

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

If you are in any doubt as to any aspect about this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand the Prospectus Documents to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Dealings in the Shares and the Offer Shares may be settled through CCASS established and operated by HKSCC. You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or, under contingent situation, such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this prospectus.



世紀陽光

世紀陽光集團控股有限公司

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

**OPEN OFFER OF 1,453,119,268 OFFER SHARES AT
THE SUBSCRIPTION PRICE OF HK\$0.40 EACH
ON THE BASIS OF ONE (1) OFFER SHARE FOR
EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

Financial adviser to the Company



Underwriter of the Open Offer



The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Friday, 22 May 2015. The procedures for application are set out on pages 20 and 21 of this prospectus.

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from on Tuesday, 28, April 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on 4:00 p.m. on Monday, 1, June 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

8 May 2015

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Alpha Sino”	Alpha Sino International Limited, a company incorporated in British Virgin Islands and a Substantial Shareholder of the Company which is owned as to 83.74% of its issued share capital by Mr. Chi, being the chairman and executive Director. It is the beneficial owner of 960,472,728 Shares as at the Latest Practical Date
“Announcements”	the Company’s announcement dated 14 April 2015 in relation to the Open Offer and the resumption of trading and the supplemental announcement of the Company dated 15 April 2015 in relation to the Open Offer
“Application Form”	the form of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the form agreed by the Company and the Underwriter
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Best Equity”	Best Equity Holdings Limited, a company incorporated in British Virgin Islands and a Shareholder which is owned as to 47.17% of its issued share capital by Mr. Yang Yuchuan, being an executive Director. It is the beneficial owner of 236,157,141 Shares as at the Latest Practicable Date
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted or remain hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)

DEFINITIONS

“Company”	Century Sunshine Group Holdings Limited, a company incorporated in Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“Conversion Shares”	based on the conversion price of HK\$1.2 per new Share, an aggregate of 245,833,333 new Shares to be allotted and issued by the Company upon exercise of the conversion rights attaching to the Convertible Bonds as disclosed in the announcement of the Company dated 17 June 2014 and 23 June 2014 respectively
“Convertible Bonds”	the outstanding convertible bonds due 2015 in the total principal amount of HK\$115,000,000 issued by the Company pursuant to the subscription agreement dated 17 June 2014 and the outstanding convertible bonds due 2016 in the total principal amount of HK\$180,000,000 issued by the Company pursuant to a subscription agreement dated 20 June 2014
“Director(s)”	the directors of the Company
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whose address(es) is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties not connected with or acting in concert with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries and their respective associates

DEFINITIONS

“Last Trading Day”	13 April 2015, being the last trading day for the Shares prior to the date of the announcement of the Company dated 14 April 2015 in relation to the Open Offer and the resumption of trading
“Latest Practicable Date”	5 May 2015, being the latest practicable date for ascertaining certain information for inclusion in this prospectus
“Latest Time for Acceptance”	the latest time for acceptance for the Offer Shares at 4:00 p.m., on Friday, 22 May 2015 or such other time as may be agreed between the Company and the Underwriter
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Wednesday, 27 May 2015, being the second Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange operated by the Stock Exchange
“Mr. Chi”	Chi Wen Fu, being the chairman of the Company and executive Director, which owned as to 83.74% of the issued share capital of Alpha Sino. He is the beneficial owner of 1,134,035,155 Shares as at the Latest Practicable Date
“Ms. Lao”	Lao Min, the spouse of Mr. Yang Yuchuan, being the beneficial owner of 23,447,261 Shares as at the Latest Practicable Date
“Offer Shares”	1,453,119,268 new Shares to be allotted and issued pursuant to the Open Offer
“Offer Shares Undertakings”	the irrevocable undertakings given by the Undertaken Shareholders to the Company not to dispose of 1,220,077,130 Shares from the date of the offer share undertakings to and including the Record Date and to procure the acceptance of not less than an aggregate of 388,223,630 Offer Shares under the Open Offer

DEFINITIONS

“Open Offer”	the proposed issue by way of open offer to the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Optionholder Undertakings”	the irrevocable undertakings given by the Undertaken Optionholders to the Company for not exercising the 83,900,000 vested outstanding Options held by them before 30 June 2015
“Options”	the options issued or to be issued under the Share Option Scheme
“Options Shares”	a maximum of 600,000 new Shares to be allotted and issued upon the exercise of all the 600,000 vested outstanding Options (disregarding the 83,900,000 vested outstanding Options held by the Undertaken Optionholders)
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) are outside of Hong Kong
“PRC”	the People’s Republic of China, for the purpose of this prospectus, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus Documents”	this prospectus and the Application Form
“Prospectus Posting Date”	Friday, 8 May 2015, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders (or this prospectus only in case of Excluded Shareholder(s))
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Thursday, 7 May 2015, or such other date as may be agreed between the Company and the Underwriter for determining entitlements to the Open Offer
“Registrar”	Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the Hong Kong branch share registrars of the Company

DEFINITIONS

“Settlement Date”	Monday, 1 June 2015, being the third business day after the Latest Time for Termination, (or such other date as the Company and the Underwriter may agree in writing)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.02 each in share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 3 December 2008
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.40 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed thereto in the Listing Rules
“Takeovers Code”	The Codes of Takeovers and Mergers and Share Buy-backs
“Undertaken Optionholders”	holders of outstanding Options to subscribe for an aggregate of 83,900,000 Shares granted by the Company under the Share Option Scheme who have irrevocably undertaken to the Company that they will not exercise their Options pursuant to the Optionholder Undertakings
“Undertaken Shareholders”	Alpha Sino, Best Equity and Ms. Lao who have irrevocably undertaken to the Company that they will not dispose of an aggregate of 1,220,077,130 Shares and they will procure the acceptance of not less than an aggregate of 338,223,630 Offer Shares pursuant to the Offer Shares Undertakings
“Underwriter”	Shenyin Wanguo Capital (H.K.) Limited, a licensed corporation to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities for the purpose of the SFO
“Underwriting Agreement”	the underwriting agreement dated 14 April 2015 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	1,064,895,638 Offer Shares (excluding the aggregate of 388,223,630 Shares undertaken by the Undertaken Shareholders)

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

Event	(Hong Kong time)
Latest time for acceptance of and payment of Offer Shares.....	4:00 p.m. on Friday, 22 May 2015
Latest time for termination of the Underwriting Agreement by the Underwriter	4:00 p.m. on Wednesday, 27 May 2015
Announcement of results of acceptance of the Offer Shares	Friday, 29 May 2015
Despatch of share certificates for Offer Shares and refund of cheques	Monday, 1 June 2015
Dealings in Offer Shares commence	9:00 a.m. on Tuesday, 2 June 2015

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Friday, 22 May 2015, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Friday, 22 May 2015, the dates mentioned in this section headed “Expected Timetable” in this prospectus may be affected. An announcement will be made by the Company in such event.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter, may, at its sole discretion after reasonable consultation with the Company, terminate the Underwriting Agreement by giving written notice to the Company at any time prior to the Latest Time for Termination if:

- (a) there occurs:
 - (i) the introduction of any new law or any material change in existing laws (or the judicial interpretation thereof);
 - (ii) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic (including any disruption to trading generally or trading in any securities of the Company on any stock exchange, or a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict;
 - (iii) any act of God, fire, flood, explosion, epidemic, earthquake, nuclear or natural disaster, war, act of terrorism, riot, public disorder, civil commotion, strike or lockout; or
 - (iv) any suspension or a material limitation in trading in securities generally on the Stock Exchange, or a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong,

and in the reasonable opinion of the Underwriter, such change could have a material and adverse effect on the business, financial or trading position of the Group as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer;
- (b) the Company commits any material breach of or omits to observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement, which breach or omission could have a material and adverse effect on the business, financial or trading position of the Group as a whole;
- (c) the Underwriter shall receive notification, or shall otherwise become aware of, any material breach of the warranties and the Underwriter shall, in its reasonable opinion, determine that any such breach represents or is likely to represent a material adverse change in the business, financial or trading position of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Open Offer;

TERMINATION OF THE UNDERWRITING AGREEMENT

- (d) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (e) any matter which, had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, would have constituted, in the reasonable opinion of the Underwriter a material omission in the context of the Open Offer and which is likely to have a materially prejudicial effect on the Open Offer.

LETTER FROM THE BOARD



世紀陽光

世紀陽光集團控股有限公司

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

Executive Directors:

Mr. Chi Wen Fu (*Chairman*)

Mr. Shum Sai Chit

Ms. Chi Bi Fen

Mr. Yang Yuchuan

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Mr. Guo Mengyong

Principal place of business

in Hong Kong:

Unit 2605, 26th Floor, Harbour Centre

25 Harbour Road, Wanchai

Hong Kong

Independent Non-executive Directors:

Mr. Kwong Ping Man

Mr. Sheng Hong

Mr. Lau Chi Kit

8 May 2015

To the shareholders of the Company

Dear Sir or Madam,

**OPEN OFFER OF 1,453,119,268 OFFER SHARES AT
THE SUBSCRIPTION PRICE OF HK\$0.40 EACH
ON THE BASIS OF ONE (1) OFFER SHARE FOR
EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

On 14 April 2015, the Company announced that the Company had entered into the Underwriting Agreement which is conditional upon certain conditions as disclosed on pages 19 to 20 and is not subject to the Shareholders' approval.

LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with, among other things, further details of (i) the Open Offer including the procedures for application and payment for the Offer Shares; (ii) the financial information of the Group; and (iii) the general information of the Group.

THE OPEN OFFER

The details of the Open Offer are set out below:

Issue statistics

Basis of the Open Offer	:	One (1) Offer Share for every two (2) existing Shares held on the Record Date
Subscription Price	:	HK\$0.40 per Offer Share
Number of Shares in issue as at the Record Date	:	2,906,238,537 Shares
Number of Offer Shares	:	1,453,119,268 Offer Shares
Number of Offer Shares to be taken up or procure to be taken up by the Undertaken Shareholders pursuant to the Offer Shares Undertakings	:	The Undertaken Shareholders have irrevocably undertaken to the Company to procure the acceptance of not less than 388,223,630 Offer Shares to be allotted to them under their entitlement pursuant to the Open Offer
Number of Offer Shares underwritten by the Underwriter	:	1,064,895,638 Offer Shares; taking into account the Offer Shares Undertakings, the Open Offer is fully underwritten
Number of enlarged Shares in issue upon completion of the Open Offer	:	4,359,357,805 Shares

LETTER FROM THE BOARD

As at the Latest Practicable Date, save for the outstanding 179,600,000 Options to subscribe for an aggregate of 179,600,000 Shares, of which 84,500,000 Shares has a vesting period on or before the Record Date, and the Convertible Bonds, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Each of the Undertaken Optionholders has irrevocably undertaken to the Company not to exercise the 83,900,000 vested outstanding Options held by them before 30 June 2015. Share options outstanding at the Latest Practicable Date have the following exercise price, exercise period and expiry date:

Exercise prices per Share HK\$	Exercise period	Expiry date	Number of Share Options	
			Employees	Directors
0.5	From 1 November 2012 to 31 October 2015	31 October 2015	26,000,000	—
0.5	From 1 November 2012 to 30 December 2017	30 December 2017	30,700,000	56,000,000
0.5	From 1 November 2016 to 30 December 2017	30 December 2017	6,000,000	—
0.8	From 1 November 2013 to 31 October 2015	31 October 2015	15,000,000	—
0.8	From 1 November 2013 to 31 December 2018	31 December 2018	12,400,000	—
1.0	From 1 November 2015 to 31 October 2018	31 October 2018	6,500,000	—
1.0	From 1 November 2015 to 31 October 2020	31 October 2020	7,000,000	20,000,000
			<u>103,600,000</u>	<u>76,000,000</u>

The number of Option Shares and Conversion Shares to be allotted and issued by the Company, the conversion price of the Convertible Bonds and/or the exercise price of the Options may be adjusted as a result of the Open Offer. The Company will publish further announcement(s) for details of the adjustments as and when appropriate.

The aggregate nominal value of the Offer Shares will be HK\$29,062,385.36.

As disclosed in the annual report for the year ended 31 December 2014, the Board recommends the payment of a final dividend for the year ended 31 December 2014 of 0.50 HK cents per Share to the Shareholders whose names appear on the register of

LETTER FROM THE BOARD

members of the Company on Wednesday, 17 June 2015. Assuming no Option Shares or Conversion Shares will be allotted and issued on or before 17 June 2015, after completion of the Open Offer, it is expected that the total final dividend payment of approximately HK\$21.80 million will be paid by the Company.

As disclosed in the announcement dated 26 March 2015 in relation to the proposed bonus issue on the basis of one (1) new bonus Share for every 20 existing Shares, bonus Shares will be issued to the Shareholders whose names appear on the register of members of the Company on Wednesday, 17 June 2015. Upon completion of the Open Offer, it is expected that 217,967,890 new Shares will be issued with a total of 4,577,325,695 Shares in issue as enlarged by the proposed bonus issue. Upon completion of the Open Offer and assuming all of the Option Shares and Conversion Shares are allotted and issued after the Record Date but before 17 June 2015, it is expected that 236,450,390 new Shares will be issued with a total of 4,965,458,193 Shares in issue as enlarged by the proposed bonus issue based on the unadjusted conversion price of the Convertible Bonds and the unadjusted exercise price of the Options.

Irrevocable undertakings given by the Undertaken Shareholders and the Undertaken Optionholders

(1) Offer Shares Undertakings:

As at the Latest Practicable Date, the Undertaken Shareholders are interested in an aggregate of 1,220,077,130 Shares, representing approximately 41.98% of the total issued share capital of the Company. The Undertaken Shareholders have irrevocably undertaken to the Company:

- (a) not to dispose of an aggregate of 1,220,077,130 Shares from the date of the Offer Shares Undertakings up to the Record Date; and
- (b) to procure the acceptance of not less than 388,223,630 Offer Shares to be allotted and issued under their entitlement pursuant to the Open Offer.

(2) Optionholder Undertakings:

As at the Latest Practicable Date, the Undertaken Optionholders, in aggregate hold 83,900,000 vested outstanding Options. Each of the Undertaken Optionholders has irrevocably undertaken to the Company not to exercise the 83,900,000 vested outstanding Options held by them before 30 June 2015.

Subscription Price

The Subscription Price is HK\$0.40 per Offer Share, which will be payable in full upon application.

LETTER FROM THE BOARD

The Subscription Price represents:

- (a) a discount of approximately 47.37% to the closing price of HK\$0.76 per Share as quoted on the Stock Exchange on the day prior to the Last Trading Day;
- (b) a discount of approximately 51.22% to the closing price of HK\$0.82 per Share as quoted on the Stock Exchange on the date of Underwriting Agreement;
- (c) a discount of approximately 37.50% to the theoretical ex-entitlement price of HK\$0.64 based on the closing price of HK\$0.76 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (d) a discount of approximately 44.44% to the average closing price of approximately HK\$0.72 per Share for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a discount of approximately 56.52% to the closing price of HK\$0.92 per Share on the Latest Practicable Date; and
- (f) a discount of approximately 50.62% to the audited net assets per Share of approximately HK\$0.81 as at 31 December 2014 (calculated based on the audited net asset value of the Group of approximately HK\$2,366.64 million as per the annual report of the Group for the year ended 31 December 2014 and 2,906,238,537 Shares in issue as at the Latest Practicable Date).

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, the prevailing market price of the Shares. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date and the terms of the Open Offer, including the Subscription Price which has been set at a discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their entitlements so as to share in the potential growth of the Company, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.39.

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every two (2) existing Shares held on the Record Date, being 1,453,119,268 Offer Shares. Acceptance for all or any part entitlement of a Qualifying Shareholder should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being accepted for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders.

LETTER FROM THE BOARD

To qualify for the Open Offer, the Shareholders must at the close of business on the Record Date (a) be registered on the register of members of the Company; and (b) not being the Excluded Shareholders.

Shareholders whose Share are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable nor capable of renunciation. There will not be any trading in nil-paid entitlement on the Stock Exchange.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. In compliance with the necessary requirements of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders.

According to the register of members of the Company as at the Record Date, there were 3 Overseas Shareholders with registered addresses situated in PRC. Pursuant to Rule 13.36(2)(a) of the Listing Rules (including notes 1 and 2 thereto), the Company has made enquiry with its legal advisers regarding the legal restrictions (if any) under the laws of the relevant jurisdictions and the requirements of the relevant body or the stock exchange in respect of extending the Open Offer to the Overseas Shareholders.

Based on the advice provided by the Company's PRC legal adviser, the Directors are of the view that it is expedient to extend the Open Offer to the Overseas Shareholders in the PRC as there are no legal restrictions prohibiting the making of Open Offer in the PRC and no local legal or regulatory compliance is required to be followed in the PRC. As such, no Shareholder is excluded under the Open Offer.

No person receiving a copy of this prospectus and/or the Application Form in any territory or jurisdiction outside of Hong Kong may treat it as an offer or an invitation to apply for the Offer Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong (including the ultimate beneficial owner(s) of the Qualifying Shareholders) wishing to make an application for the Offer Shares to satisfy himself/herself/itself as to the observance of the laws and regulations of all relevant jurisdiction, including obtaining any government or other consents, and payment of any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the Application Form will constitute a warranty and representation by the relevant applicant(s) to the Company that all registration, legal and regulatory requirements of all relevant territories other than Hong Kong in connection with the acceptance of the Offer Shares have been duly

LETTER FROM THE BOARD

complied with by such applicant(s). For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. If you are in any doubt as to your position, you should consult your professional advisers.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

Ranking of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares in their fully-paid form.

Share certificates for the Offer Shares and refund cheques

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 1 June 2015. If the Open Offer is terminated, refund cheques will be despatched on or before Monday, 1 June 2015 by ordinary post at the respective Shareholders' own risk.

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

Fractions of the Offer Shares

Fractional entitlements to the Offer Shares, if any, will not be issued to the Qualifying Shareholders but will be aggregated and underwritten by the Underwriter.

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with this prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Listing Committee for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

UNDERWRITING AGREEMENT

Date : 14 April 2015 (after trading hours)

Underwriter : Shenyin Wanguo Capital (H.K.) Limited

Number of Offer Shares to be underwritten : 1,064,895,638 Offer Shares; taking into account the Offer Shares Undertakings, the Open Offer is fully underwritten

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties. As at the Latest Practicable Date, the Underwriter is not interested in any Shares.

Under the Underwriting Agreement, the Underwriter shall procure that any subscribers procured by them shall be Independent Third Parties and shall not become Substantial Shareholders immediately after completion of the Open Offer.

As at the Latest Practicable Date, the Underwriter had entered into five sub-underwriting agreements with five individuals or corporate investors (the "Sub-underwriters") for an aggregate sub-underwriting commitment of 1,000,000,000 Offer Shares. Two of the Sub-underwriters, namely Mining Resources Group Limited and Cyber Fund International Limited, have sub-underwriting commitment of 430,000,000 Offer Shares and 270,000,000 Offer Shares, respectively. The remaining three Sub-underwriters have sub-underwriting commitment of 165,000,000 Offer Shares, 100,000,000 Offer Shares, and 35,000,000 Offer Shares, respectively. Each of the Sub-underwriters is an Independent Third Party of and not connected with the Company and its connected persons (as defined in the Listing Rules) and the Underwriter and its associates. Pursuant to such sub-underwriting agreements, (i) the Underwriter may at its absolute discretion call upon these Sub-underwriters to take up a maximum of such number of untaken Offer Shares as specified in the relevant sub-underwriting

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agreements; and (ii) each of the Sub-underwriters and their respective associates will not become a Substantial Shareholder and the public float requirements under Rule 8.08 of the Listing Rules will be complied with immediately after completion of the Open Offer.

Underwriting commission

The Company will pay the Underwriter an underwriting commission of 1.5% of the aggregate Subscription Price in respect of the final Underwritten Shares which is calculated based on (a) the total number of Offer Shares equivalent to 50% of the total number of issued Shares as at the Record Date; less, (b) the aggregate of 388,223,630 Offer Shares undertaken by the Undertaken Shareholders. The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to market rate. The Directors (including the independent non-executive Directors) are of the view that the terms of the Underwriting Agreement, including the commission, accord with the market practice, and are fair and reasonable so far as the Company and the Shareholders are concerned.

Termination of the Underwriting Agreement

The Underwriter, may, at its sole discretion after reasonable consultation with the Company, terminate the Underwriting Agreement by giving written notice to the Company at any time prior to the Latest Time for Termination if:

- (a) there occurs:
 - (i) the introduction of any new law or any material change in existing laws (or the judicial interpretation thereof);
 - (ii) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic (including any disruption to trading generally or trading in any securities of the Company on any stock exchange, or a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict;
 - (iii) any act of God, fire, flood, explosion, epidemic, earthquake, nuclear or natural disaster, war, act of terrorism, riot, public disorder, civil commotion, strike or lockout; or
 - (iv) any suspension or a material limitation in trading in securities generally on the Stock Exchange, or a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong,

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and in the reasonable opinion of the Underwriter, such change could have a material and adverse effect on the business, financial or trading position of the Group as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer;

- (b) the Company commits any material breach of or omits to observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement, which breach or omission could have a material and adverse effect on the business, financial or trading position of the Group as a whole;
- (c) the Underwriter shall receive notification, or shall otherwise become aware of, any material breach of the warranties and the Underwriter shall, in its reasonable opinion, determine that any such breach represents or is likely to represent a material adverse change in the business, financial or trading position of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Open Offer;
- (d) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (e) any matter which, had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, would have constituted, in the reasonable opinion of the Underwriter a material omission in the context of the Open Offer and which is likely to have a materially prejudicial effect on the Open Offer.

If the Underwriting Agreement is terminated by the Underwriter, the Open Offer will not proceed.

Conditions of the Open Offer

The Open Offer is conditional upon:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively on or before the Prospectus Posting Date one copy of each of the Prospectus Documents duly certified (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance;
- (b) the posting of the Prospectus Documents to Qualifying Shareholders and of this prospectus marked “For information only” to the Excluded Shareholders for information purpose only explaining the circumstances under which the Open Offer is not extended to them, in each case on the Prospectus Posting Date;
- (c) the Listing Committee granting listing of, and permission to deal in, (i) the Offer Shares and (ii) the Shares to be allotted and issued upon the conversion of the Convertible Bonds taking into account the adjustments to the conversion prices

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thereof as a result of the completion of the Open Offer either unconditionally or subject to such conditions which the Company accepts and the Listing Committee not having withdrawn or revoked such listings and permission on or before 4:00 p.m. on the Settlement Date;

- (d) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 10 trading days (or such longer period as the Underwriter may otherwise agree)(other than any suspension pending clearance of the Announcements) and no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Open Offer or in connection with the terms of the Underwriting Agreement or for any other reason; and
- (e) compliance with and performance of (i) all the undertakings and obligations of the Company under the Underwriting Agreement and (ii) all the undertakings given by the Undertaken Shareholders under the Offer Shares Undertakings.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

PROCEDURES FOR APPLICATION

The Application Form is enclosed with this prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Qualifying Shareholders should note that they may subscribe for any number of Offer Shares only up to the number set out in the Application Form.

If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise their rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:00 p.m. on Friday, 22 May 2015. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or bankers' cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "Century Sunshine Group Holdings Limited — Open Offer Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, by no later than 4:00 p.m. on Friday, 22 May 2015, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

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The Application Form contains full information regarding the procedures to be followed if you wish to accept the whole or part of your assured entitlement.

All cheques or cashier's orders accompanying completed Application Form will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or cashier's order, will constitute a warranty by the applicant that the cheque and/or cashier's order will be honoured on first presentation. Any application in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company on Monday, 1 June 2015.

No action has been taken to permit the offering of the Offer Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving this prospectus or the Application Form in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving the Prospectus Documents outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself before subscribing for the assured allotted Offer Shares, as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Offer Shares will be accepted from any person who is an Excluded Shareholder.

The Application Form is for use only by the person(s) name therein and is not transferable.

No receipt will be issued in respect of any application monies received.

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SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

	As at the Latest Practicable Date		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than Undertaken Shares Undertakings)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Shareholders						
Alpha Sino (Note 1)	960,472,728	33.05%	1,440,709,092	33.05%	1,277,972,728	29.32%
Best Equity (Note 1)	236,157,141	8.12%	354,235,711	8.12%	295,157,141	6.77%
Ms. Lao (Note 1)	23,447,261	0.81%	35,170,891	0.81%	35,170,891	0.81%
Mr. Chi	173,562,427	5.97%	260,343,640	5.97%	173,562,427	3.98%
<i>Sub-total</i>	1,393,639,557	47.95%	2,090,459,334	47.95%	1,781,863,187	40.88%
The Underwriter	—	—	—	—	1,064,895,638	24.43%
Other existing public Shareholders	1,512,598,980	52.05%	2,268,898,471	52.05%	1,512,598,980	34.69%
<i>Total</i>	<u>2,906,238,537</u>	<u>100.00%</u>	<u>4,359,357,805</u>	<u>100.00%</u>	<u>4,359,357,805</u>	<u>100.00%</u>

Note:

- Pursuant to the Offer Shares Undertakings, the Undertaken Shareholders have irrevocably undertaken to the Company (i) not to dispose of, an aggregate of 1,220,077,130 Shares beneficially owned by them from the date of the Offer Shares Undertakings up to and including the Record Date; (ii) to procure the acceptance of not less than an aggregate of 388,223,630 Offer Shares to be allotted and issued to Undertaken Shareholders under their entitlement pursuant to the Open Offer.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in magnesium product business, fertiliser business, metallurgical flux business, design, manufacturing and sale of original design manufacturing products, electronic dictionary products and personal communication productions, and the provision of electronic manufacturing services.

The gross proceeds from the Open Offer will be approximately HK\$581.25 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be approximately HK\$573.75 million.

On 4 February 2015, the Company entered into a framework agreement with an Independent Third Party in relation to the proposed acquisition of 100% equity interest in operating project companies which mainly engaged in production of magnesium products and altogether its ancillary business operations including power generation and processing material production facilities (the “**Proposed Acquisition**”). The Company intends to apply the

LETTER FROM THE BOARD

proceeds from the Open Offer for the Proposed Acquisition. The Company has engaged professional parties in connection with the Proposed Acquisition and legal due diligence has commenced in mid April 2015 while financial due diligence is scheduled to commence in May 2015. The Board expects the due diligences could be completed by end of August 2015. If the Proposed Acquisition is not proceeded, the intended alternative use of the proceeds will be 20% allocated for general working capital and 80% for investment activities of the Company when such investment opportunities arise. The Board aims to identify equity interest investment opportunities with controlling rights in companies operating in fertilisers and/or magnesium products industries that are in line with those of the Group so as to further enrich the businesses of the Group.

Having considered other fund raising alternatives for the Group, such as placing of new Shares or other convertible securities, and taking into account the benefits and cost of each of the alternatives, the Directors (including the independent non-executive Directors) are of the view that the Open Offer is in the interest of the Company and the Shareholders as a whole since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company.

FUND RAISING EXERCISES OF THE COMPANY IN THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
17 June 2014	Issue of convertible bonds of an aggregate principal amount of HK\$115 million	Approximately HK\$114,500,000	Capital expenditure and/or general working capital of the Group	HK\$114,500,000 was used for capital expenditure and expansion of production capacity
23 June 2014	Issue of convertible bonds of an aggregate principal amount of HK\$180 million.	Approximately HK\$179,450,000	Capital expenditure and/or general working capital of the Group	HK\$179,450,000 was used for capital expenditure and expansion of production capacity

Save for the above, the Company had not conducted any other fund raising exercise by way of issue of equity securities in the past 12 months immediately preceding the date of this prospectus.

WARNING OF THE RISK OF DEALINGS IN SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

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Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Tuesday, 28 April 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

GENERAL

Your attention is drawn to the information contained in the appendices to this prospectus.

By the Order of the Board,
Century Sunshine Group Holdings Limited
Chi Wen Fu
Chairman

1. FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP INCORPORATED BY REFERENCE

The audited consolidated financial statements, including the notes thereto, and the management discussion and analysis of the Group for each of the three years ended 31 December 2012, 31 December 2013 and 31 December 2014, have been disclosed in the following annual reports of the Company which are available on the Company's website at www.centurysunshine.com.hk and the website of the Stock Exchange at www.hkexnews.hk:

- the annual report of the Company for the year ended 31 December 2012 (pages 53 to 156 and 22 to 29) published on 3 April 2013;
- the annual report of the Company for the year ended 31 December 2013 (pages 57 to 164 and 22 to 28) published on 17 March 2014; and
- the annual report of the Company for the year ended 31 December 2014 (pages 65 to 172 and 24 to 31) published on 26 March 2015.

2. FINANCIAL TRADING PROSPECTS

The principal activity of the Company is investment holding and its subsidiaries are principally engaged in magnesium product business, fertiliser business, metallurgical flux business, design, manufacturing and sale of original design manufacturing products, electronic dictionary products and personal communication productions, and the provision of electronic manufacturing services.

Both of the Group's principal business arms — magnesium products and fertilisers — are based on “eco-friendly, green and sustainability” principles, fitting in with the trend of economic transformation in China and in full compliance with the domestic policy orientation of sustainable development. Looking forward, in view of the increasing global emphasis on a low-carbon ecological economy, the Group has every confidence in the prospects of magnesium alloys and the ecological fertiliser market. With continuous investment in technological research, development and innovation, the Group takes a prudent approach in implementing its production expansion plan to enhance operating efficiency, so as to achieve greater returns for its shareholders.

3. INDEBTEDNESS STATEMENT

i Borrowings and debts

Borrowings

As at the close of business on 31 March 2015, being the latest practicable date for the purpose of this indebtedness statement, the Group had an unsecured borrowing of approximately HK\$63 million and secured bank borrowings of approximately HK\$580 million.

Pledge of assets

As at the close of business on 31 March 2015, the Group had pledged certain of its property, plant and equipment, land use rights, investment properties, mining right and deposits with bank of the Group with a value of approximately HK\$167 million, HK\$139 million, HK\$134 million, HK\$489 million and HK\$26 million, respectively, to secure the bank borrowings.

Personal guarantee

As at the close of business on 31 March 2015, a director of the Group provides personal guarantee to a bank for securing a borrowing of a subsidiary amounting to approximately HK\$56 million.

Convertible bonds

As at the close of business on 31 March 2015, being the latest practicable date for the purpose of the indebtedness statement prior to the printing of this prospectus, the Group has convertible notes issued to Gem Power International Limited and Greenhouse Century Limited in the amount of HK\$115 million and HK\$180 million respectively, each bear interest at 4.5% per annum.

Contingent liabilities

- (i) On 15 January 2013, Capital Idea Investments Limited (“Capital Idea”, a wholly owned subsidiary of the Company) acquired 2,180 shares of China Rare Earth Magnesium Technology Holdings Limited (“CREMTH”, formerly known as China Magnesium Limited) from Mr. Miao Xi Zhu (“Mr. Miao”) at a consideration of HK\$32,089,382. CREMTH is a non-wholly owned subsidiary of the Company and is currently mainly owned as to 64.99% by Fullocean Group Limited (“Fullocean” a non-wholly owned subsidiary of the Company), 23.28% by Capital Idea and 8.73% by Win Union Limited (“Win Union”). Win Union is also the minority shareholder of Fullocean.

Mr. Miao considered that he was misled to enter into the transaction at an under value. On 6 October 2014, Mr. Miao lodged a claim in relation to the transaction at the High Court of Hong Kong against Mr. Shum, Mr. Chi, Capital Idea and Win Union for the losses arising from selling shares at an undervalue. Mr. Shum, Mr. Chi and Capital Idea considered that the allegation of Mr. Miao went against the facts seriously. Prior to the completion of the transaction, Mr. Miao has been the second largest shareholder and director of CREMTH with a full knowledge of its overall operation and development plans. The consideration of the transaction was determined after over one month’s negotiation between each party based on the assets, liabilities and performance of CREMTH, and thus there was no so-called induction or misleading. Saved as Mr. Shum and Mr. Chi, as of Latest Practicable Date, to the best knowledge of the Company, the writ of

summons of the litigation has not yet been served on Capital Idea. Upon receiving this legal document, Capital Idea will seek legal advice in relation to the claim and the necessary actions to be taken in this respect and will vigorously defend against the claim.

The Company is of the view that this litigation will not have a material adverse impact on the business operation and financial position of the Group. The directors of the Company are of the opinion that no provision is required to be made.

- (ii) During the year ended 31 March 2008, IWOW Communications Pte Ltd (“IWOW”) (as plaintiff) issued a legal proceeding in Hong Kong against Group Sense PDA Limited (“GS PDA”) (as defendant), a non-wholly owned subsidiary of Group Sense, and a claim against GS PDA for a sum of US\$627,571 (approximately HK\$4,895,000). IWOW alleged that GS PDA was in breach of a service agreement dated 3 December 2004 and failed to make payments in accordance with the service agreement. In this connection, GS PDA also filed a claim against IWOW and alleged that IWOW was in breach of the service agreement in failing to design and develop the products in substantial conformance to the functional specification as defined in the service agreement. Accordingly, GS PDA made a counterclaim against IWOW for liquidated damages in the sum of US\$100,000 and other damages to be assessed together with interest and costs.

Based on the available evidence and subject to discovery and expert evidence, GS PDA’s representing solicitor considered that there were valid defences to the claim and GS PDA had a good chance of success in the claim and the counterclaim. Up to the Latest Practicable Date, there was no further progress noted in the claim and counterclaim. Having considered the positive legal opinion and no further progress in the Claim and Counterclaim during the period, the directors of the Group are of the opinion that no provision is required to be made.

Except as disclosed above, the Group had no other material contingent liabilities as at the close of business on 31 March 2015.

ii Disclaimer

Save as aforesaid and apart from intra-group liabilities, as at 31 March 2015, the Group had no other outstanding mortgages, charges, debentures, loan capital or bank overdrafts, loans or other similar indebtedness, hire purchase commitments, liabilities under acceptances, acceptance credits or any guarantees or any material contingent liabilities.

4. WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, after taking into account the present financial resources and the banking facilities presently available and in the absence of unforeseen circumstances, the Group will have sufficient working capital to meet its requirements for at least 12 months from the date of this prospectus.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Group were made up.

6. EVENT AFTER 31 DECEMBER 2014 BEING THE DATE ON WHICH THE LATEST PUBLISHED AUDITED FINANCIAL STATEMENTS OF THE GROUP WERE MADE UP

As disclosed in the joint announcement of the Company, Ming Xin Developments Limited (“Ming Xin”) and Group Sense (International) Limited (“Group Sense”) dated 6 January 2015, the circular of the Company dated 3 February 2015, the composite Document of Ming Xin and Group Sense dated 5 March 2015 and the joint announcement of the Company, Ming Xin and Group Sense dated 26 March 2015, Earnmill Holdings Limited (“Earnmill”), an independent third party, Ming Xin, an indirectly wholly-owned subsidiary of the Company and Dr. Tam Wai Ho, Samson, JP and Mr. Tam Wai Tong, Thomas, independent third parties entered into the sale and purchase agreement dated 19 December 2014 (“Sale and Purchase Agreement”), pursuant to which Min Xin agreed to acquire and Earnmill agreed to sell an aggregate of 500,000,000 shares of Group Sense for a total cash consideration of HK\$229,600,000. On 19 December 2014, Group Sense and Ming Xin entered into the subscription agreement dated 19 December 2014 (“Subscription Agreement”), pursuant to which Group Sense agreed to issue and Ming Xin agreed to subscribe, in cash, for 239,532,000 new shares of Group Sense at a subscription price of HK\$0.32 per share. On 26 February 2015, the completion of Sale and Purchase Agreement and Subscription Agreement took place and Group Sense became a subsidiary of the Company. Upon completion of the Sale and Purchase Agreement and the Subscription Agreement, Ming Xin made an unconditional mandatory cash general offer for all issued shares of Group Sense (other than those already owned or agreed to be acquired by Ming Xin and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code (the “Offer”) at an offer price of HK\$0.4592 per share of Group Sense which 616,753,911 shares of Group Sense were subject to the Offer. The Offer was closed on 26 March 2015 and Ming Xin received valid acceptances in respect of total of 6,066,727 shares of Group Sense. Immediately after the close of the Offer, Ming Xin, the Company and parties acting in concert with any of them are interested in an aggregate of 745,598,727 shares of Group Sense, representing approximately 51.88% of the entire issued share capital of Group Sense. Group Sense is a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange. The principal activity of Group Sense is investment holding and its subsidiaries are principally engaged in design, manufacturing and sale of original design manufacturing products, electronic dictionary products and personal communication productions, and the provision of electronic manufacturing services.

The audited consolidated financial statements, including the notes thereto, and the management discussion and analysis of Group Sense and its subsidiaries for each of the three years ended 31 March 2012, 2013 and 2014, have been disclosed in the annual reports of Group Sense which are available on Group Sense's website at www.gsl.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after the completion of the Open Offer.

1. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets of the Group

The Unaudited Pro Forma Financial Information of the Group (the “**Unaudited Pro Forma Financial Information**”) attributable to equity shareholders of the Company is prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the proposed open offer of 1,453,119,268 of HK\$0.02 each at HK\$0.40 per Offer Share on the basis of one Offer Share for every two shares of the Company (the “**Open Offer**”) and on the consolidated net tangible assets of the Group as if the Open Offer had been completed on 31 December 2014.

The Unaudited Pro Forma Financial Information of the Group is prepared for illustrative purposes only, based on the judgments and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group following the Open Offer as at the date to which it is made up or at any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the consolidated net tangible assets attributable to equity shareholders of the Company as at 31 December 2014 and adjusted to reflect the effect of the Open Offer:

Audited consolidated net tangible assets of the Group as at 31 December 2014	Estimated net proceeds from the Open Offer	Unaudited pro forma adjusted consolidated net tangible assets of the Group	Unaudited consolidated net tangible assets of the Group per share as at 31 December 2014 prior to the completion of the Open Offer	Unaudited consolidated net tangible assets of the Group per share upon completion of the Open Offer
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>(Note 3)</i>	<i>(Note 4)</i>
<u>1,661,195</u>	<u>573,748</u>	<u>2,234,943</u>	<u>HK\$0.57</u> per share	<u>HK\$0.51</u> per share

Notes:

- (1) The consolidated net tangible assets of the Group as at 31 December 2014 is calculated based on the capital and reserves attributable to the owners of the Company as at 31 December 2014 of approximately HK\$2,210,773,000 after deducting mining rights of approximately HK\$549,498,000 and other intangible assets of approximately HK\$80,000 as at 31 December 2014 respectively, as extracted from the published audited annual report of the Company for the year ended 31 December 2014.

- (2) The estimated net proceeds from the Open Offer are based on 1,453,119,268 Offer Share of HK\$0.02 each at HK\$0.40 per Offer Share on the basis of one Offer Share for every two shares of the Company held as at the Record Date, after deducting the estimated underwriting commission and other related expenses of approximately HK\$7.5 million to be incurred by the Company.
- (3) The number of Shares used for the calculation of this amount is 2,906,238,537 representing shares in issue as at Latest Practicable Date as if the Open Offer has taken place as at 31 December 2014.
- (4) The number of Shares used for the calculation of this amount is 4,359,357,805, representing 2,906,238,537 issued Shares plus 1,453,119,268 Offer Shares upon completion of Open Offer.
- (5) No adjustment other than those adjusted above has been made to reflect any trading results or other transactions of the Group subsequent to 31 December 2014.

2. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report, prepared for the sole purpose of incorporation in this prospectus and received from the independent reporting accountants, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong.



31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

8 May 2015

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

To the Board of Directors of Century Sunshine Group Holdings Limited

We have completed our assurance engagement to report on the unaudited pro forma financial information (the "**Unaudited Pro Forma Financial Information**") of Century Sunshine Group Holdings Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors for illustrative purposes only. The Unaudited Pro Forma Financial Information consists of the pro forma net assets statement as at 31 December 2014 and related notes as set out on page II-1 to II-2 of the prospectus dated 8 May 2015 (the "**Prospectus**"). The applicable criteria on the basis of which the directors have compiled the unaudited pro forma financial information are described on page II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the proposed open offer of 1,453,119,268 offer shares of HK\$0.02 each at HK\$0.40 per Offer Share on the basis of one Offer Share for every two shares of the Company held on the Record Date (the "**Open Offer**") on the Group's net tangible assets as at 31 December 2014 as if the Open Offer had taken place at 31 December 2014. As part of this process, information about the Group's consolidated net tangible assets has been extracted by the directors from the Group's consolidated financial statements for the year ended 31 December 2014, on which an audited report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the respective dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Wong Sze Wai, Basilia

Practising Certificate Number: P05806

Hong Kong

1. RESPONSIBILITY STATEMENT

The Prospectus Documents, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 the information contained in the Prospectus Document is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or in the Prospectus Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately upon completion of the Open Offer are as follows:

Authorised share capital as at the Latest Practicable Date:

	<i>HK\$</i>
<u>5,000,000,000</u> Shares	<u>100,000,000.00</u>

Authorised share capital as at the date of the upcoming annual general meeting (assuming that the resolution approving the increase of authorised share capital is passed by the Shareholders at such meeting):

<u>10,000,000,000</u> Shares	<u>200,000,000.00</u>
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Issued and fully paid share capital or credited as fully paid:

2,906,238,537	Shares in issue as at the Latest Practicable Date	58,124,770.74
<u>1,453,119,268</u>	Offer Shares to be issued	<u>29,062,385.36</u>
	Shares in issue and fully paid immediately upon completion of the Open Offer	<u>87,187,156.10</u>

As at the Latest Practicable Date, save for the outstanding 179,600,000 Options to subscribe for an aggregate of 179,600,000 Shares and Convertible Bonds, the Company had no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

No capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

All Shares in issue rank *pari passu* in all respects which each other including rights to dividends, voting and return of capital.

The issued Shares are listed and traded on the Main Board. None of the securities of the Company is listed, or dealt in, on any other exchange, nor is any listing of or permission to deal in the securities of the Company being, or proposed to be, sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(i) Interests of Directors

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executives had interests and short positions in the Shares, the underlying Shares and/or the debentures (as the case may be) of the Company or any its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director or chief executive is taken or deemed to have under such provisions of the SFO) or which were required to be entered into the register required to be kept by the Company under section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Listing Rules:

Long positions in the shares and underlying shares of the Company and its associated corporations.

Name of Director	Personal interests	Number of Shares held		Total	Number of underlying Shares which may be issued under the Options held	Percentage of issued share capital of the Company as at the Latest Practicable Date
		Spouse interests	Corporate interests			
Mr. Chi	173,562,427	—	960,472,728 <i>(note 1)</i>	1,134,035,155		39.02%
					20,000,000	0.69%
Shum Sai Chit	10,311,940	—	—	10,311,940		0.35%
					9,000,000	0.31%
Chi Bi Fen	7,842,857	—	—	7,842,857		0.27%
					15,000,000	0.52%
Yang Yuchuan ("Mr. Yang")	—	23,447,261	236,157,141 <i>(note 2)</i>	259,604,402		8.93%
					15,000,000	0.52%
Guo Mengyong	2,000,000	—	—	2,000,000		0.07%
					3,000,000	0.10%
Kwong Ping Man	—	—	—	—	5,000,000	0.17%
Sheng Hong	1,000,000	—	—	1,000,000		0.03%
					4,000,000	0.14%
Lau Chi Kit					5,000,000	0.17%

Notes:

1. These Shares are held by Alpha Sino and are deemed corporate interests by virtue of Mr. Chi's holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.
2. These Shares are held by Best Equity and are deemed corporate interests by virtue of Mr. Yang's holding of 47.17% of the issued share capital of Best Equity which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Best Equity.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules to be notified to the Company and the Stock Exchange.

(ii) Interests of substantial shareholders

As at the Latest Practicable Date, so far as is known to the Directors and the chief executives of the Company, each of the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Company and were recorded in the register to be kept under section 336 of the SFO:

Name of Shareholder	Nature	Number of Shares	Number of Conversion Shares which may be issued under the Convertible Bonds	Percentage of issued share capital of the Company as at the Latest Practicable Date
Shenyin Wanguo Capital (H.K.) Limited	Long position	1,064,895,638		36.64%
	Short Position	1,000,000,000 (note 1)		34.41%
Shenyin Wanguo (H.K.) Limited	Long position	1,064,895,638		36.64%
	Short Position	1,000,000,000 (note 1)		34.41%

Name of Shareholder	Nature	Number of Shares	Number of Conversion Shares which may be issued under the Convertible Bonds	Percentage of issued share capital of the Company as at the Latest Practicable Date
Shenwan Hongyuan Holdings (B.V.I.) Limited	Long position	1,064,895,638		36.64%
	Short position	1,000,000,000 (note 1)		34.41%
Venture-Some Investments Ltd.	Long position	1,064,895,638		36.64%
	Short position	1,000,000,000 (note 1)		34.41%
Shenwan Hongyuan (International) Holdings Limited	Long position	1,064,895,638		36.64%
	Short position	1,000,000,000 (note 1)		34.41%
Shenwan Hongyuan Group Co., Ltd.	Long position	1,064,895,638		36.64%
	Short position	1,000,000,000 (note 1)		34.41%
Alpha Sino	Long position	960,472,728 (note 2b)		33.05%
International Finance Corporation (“IFC”)	Long position	499,945,000 (note 2)		17.20%
Zou Li (“Ms. Zou”)	Interest of controlled corporation	236,157,141 (note 3)		8.12%
Best Equity	Beneficial owner	236,157,141 (note 3)		8.12%
Greenhouse Century Limited	Long position		150,000,000 (note 4)	5.16%

Notes:

1. The long position in 1,064,895,638 Shares represents the total amount of Offer Shares underwritten pursuant to the Underwriting Agreement. The short position in 1,000,000,000 Shares represents the Shares which have been sub-underwritten by five Sub-underwriters procured by the Underwriter. These five Sub-underwriters have sub-underwriting commitment of 35,000,000 Shares, 100,000,000 Shares, 165,000,000 Shares, 430,000,000 Shares and 270,000,000 Shares, respectively. Assuming no acceptance by the Qualifying Shareholders (other than the 388,223,630 Offer Shares undertaken by the Undertaken Shareholders) under the Open Offer, the Underwriter and the Sub-underwriters will be required to take up a maximum of 1,064,895,638 Offer Shares. The Underwriter is a wholly-owned subsidiary of Shenyin Wanguo (H.K.) Limited, which is 50.56%, owned by Shenwan Hongyuan Holdings (B.V.I.) Limited, which is in turn 50.52% owned by Venture-Some Investments Limited. Shenwan Hongyuan (International) Holdings Limited owns 100% of Venture-Some Investments Limited and directly beneficially owns 0.42% of Shenyin Wanguo (H.K.) Limited. Shenwan Hongyuan Group Co., Ltd. owns 100% of Shenwan Hongyuan (International) Holdings Limited.
2. IFC has interest in an aggregate of 499,945,000 Shares of which (a) 155,077,000 Shares are beneficially owned by it and registered in its name; and (b) Pursuant to a share mortgage dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 344,868,000 Shares (representing approximately 12% of the then issued share capital of the Company as at 10 July 2014) to IFC to secure repayment of the IFC Loan under a loan agreement dated 30 May 2014 entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd. (a subsidiary of the Company).
3. These Shares are held by Best Equity and are deemed corporate interests by virtue of Ms. Zou's holding of 52.83% of the issued share capital of Best Equity which entitled her to exercise or control the exercise of one-third or more of the voting power at general meeting of Best Equity.
4. Greenhouse Century Limited is a wholly owned subsidiary of China Everbrights Assets Management Holdings Limited ("CEAMHL"). CEAMHL is a wholly owned subsidiary of China Everbright Limited ("CEL", stock code: 165.HK).

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than a Director or chief executive of the Company or a member of the Group) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

As at the Latest Practicable Date, save and except for information above, no other Director nor any parties acting in concert with any of them was interested in any Shares or any convertible securities, warrants, options or derivatives in respect of Shares.

4. OTHER INTERESTS OF THE DIRECTORS

Save as disclosed in this prospectus and as at the Latest Practicable Date,

(a) Interests in service contracts

None of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation));

(b) Interests in assets

None of the Directors has or had any interest, direct or indirect, in any asset which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 31 December 2014, being the date to which the latest published audited financial statements of the Group were made up;

(c) Interests in contracts or arrangements

Save for being the Undertaken Shareholders in the Offer Shares Undertaking and/or Undertaken Optionholders in the Optionholder Undertakings, none of the Directors was materially interested in any contract or arrangement entered into with any member of the Group, which contract or arrangement is subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group taken as a whole; and

(d) Directorship or employment with substantial Shareholders

Mr. Chi is also a director of Alpha Sino and Mr. Yang is also a director of Best Equity. Each of Alpha Sino and Best Equity had an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

5. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective close associates have any interest in any businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses to which the Directors and their close associates were appointed to represent the interests of the Company and/or the Group.

6. CORPORATE INFORMATION

Board of Directors*Executive Directors*Chi Wen Fu (*Chairman*)

Shum Sai Chit

Chi Bi Fen

Yang Yuchuan

Non-executive Director

Guo Mengyong

Independent non-executive Directors

Kwong Ping Man

Sheng Hong

Lau Chi Kit

*Audit Committee*Kwong Ping Man (*Committee Chairman*)

Sheng Hong

Lau Chi Kit

*Nomination Committee*Chi Wen Fu (*Committee Chairman*)

Kwong Ping Man

Sheng Hong

*Remuneration Committee*Kwong Ping Man (*Committee Chairman*)

Shum Sai Chit

Sheng Hong

Lau Chi Kit

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

**Head office and principal place
of business in Hong Kong**

Unit 2605, 26th Floor, Harbour Center

25 Harbour Road, Wanchai

Hong Kong

Company secretary

Luk Sai Wai, Simon

Authorised representatives

Chi Wen Fu

Shum Sai Chit

Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Auditors	HLB Hodgson Impey Cheng Limited Certified Public Accountants 31/F, Gloucester Tower The Landmark 11 Pedder Street Central Hong Kong
Principal Bankers	Agricultural Bank of China Limited 230 Hunjiang Main Street Hunjiang District Baishan City Jilin Province PRC Bank of China Limited 19 Limin Road East Niushan Town Donghai County Lianyungang Jiangsu Province PRC The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
Stock code	509
Website	www.centurysunshine.com.hk

7. PARTIES INVOLVED IN THE OPEN OFFER

The Company	Century Sunshine Group Holdings Limited Unit 2605, 26th Floor, Harbour Center 25 Harbour Road, Wanchai Hong Kong
Underwriter	Shenyin Wanguo Capital (H.K.) Limited Level 19, 28 Hennessy Road Hong Kong

Financial adviser of the Company	Octal Capital Limited 801–805, 8th Floor, Nan Fung Tower 88 Connaught Road Central Hong Kong
Legal advisers to the Company as to Hong Kong laws	Sit, Fung, Kwong & Shum 9/F, York House, The Landmark 15 Queen’s Road Central Hong Kong
Reporting Accountants	HLB Hodgson Impey Cheng Limited Certified Public Accountants 31/F, Gloucester Tower The Landmark 11 Pedder Street Central Hong Kong
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen’s Road East Hong Kong

8. LITIGATION

On 15 January 2013, Capital Idea Investments Limited (“Capital Idea”, a wholly owned subsidiary of the Company) acquired 2,180 shares of China Rare Earth Magnesium Technology Holdings Limited (“CREMTH”, formerly known as China Magnesium Limited) from Mr. Miao Xi Zhu (“Mr. Miao”) at a consideration of HK\$32,089,382. CREMTH is a non-wholly owned subsidiary of the Company and is currently mainly owned as to 64.99% by Fullocean Group Limited (“Fullocean” a non-wholly owned subsidiary of the Company), 23.28% by Capital Idea and 8.73% by Win Union Limited (“Win Union”). Win Union is also the minority shareholder of Fullocean.

Mr. Miao considered that he was misled to enter into the transaction at an undervalue. On 6 October 2014, Mr. Miao lodged a claim in relation to the transaction at the High Court of Hong Kong against Mr. Shum, Mr. Chi, Capital Idea and Win Union for the losses arising from selling shares at an undervalue. Mr. Shum, Mr. Chi and Capital Idea considered that the allegation of Mr. Miao went against the facts seriously. Prior to the completion of the transaction, Mr. Miao has been the second largest shareholder and director of CREMTH with a full knowledge of its overall operation and development plans. The consideration of the transaction was determined after over one month’s negotiation between each party based on the assets, liabilities and performance of CREMTH, and thus there was no so-called induction or misleading. Saved as Mr. Shum and Mr. Chi, as of Latest Practicable Date, to the best knowledge of the Company, the writ of summons of the litigation has not yet been served on

Capital Idea. Upon receiving this legal document, Capital Idea will seek legal advice in relation to the claim and the necessary actions to be taken in this respect and will vigorously defend against the claim.

The Company is of the view that this litigation will not have a material adverse impact on the business operation and financial position of the Group.

During the year ended 31 March 2008, IWOW Communications Pte Ltd (“IWOW”)(as plaintiff) issued a legal proceeding in Hong Kong against Group Sense PDA Limited (“GS PDA”)(as defendant), a non-wholly owned subsidiary of the Company, for a sum of US\$627,571 (approximately HK\$4,895,000). IWOW alleged that GS PDA was in breach of a service agreement dated 3 December 2004 and failed to make payments in accordance with the service agreement. In this connection, GS PDA also filed a claim against IWOW and alleged that IWOW was in breach of the service agreement in failing to design and develop the products in substantial conformance to the functional specification as defined in the service agreement. Accordingly, GS PDA made a counterclaim against IWOW for liquidated damages in the sum of US\$100,000 and other damages to be assessed together with interest and costs.

Based on the available evidence and subject to discovery and expert evidence, GS PDA’s representing solicitor considered that there were valid defences to the claim and GS PDA had a good chance of success in the claim and the counterclaim. Up to the Latest Practicable Date, there was no further progress noted in the claim and counterclaim.

Except as disclosed above, no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group as at the Latest Practicable Date.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the date of this prospectus:

- (a) the loan agreement dated 30 May 2014 entered into between Baishan City Tianan Magnesium Resources Co., Ltd, indirect subsidiary of the Company, (as the borrower) and IFC (as the lender) in respect of a loan granted by IFC for the principal amount of US\$25 million for 7 years;
- (b) the subscription agreement dated 17 June 2014 entered into between the Company and Gem Power International Limited (“Gem Power”), an independent third party, pursuant to which, Gem Power has agreed to subscribe for convertible bonds of an aggregate principal amount of HK\$115,000,000 issued by the Company;
- (c) the subscription agreement dated 20 June 2014 entered into between the Company and Greenhouse Century Limited (“Greenhouse”), an independent third party, pursuant to which, Greenhouse has agreed to subscribe for convertible bonds of an aggregate principal amount of HK\$180,000,000 issued by the Company;

- (d) the Sale and Purchase Agreement entered into amongst Earnmill, an independent third party, Ming Xin, an indirectly wholly-owned subsidiary of the Company and Dr. Tam Wai Ho, Samson, JP, an independent third party, pursuant to which Ming Xin agreed to acquire and Earnmill agreed to sell an aggregate of 500,000,000 shares of Group Sense for a total cash consideration of HK\$229,600,000;
- (e) the Subscription Agreement entered into between Group Sense and Ming Xin, an indirectly wholly-owned subsidiary of the Company, pursuant to which Group Sense agreed to issue and Ming Xin agreed to subscribe, in cash, for 239,532,000 new shares of Group Sense at a subscription price of HK\$0.32 per share;
- (f) the loan agreement dated 19 December 2014 entered into between Get Nice Securities (“Get Nice”), an independent third party, (as the lender) and Ming Xin, an indirectly wholly-owned subsidiary of the Company (as the borrower) in relation to a standby loan facility of up to HK\$284,000,000 granted by Get Nice to Ming Xin; and
- (g) the Underwriting Agreement.

10. PARTICULARS OF DIRECTORS

Executive Directors

CHI Wen Fu, aged 52, Chairman and Chief Executive Officer of the Group who is responsible for overall strategic planning and key operating decisions. Mr. Chi started his law firm in Fuzhou in 1995, in which he was the Managing Partner. Prior to that, Mr. Chi joined Fuzhou Justice Bureau Commerce Law Office after qualifying as a lawyer in the PRC in 1989. In early 1998, Mr. Chi originated an initial research on organic agricultural production and funded a R&D project on microbial compound fertilisers. Mr. Chi is a graduate of Chemical Analysis and Law. Mr. Chi established the Group in 2000.

SHUM Sai Chit, aged 57, Chief Operation Officer of the Group who is responsible for business operations. Prior to joining the Group, Mr. Shum was the Managing Director of Go Modern Limited which was principally engaged in manufacturing of textile products and trading activities. In 1984, Mr. Shum joined Fujian Textiles Import and Export Corporation as a Manager to oversee importing and exporting of textile products. Mr. Shum is a graduate of Consumer Product Pricing and Statistics. Mr. Shum has joined the Group since January 2002. Mr. Shum is currently an executive director of Group Sense (International) Limited (stock code: 601).

CHI Bi Fen, aged 56, Vice-President of the Group. Prior to joining the Group, Ms. Chi was the Deputy General Manager of an electronics equipment company over 17 years. She has an extensive experience in accounting, taxation and finance in the PRC for more than 15 years. She is a graduate of Accounting and Finance. Ms. Chi has joined the Group since March 2000. Ms. Chi is currently an executive director of Group Sense (International) Limited (stock code: 601).

YANG Yuchuan, aged 50, graduated from Shanghai Jiao Tong University in the People's Republic of China with a bachelor's degree in engineering in 1985. In 1993, Mr. Yang obtained a master's degree of business administration from McLaren School of Business, University of San Francisco in the United States of America. Mr. Yang used to manage and operate former subsidiaries of the Group, Partners Capital Securities Limited and Sunshine Asset Management (HK) Limited, and is very experienced in financial industry. Mr. Yang has joined the Group since July 2013. Mr. Yang was a non-executive director of TTG Fintech Limited, a company listed on the Australian Securities Exchange (stock code: TUP), from December 2011 until mid of April 2015.

Non-executive Director

GUO Mengyong, aged 56, is a Deputy General Manager of Fujian Changsheng Wireless Technology Development Company Limited. He is responsible for electronic engineering technical management. Fujian Changsheng Wireless Technology Development Company Limited is principally engaged in production of electronic products and communication devices. Mr. Guo joined Fuzhou Capacitors Factory as a Technician in 1976. From 1993 onwards, Mr. Guo worked at Fuzhou Meters Group Company as an Engineer and later promoted to the Deputy Factory Manager in 1996, in charging of technical quality control. In 2000, Mr. Guo joined Fujian Wireless Group Company as Deputy General Manager and was responsible for quality management. He is a graduate of Industrial Enterprise Management. Mr. Guo has joined the Group since February 2011.

Independent non-executive Directors

KWONG Ping Man, aged 50, Director of O'Park Corporate Services Limited which provides corporate advisory services. Prior to joining the Group, Mr. Kwong served as the Chief Financial Officer of various companies for almost 7 years. Mr. Kwong has over 15 years of experience in accounting, finance and administration. He obtained a Master's Degree in Professional Accounting from Hong Kong Polytechnic University. He is a member of CPA Australia, fellow member of Hong Kong Institute of Certified Public Accountants, and associate member of Hong Kong Institute of Company Secretaries. Mr. Kwong has joined the Group since September 2004. Mr. Kwong is currently an Independent Non-Executive Director of Tang Palace (China) Holdings Limited (stock code: 1181), Elegance Optical International Holdings Ltd. (stock code: 907), Yat Sing Holdings Ltd. (stock code: 3708) and Group Sense (International) Limited (stock code: 601).

SHENG Hong, aged 52, Director of Hadrian Manufacturing (Asia) Limited and Director of Operations and General Manager of Hadrian (Shanghai) Trading Limited. The Hadrian Group is principally engaged in production and sales of metal partitions and lockers. Mr. Sheng has over 20 years of experience in management of corporation and investment. He was employed by China Resources (Holdings) Company Limited from 1986 to 1996. Mr. Sheng holds a Bachelor's Degree in Engineering Mechanics from Tongji University, Shanghai. Mr. Sheng has joined the Group since September 2010.

LAU Chi Kit, aged 70, an executive director of Chinlink International Holdings Limited (stock code: 997). He retired from The Hongkong and Shanghai Banking Corporation Limited (“HSBC”) in December 2000 after more than 35 years of service. Among the major positions in HSBC, he was the assistant general manager and head of Personal Banking Hong Kong and assistant general manager and head of Strategic Implementation, Asia-Pacific Region. He is a fellow of the Hong Kong Institute of Bankers (“Institute”). He was the chairman of the Institute’s Executive Committee (from January 1999 to December 2000). He is currently the honorary advisor of the Institute’s Executive Committee. He served as a member on a number of committees appointed by the Government of Hong Kong Special Administrative Region, including the Advisory Council on the Environment (from October 1998 to December 2001), the Advisory Committee on Human Resources Development in the Financial Services Sector (from June 2000 to May 2001), the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption (from January 2000 to December 2003), the Environment and Conservation Fund Committee (from August 2000 to October 2006), the Innovation and Technology Fund (Environment) Projects Vetting Committee (from January 2000 to December 2004) and the Law Reform Commission’s Privacy Sub-committee (from February 1990 to March 2006). He also served as chairman of the Business Environment Council Limited (from September 1998 to December 2001). Mr. Lau has joined the Group since April 2014. Currently, he is also an independent non-executive director of Highlight China IoT International Limited (formerly known as Ford Glory Group Holdings Limited) (stock code: 1682), Royale Furniture Holdings Limited (stock code: 1198) and Leoch International (Holdings) Limited (stock code: 842).

11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “Expert and Consent” in this appendix, have been delivered to the Registrar of Companies in Hong Kong for registration pursuant to section 342C of the Companies (WUMP) Ordinance.

12. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all person concerned bound by the provisions (other than the penal provisions) of Section 44A and 44B of the Companies (WUMP) Ordinance.

13. EXPERT AND CONSENT

The following sets out the qualifications of the expert who has given its opinions or advice as contained in this prospectus:

Name	Qualifications
HLB Hodgson Impey Cheng Limited	Certified Public Accountants

HLB Hodgson Impey Cheng Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

HLB Hodgson Impey Cheng Limited does not have any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

HLB Hodgson Impey Cheng Limited does not have or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, being the date to which the latest published audited accounts of the Group were made up.

14. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges and other related expenses, are estimated to amount to approximately HK\$7.5 million and are payable by the Company.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business in Hong Kong of the Company at Unit 2605, 26th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays from the date of this prospectus up to and including the Latest Time of Acceptance:

- (a) the memorandum of association and Articles of Association of the Company;
- (b) the annual reports of the Company for the two financial years ended 31 December 2014;
- (c) the independent reporting accountants' assurance report on the compilation of pro forma financial information of the Group, the text of which is set out in Appendix II to this prospectus;
- (d) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;

- (e) the letter from the Board the text of which is set out in this prospectus;
- (f) the written consent from HLB Hodgson Impey Cheng Limited referred to in the section headed “Expert and Consent” of this appendix; and
- (g) this prospectus.

16. MISCELLANEOUS

- (a) The Company secretary of the Company is Mr. Luk Sai Wai Simon, a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, and an associate member of Institute of Chartered Accountants in England and Wales. Mr. Luk received a Master degree in Business Administration from the University of Strathclyde, United Kingdom.
- (b) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the Company’s principal place of business in Hong Kong is located at Unit 2605, 26th Floor, Harbour Centre 25 Harbour Road, Wanchai, Hong Kong.
- (c) The branch share registrar of the Company in Hong Kong is Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
- (d) As at the Latest Practicable Date, save for the Offer Shares Undertaking, the Board had not received any information from any Substantial Shareholders (as defined under the Listing Rules) of their intention to take up the Offer Shares to be provisionally allotted or offered to them under the Open Offer.
- (e) In case of any inconsistency, the English text of this prospectus shall prevail over its Chinese text.