(福建)農業科技發展有限公司 ("**Fujian Agricultural Technology**") was originally engaged in the research and development of fertilisers for the Group as well as the distribution of some products for the Group. After the establishment of the Group's Jiangsu production base, the focus of the Group's fertiliser business and product development was shifted to the production base in Jiangsu and Fujian Agricultural Technology has suspended its business since December 2008. The two companies mentioned above, namely Green Land and Fujian Agricultural Technology, have not contributed to the revenue of the Group since 2009;

(2) In the past 3 years, the Group has devoted a lot of resources and through its own research and development, Jiangsu Azureblue Technology Development Company Limited (江蘇湛藍科技開發有限公司) successfully developed new products and production technology. And, silicon magnesium fertilisers and organic fertilisers were produced and launched to the markets by the Group in March 2012 and July 2012 respectively. Furthermore, as there was insufficient supply of raw materials for production, Century Sunshine (Nan Ping) Biology Engineering Company Limited (世紀陽光(南平)生物工程有限公司) ("**Nan Ping Biology Engineering**") had suspended its production since 20 April 2012. Part of its production facilities was then moved to production base in Jiangsu to expand production capacity there.

(3) As disclosed in 2011 annual report of the Company, for the year ended 31 December 2011, the revenue of the Group from the sales of organic fertilisers amounted to approximately HK$141,882,000. The said amount was attributable to the sales of organic fertilisers by Century Sunshine (Jiangxi) Ecological Technology Limited (世紀陽光(江西)生態科技有限公司) and Nan Ping Biology Engineering;

(4) the financial statements of each subsidiary of the Company have been submitted to the Group's auditors in Hong Kong for audit; the auditors of the Company in Hong Kong has issued an unqualified auditors' report in respect of the Company's state of affairs in the year 2011. In the opinion of the auditors, the consolidated financial statements of the Group as set out in the 2011 annual report of the Company give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

The Company advises its shareholders and potential investors to be cautious about the contents of any press reports or articles in relation to the Company which have not been confirmed by the Company.

By order of the Board
**Chi Wen Fu**
*Chairman*

Hong Kong, dated 23 July 2012

*As at the date of this announcement, the directors of the Company are as follows:*

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| *Executive directors:* | Mr. Chi Wen Fu, Mr. Shum Sai Chit and Ms. Chi Bi Fen |
| *Non-executive director:* | Mr. Guo Mengyong |
| *Independent non-executive directors:* | Mr. Kwong Ping Man, Mr. Liu Hoi Keung and Mr. Sheng Hong |