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)

GROUP SENSE (INTERNATIONAL) LIMITED
權智(國際)有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 601)

DISCLOSEABLE TRANSACTION **MAJOR TRANSACTION**

(I) ACQUISITION OF XINJIANG TENGXIANG MAGNESIUM PRODUCTS COMPANY LIMITED AND (II) ADVANCE TO THE TARGET COMPANY

Financial adviser

金融有限公司
OCTAL Capital Limited

THE SHARE TRANSFER AGREEMENT

The board of CS Directors and the board of GS Directors are pleased to announce that on 12 August 2015 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of Group Sense, entered into the Share Transfer Agreement with the Vendors, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors has conditionally agreed to sell the Sale Interest, representing the entire equity interest of the Target Company, at a total consideration of RMB72.28 million (equivalent to approximately HK$88.59 million) in cash from internal resources of Group Sense.

Pursuant to the Share Transfer Agreement, the Purchaser also agreed to make the following advances to the Target Company before the Completion:

- Within five business days after the date of the Share Transfer Agreement, RMB7.23 million (equivalent to HK$8.86 million) will be deposited into the account of the Target Company; and
- RMB20.00 million (equivalent to HK$24.51 million) for the repayment of a pledged bank loan of the Target Company.

The Target Company shall refund the above advances to the Purchaser if the Share Transfer Agreement is terminated by any of the parties.

* *for identification purposes only*

The Purchaser agreed to pay the Vendors any recovered amount from the written-off bad debts of RMB12.96 million (equivalent to HK15.88 million) as at 30 April 2015.

As at the date of this announcement, Group Sense is owned as to 51.88% by Century Sunshine.

INFORMATION ON THE TARGET COMPANY

The Target Company is established on 23 April 2008 with existing registered capital of RMB171.80 million. It is principally engaged in the production and sale of magnesium ingot and semi coke. The Target Company's production premises, including administration, research and development, and housing facilities, located at the Xinjiang Uygur Autonomous Region, the PRC with total area of approximately 679,121m^2.

LISTING RULES IMPLICATIONS TO CENTURY SUNSHINE

As more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition on part of Century Sunshine are greater than 5% and all applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of Century Sunshine and is therefore subject to notification and announcement requirements but exempt from CS Shareholders' approval requirement under Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS TO GROUP SENSE

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but less than 100%, the Acquisition constitutes a major transaction of Group Sense under Chapter 14 of the Listing Rules. The Acquisition and the transactions contemplated thereunder are subject to the reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules. To the best knowledge, information and belief of the GS Directors, having made all reasonable enquiries, no GS Shareholders has a material interest in the Acquisition and is required to abstain from voting at a general meeting to approve the Acquisition.

As the advance to the Target Company contemplated under the Share Transfer Agreement exceeds 8% under the assets ratio as defined under the Listing Rules. The advance of approximately RMB27.23 million in aggregate (equivalent to approximately HK$33.37 million) is subject to general disclosure obligations under Rule 13.15 of the Listing Rules.

GENERAL

The GS SGM will be convened and held for the GS Shareholders to consider and, if thought fit, approve the Acquisition. A circular containing, among other things, further details of the Acquisition and the transactions contemplated thereunder and the notice of SGM is expected to be despatched to the GS Shareholders on or before 4 September 2015 as additional time is required to finalise the financial information of the circular.

INTRODUCTION

Further to the Framework Agreement and the voluntary announcement of Group Sense dated 14 May 2015, the board of CS Directors and the board of GS Directors are pleased to announce that on 12 August 2015 (after trading hours of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of Group Sense, entered into the Share Transfer Agreement with the Vendors, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Sale Interest.

SHARE TRANSFER AGREEMENT

Set out below are the principal terms of the Share Transfer Agreement:

Date	:	12 August 2015	
Parties	:	(i)	Hong Kong New Materials Industry Investment Company Limited (“香港新材料產業投資有限公司”), as the Purchaser
		(ii)	甘肅騰達西鐵資源控股集團有限公司 (transliterated as “Gansu Tengda West Iron Resources Holding Group Co., Ltd.”), 杭州鍋爐集團股份有限公司 (transliterated as “Hangzhou Boiler Group Co., Ltd.”) and Wang Jian Min, (王建民) as the Vendors

To the best of the knowledge, information and belief of GS Directors, having made all reasonable enquiries, each of the Vendors is an Independent Third Party of Group Sense and Century Sunshine.

Assets to be acquired

Pursuant to the Share Transfer Agreement, the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Sale Interest, representing the entire equity interest of the Target Company.

Consideration

The Consideration is RMB72.28 million (equivalent to approximately HK$88.59 million) which is payable to the Vendors in cash in the following way:

- RMB21.68 million (equivalent to approximately HK$26.58 million), being 30% of the Consideration, within five business days upon fulfillment of the Conditions (c), (d), (e), (g), (k) and (m);
- RMB21.68 million (equivalent to approximately HK$26.58 million), being 30% of the Consideration, within five business days upon conclusion of all completion matters and completion procedures for the transfer of the Target Company and having obtained a modified business registration and licence of the Target Company;

- RMB21.68 million (equivalent to approximately HK$26.58 million), being 30% of the Consideration, within five business days after commencement of production of the Target Company and having obtaining certain approval, authorisation and certification in relation to production safety, precaution measures against risk of occupational hazards and (where applicable) sewage as specified under the Share Transfer Agreement (such approval, authorisation and certification have to be obtained within six months after the date of first installment payment); and

- RMB7.24 million (equivalent to approximately HK$8.85 million), being 10% of the Consideration, as retention money within six months after obtaining of the abovementioned approval, authorisation and certification.

The Consideration shall be adjusted in accordance with the gain or loss financial figures as revealed from the completion accounts of the Target Company for the period from 30 April 2015 to Completion Date.

If any of the Vendors violate the terms of the Share Transfer Agreement (or any other agreements as required to be entered into pursuant to the Share Transfer Agreement) or is required to indemnify the Purchaser under the terms of the Share Transfer Agreement, the Consideration shall be adjusted by and deducted with the amount payable by the defaulting party.

The Consideration was agreed between the Vendors and the Purchaser after arm's length negotiations on normal commercial terms based on approximately 9% discount on the unaudited net asset value of the Target Company as at 30 April 2015, having taken into account the business prospect of the Target Company. As at 30 April 2015, the unaudited net asset value of the Target Company was approximately RMB78.88 million (equivalent to HK$96.68 million).

The Consideration will be funded by the internal resources of Group Sense.

Advance to the Target Company

Pursuant to the Share Transfer Agreement, the Purchaser also agreed to make the following advances to the Target Company before Completion:

- Within five business days after the date of the Share Transfer Agreement, RMB7.23 million (equivalent ot HK$8.86 million) will be deposited into the account of the Target Company; and

- RMB20.00 million (equivalent to HK$24.51 million) for the repayment of a pledged bank loan of the Target Company.

The Target Company shall refund the above advances to the Purchaser if the Share Transfer Agreement is terminated by any of the parties.

The Purchaser agreed to pay the Vendors any recovered amount from the written-off bad debts of RMB12.96 million (equivalent to HK15.88 million) as at 30 April 2015.

Conditions Precedent

Completion of the Acquisition is conditional upon the fulfillment of the following Conditions:

(a) the due diligence on, among the others, the financial, legal and commercial aspects of the Target Company having been completed;

(b) the Purchaser having obtained the relevant approvals including (i) the approval by the GS Shareholders at the GS SGM or the approval of over 50% GS Shareholders by way of written resolutions' approval in accordance with the requirement of the Listing Rules in relation to the Share Transfer Agreement and the transactions contemplated thereunder, (ii) the approval by the board of directors of the Purchaser in relation to the Share Transfer Agreement and the transactions contemplated thereunder, and (iii) other approvals (if any) required to be obtained by Group Sense or the Purchaser;

(c) the Vendors as the shareholders of the Target Company having unanimously passed the shareholders' resolution in respect of the Share Transfer Agreement and the transactions contemplated therein;

(d) the Vendors having obtained the following approvals on the transfer of their equity interests in the Target Company (i) the approval by the board of directors and the shareholders of Gansu Tengda in relation to the transfer of its shareholding interest in the Target Company, (ii) the approval by the board of directors and the shareholders of Hangzhou Boiler in relation to the transfer of its equity interest in the Target Company and the release of the share pledge of Gansu Tengda on the equity interest of Hangzhou Boiler, and (iii) the consent of the spouse of Wang Jian Min in relation to the transfer of his equity interest in the Target Company;

(e) the Target Company having obtained the following approval in relation to its current business activities: approval given by safety supervision and administration department of the report on deferred experimental production;

(f) the Target Company having entered into the necessary trading agreements with Gansu Tengda pursuant to which Gansu Tengda will continue to trade with the Target Company for semi coke and ferrosilicon based on market price after Completion;

(g) in respect of the government approval on the transfer of the Sale Interest:

    (i) the Target Company having obtained the approval authority and all other relevant PRC government departments all necessary approval in relation to the Share Transfer Agreement, the transfer of the Sale Interest and the amended articles of association of the Target Company, and the terms in relation to the rights and obligations of any party in the Share Transfer Agreement and the amended articles of association of the Target Company not having been amended in any manner by such approval;

    (ii) the acquisition of the Sale Interest of the Target Company by the Purchaser having been approved by the National Development and Reform Commission;

(h) after the advance of RMB20.00 million by the Purchaser to the Target Company for the repayment of the respective pledged bank loan, the Vendors having within 5 business days after such advancement released the pledge over the equity interest of the Target Company and cancelled the respective pledge registration with the relevant government authority;

(i) the mortgage of land of the Target Company having been released and the respective mortgage registration with the relevant government authority having been cancelled;

(j) the Purchaser having obtained the latest management accounts of the Target Company for the period between 1 May 2015 to the Completion Date;

(k) the Target Company having appointed the persons designated by the Purchaser as new directors of the Target Company;

(l) the representations and warranties given by the Vendors in the Share Transfer Agreement being true, accurate and not misleading in all material respects as at the date of the Share Transfer Agreement and at all times up to and on Completion and there having been no breach of any of the warranties made by the Vendors;

(m) the Purchaser having obtained (and confirmed receipt in writing of) all seals, usernames, passwords, or Ukey etc, for e-banking and e-reporting and relevant documents and information of the Target Company;

(n) the Purchaser having obtained a certification of Completion (signed by the Vendors (or its authorised representative) and the representative of the Purchaser) confirming that all Conditions have been fulfilled or waived through mutual agreement;

(o) the Purchaser being satisfied that no material adverse change to the Target Company's financial condition and prospect or business to perform their obligations under the Share Transfer Agreement has occurred before Completion or will occur as a result of Completion; and

(p) any other matters as agreed between the Purchaser and the Vendors.

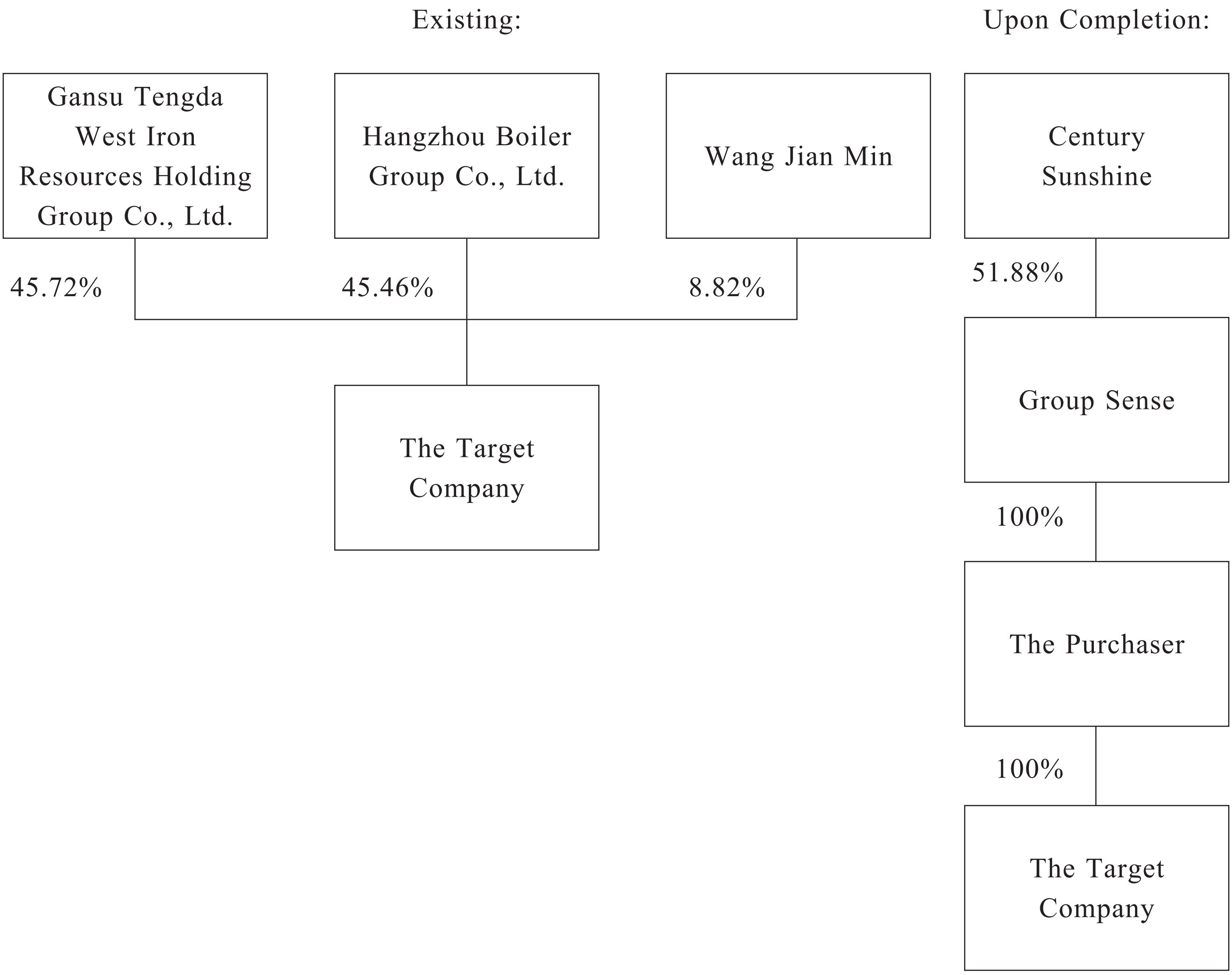
The Vendors shall use their best endeavours to fulfill Conditions (c) to (o). The Purchaser shall use its best endeavours to fulfill conditions (b) and (h) above. The Purchaser shall have the right to waive any of the Conditions applicable to the Vendors at its discretion. If any of the Conditions have not been fulfilled or waived (as the case may be) within three months from the date of the Share Transfer Agreement (or such later date as the Vendors and the Purchaser may agree in writing), the Share Transfer Agreement may be terminated by any of the party in writing and the Share Transfer Agreement shall be void and of no effect subject to the liability of the party to the others in respect of any breach of their obligations to use their best endeavours to fulfill the relevant conditions.

Completion

Completion shall take place on the third business day after all the Conditions having been fulfilled or waived or on such other date as the parties to the Share Transfer Agreement may agree.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of Group Sense and the financial results of the Target Company will be consolidated into Group Sense's financial information upon Completion.

THE SHAREHOLDING STRUCTURE OF THE TARGET COMPANY



INFORMATION OF THE TARGET COMPANY

The Target Company is beneficially held as to 45.72% by Gansu Tengda, 45.46% by Hangzhou Boiler and 8.82% by Mr. Wang Jian Min, which are, to the best knowledge, information and belief of GS Directors, having made all reasonable enquiries, Independent Third Parties. Hangzhou Boiler is a company established in the PRC with limited liability and its shares are listed on the Shenzhen Stock Exchange (stock code: 002534).

The Target Company was established on 23 April 2008 with existing registered capital of RMB171.80 million. It is principally engaged in the production and sale of magnesium ingot and semi coke. The Target Company's production premises, including administration, research and development, and housing facilities located at Heavy Industrial and Processing District of the Hami Industrial Park, Hami City, Xinjiang Uygur Autonomous Region, the PRC with total area of approximately 679,121m^2. The approved production capacity of the Target Company comprises 1,200,000 tons of semi coke, 60,000 tons of magnesium ingot and 100,000 tons of ferroalloy per annum. As at 30 April 2015, the Target Company has installed two major production lines, being the processing and production of magnesium ingot and semi coke. The Target Company commenced trial production of magnesium ingot and semi coke in July 2011 and October 2008 respectively and have suspended production since May 2015. The commercial production of magnesium and semi coke is subject to the issuance of permits and licences by the PRC government authorities. As at 30 April 2015, the Target Company had over 280 employees.

FINANCIAL INFORMATION OF THE TARGET COMPANY

The latest draft accountant's report of the Target Company available as at the date of the announcement contained (i) the disclaimer of opinion of the reporting accountant in relation to being unable to properly reconcile the inventory records as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 as a result of the reporting accountant being unable to satisfy with alternative means concerning the inventory quantities held and the carrying value of the inventories at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 and thus being unable to determine whether adjustment might have been necessary in respect of the loss for the period/years reported in the statements of profit or loss and other comprehensive income and the net cash flows from operating activities reported in the statements of cash flows for the year ended 31 December 2012, 31 December 2013 and 31 December 2014 and four months ended 30 April 2015; and (ii) emphasis of matter in relation to net current liabilities of the Target Company as at 30 April 2015, a net loss incurred during the four months ended 30 April 2015 and operations of the Target Company being currently suspended which indicate the existence of a material uncertainty and may cast significant doubt about the Target Company's ability to continue as a going concern, a summary of the unaudited financial information of the Target Company for the three years ended 31 December 2014 and the four months period ended 30 April 2015, which are prepared in accordance with Hong Kong Financial Reporting Standards, is set out below:

	For the year ended 31 December			**For the four months period ended 30 April**
	2012	**2013**	**2014**	**2015**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	181,312	153,341	147,588	36,401
Loss before tax	(10,248)	(30,124)	(43,163)	(23,900)
Loss for the year/period	(10,248)	(30,124)	(43,163)	(23,900)

	As at 30 April 2015 *(RMB'000)* (Unaudited)
Current assets	34,527
Non-current assets	179,667
Total assets	214,194
Current liabilities	135,319
Non-current liabilities	—
Total liabilities	135,319
Net current liabilities	(100,792)
Net assets	78,875

During the Track Record Period, sales of magnesium ingot accounted for approximately 60%, 58%, 69% and 60% of total revenue for each period and sales of semi coke accounted for the remaining. The major customers of the Target Company include alloy manufacturing companies and chemical companies. The Target Company also sells semi coke to Gansu Tengda, one of the Target Company's shareholders, which accounted for 13%, 19%, 16% and 13% of total revenue respectively for each period during the Track Record Period. During the Track Record Period, the Target Company sold approximately 7,660 tons, 6,796 tons, 8,333 tons and 2,007 tons of magnesium ingot respectively and approximately 128,203 tons, 122,184 tons, 113,602 tons and 40,888 tons of semi coke respectively.

Major materials of magnesium ingot and semi coke include raw coal, dolomite and ferrosilicon, which in aggregate accounted for over 70% of the cost of sales for the three years ended 31 December 2014. Raw coal and dolomite are with abundant supply and are sourced from suppliers in Xinjiang region of the PRC whilst ferrosilicon was mainly sourced from Gansu Tengda, during the Track Record Period.

The sales of semi coke accounted for 40%, 42%, 31% and 40% of total revenue respectively for each period during the Track Record Period, whilst its market price is adversely affected by the decelerating economic growth in the PRC and the weak market sentiment in the steel and other metal alloy industry in the PRC. The average sales price of semi coke has decreased from approximately RMB570 per ton for the year ended 31 December 2012 to approximately RMB354 per ton for the four months period ended 30 April 2015, representing a decrease of 38%.

The sales of magnesium ingot accounted for 60%, 58%, 69% and 60% of total revenue respectively for each period during the Track Record Period. The existing production technology in terms of magnesium products only enables the Target Company to produce magnesium ingot with low purity. In addition, in the PRC, due to eco-friendly nature of magnesium alloys, the demand for magnesium alloys is fuelled by the promotion of energy savings and emission reduction measures and the promulgation of policies supporting the development of related industries. The magnesium alloy, as compared with magnesium ingot, is with higher technological barriers to entry and higher selling price. Given that the economic growth in the PRC is decelerating and the Target Company was not able to re-engineer its magnesium production lines to improve product purity and variety to meet the market need, the average sales price of magnesium ingots has decreased from approximately RMB14,132 per ton for the year ended 31 December 2012 to approximately RMB10,922 per ton for the four months period ended 30 April 2015, representing a decrease of 23%. In light of the authorised production capacity of 1,200,000 tons, 60,000 tons and 100,000 tons per annum for semi coke, magnesium ingot and ferroalloy, the Target Company, subject to the limitation of its current productions lines and technology, was not able to fully utilised the above-mentioned production capacity and the highest annual production amounts for semi coke and magnesium ingot were approximately 139,933 tons and 7,433 tons respectively during the Track Record Period. The production for ferroalloy has not yet commenced.

As a result of (a) the decrease in the sales price of semi coke and magnesium ingot during the Track Record Period, (b) the existing management not being able to re-engineer its magnesium production lines to meet the market need during the Track Record Period; (c) the authorised production capacity not being fully utilised based on the existing production lines and technology, the Target Company incurred consecutive losses during the Track Record Period.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The principal activity of Century Sunshine is investment holdings and its subsidiaries are principally engaged in magnesium business, fertiliser business and metallurgical flux business.

The principal business 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 products, and the provision of electronic manufacturing services. Group Sense is an indirectly owned subsidiary of Century Sunshine which holds 51.88% shareholding interests in Group Sense.

Reference is made to the composite document of Group Sense, Century Sunshine and Ming Xin Development Limited dated 5 March 2015 in relation to the unconditional mandatory cash general offer. It is the intention of Century Sunshine to explore other business opportunities for Group Sense and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of Group Sense. In long term, Group Sense is to be positioned to conduct magnesium product business and in particular future development of chain model of circular economy in magnesium and magnesium product related business by leveraging on the experience, technology and business network of magnesium product business of the Century Sunshine Group.

Magnesium alloys are mixtures of magnesium with other metals, such as aluminium, zinc, manganese, silicon, copper and zirconium. Magnesium alloys are a lighter structural metal to be developed, being a third lighter than aluminium and only a quarter of the weight of steel. Their other properties include:

- anti-radiation properties;
- resistance to creep;
- recyclable;
- high strength to weight ratios;
- high thermal stability, which means that, even when exposed to high temperatures in production processes, magnesium alloys remain stable materials;
- excellent machinability, which means that, as a material, magnesium alloys require little power to cut, can be cut quickly and can easily obtain a good finish; and
- high resistance to corrosion.

These advantages cause magnesium alloys to be in demand by different industries such as the automotive, aerospace, aviation, defense, computers, consumer electronics, communications, biomedical chemical and packaging industries. Magnesium alloys are commonly utilised in engineering design particularly due to their light weight, which results in improved fuel efficiency, and aids in reducing carbon dioxide emissions.

In the PRC where Century Sunshine and Group Sense mainly operate, due to the eco-friendly nature of magnesium alloys, the demand for magnesium alloys is also fuelled by the promotion of energy savings and emission reduction measures and the promulgation of policies supporting the development of related industries. According to projections in the PRC government's "Twelfth Five-Year Plan of the New Material Industry", demand for magnesium will grow by a compound annual growth rate of 26.7 per cent, which is 19.3 percentage points higher than the average growth rate of ten nonferrous metals (7.4 per cent.), ranking the first in annual growth rate among nonferrous metals. Under the "Thirteenth Five-year Plan", the industry targets for magnesium output is expected to exceed 800,000 tonnes by 2015 and 1,300,000 tonnes by 2020, with an average annual growth rate of over 10 per cent. According to the China Non-Ferrous Metals News, with the rapid development in the automobile, computers, consumer electronics, communications pharmaceutical chemicals and aerospace industries, global demand for magnesium is expected to reach six million tonnes by 2015.

In light of the above-mentioned market need, Century Sunshine commenced its production of magnesium products in July 2011. The magnesium products segment accounted for above 30% of the revenue of Century Sunshine for the three years ended 31 December 2014. Basic magnesium products and rare earth magnesium alloys are the two main business products for Century Sunshine's magnesium products segment. Basic magnesium products, with an average gross profit margin of approximately 19% for the three years ended 31 December 2014, include general magnesium alloys and magnesium ingot. Rare earth magnesium alloys, with an average gross profit margin of approximately 40% for the three years ended 31 December 2014, are categorised as high-end magnesium alloys products. The average realised selling prices for rare earth magnesium alloys and basic magnesium products for the three years ended 31 December 2014 are approximately HK$40,386 and HK$20,002 per ton respectively.

As stated in the section headed "Information of the Target Company" above, the Target Company has the capacity to produce semi coke and magnesium ingot which is in-line with the future development of chain model of circular economy in magnesium and magnesium product related business of the Group. Further, Century Sunshine, as an integrated enterprises in the PRC's magnesium industry, has been designated as a demonstration base of comprehensive applications of mining resources in the PRC by the Ministry of Land and Resources and the Ministry of Finance of the PRC. Since 2013, Century Sunshine has been working closely with the Changchun Institute of Applied Chemistry under the Chinese Academy of Science to further enhance its technology and production capacity in the fields of rare earth magnesium alloy. By leveraging on the experience and technology of Century Sunshine Group, the GS Directors of believe that the technical level and management efficiency of the Target Company could be enhanced and the Target Company will be able to enhance the quality of magnesium ingot and its ancillary products to meet the current market need in terms of product quality and variety. By applying the comprehensive corporate governance and management standards of Group Sense, being a Hong Kong listing company, the cost and working capital management of the Target Company will be substantially improved and the Target Company will be well-positioned to meet the market need for magnesium alloys. Having considered (a) the research and development capability and technological edges of Century Sunshine in the field of magnesium products; (b) the technical level and management efficiency of the Target Company to be enhanced (c) the comprehensive corporate governance and management to be applied to the Target Company, the business model, results of operations and financial condition of the Target Company will be improved, which will create value to the shareholders of Group Sense.

The board of CS Directors and the board of GS Directors consider the Acquisition can facilitate the business development of the Group Sense Group and diversify the business and sources of income of the Group Sense Group.

In light of the above, the CS Directors and GS Directors are of the view that the terms of the Share Transfer Agreement are fair and reasonable, on normal commercial terms and in the interests of Group Sense, Century Sunshine, the GS Shareholders and the CS Shareholders as a whole.

LISTING RULES IMPLICATIONS TO CENTURY SUNSHINE

As more than one of the applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition are greater than 5% and all applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of Century Sunshine and is therefore subject to notification and announcement requirements but exempt from CS Shareholders' approval requirement under Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS TO GROUP SENSE

As one or more of the applicable percentage ratios as defined under the Listing Rules in respect of the Acquisition exceed 25% but less than 100%, the Acquisition constitutes a major transaction of Group Sense under Chapter 14 of the Listing Rules. The Acquisition and the transactions contemplated thereunder are subject to the reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules. To the best knowledge, information and belief of the GS Directors, having made all reasonable enquiries, no GS Shareholders has a material interest in the Acquisition and is required to abstain from voting at a general meeting to approve the Acquisition if such a general meeting were to be convened.

As the advance to the Target Company contemplated under the Share Transfer Agreement exceeds 8% under the assets ratios as defined under the Listing Rules, the advance to the Target Company is of approximately RMB27.23 million in aggregate (equivalent to approximately HK$33.37 million) is subject to general disclosure obligation under Rule 13.15 of the Listing Rules.

GENERAL

The GS SGM will be convened and held for the GS Shareholders to consider and, if thought fit, approve the Acquisition. A circular containing, among other things, further details of the Acquisition and the transactions contemplated thereunder is expected to be despatched to the GS Shareholders for information purpose on or before 4 September 2015 as additional time is required to finalise the financial information of the circular.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

"Acquisition"	the acquisition of Sale Interest by the Purchaser from the Vendors upon the terms and conditions of the Share Transfer Agreement;
"associate"	has the meaning ascribed to it under the Listing Rules;
"Century Sunshine"	Century Sunshine Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on Main Board of the Stock Exchange (Stock Code: 509);
"Century Sunshine Group"	Century Sunshine and its subsidiaries;
"CS Director(s)"	the Director(s) of Century Sunshine;
"CS Shares"	Ordinary shares(s) of HK$0.02 each in the share capital of Century Sunshine;
"CS Shareholders"	the holders of CS Shares;
"Completion"	the completion of the Acquisition pursuant to the terms and conditions of the Share Transfer Agreement;
"Completion Date"	the third business day after the Conditions having been fulfilled or waived or at a later date being agreed by the Purchaser and the Vendors;
"Condition(s)"	the conditions precedent to the Completion, details of which are set out in the sub-heading of the "Conditions precedent" of this announcement;
"connected person(s)"	has the meaning ascribed of it under the Listing Rules;
"Consideration"	The total consideration for the Acquisition payable by the Purchaser to the Vendors, being RMB72.28 million (equivalent to approximately HK88.59 million);
"Gansu Tengda"	甘肅騰達西鐵資源控股集團有限公司(transliterated as "Gansu Tengda West Iron Resources Holding Group Co., Ltd."), a shareholder holding 45.72% interest in the Target Company;

"Framework Agreement"	the framework agreement dated 14 May 2015 entered into by the Company and the Vendors in relation to the proposed acquisition of the Target Company;
"Group Sense"	Group Sense (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 601);
"Group Sense Group"	Group Sense and its subsidiaries;
"GS Director(s)"	the Director(s) of Group Sense;
"GS SGM"	the special general meeting to be convened and held by Group Sense to consider and approve the Share Transfer Agreement and the transactions contemplated thereunder;
"GS Shares"	ordinary share(s) of HK$0.10 each in the share capital of Group Sense;
"GS Shareholders"	the holders of GS Shares;
"Hangzhou Boiler"	杭州鍋爐集團股份有限公司(transliterated as "Hangzhou Boiler Group Co., Ltd."), a shareholder holding 45.46% interest in the Target Company;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Third Party(ies)"	third party(ies) independent of and not connected with Century Sunshine and Group Sense and their connected persons;
"Last Trading Day"	12 August 2015, being the date of this announcement;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"PRC"	the People's Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
"Purchaser"	Hong Kong New Materials Industry Investment Company Limited ("香港新材料產業投資有限公司"), an indirect wholly-owned subsidiary of Group Sense;

"Sale Interest"	the entire equity interest in the Target Company;
"Share Transfer Agreement"	the conditional Share Transfer Agreement dated 12 August 2015, entered into between the Vendors and the Purchaser in relation to the Acquisition;
"Stock Exchange"	the Stock Exchange of Hong Kong Limited;
"Target Company"	新疆騰翔鎂製品有限公司 (transliterated as "Xinjiang Tengxiang Magnesium Products Company Limited"), a company established in the People's Republic of China with limited liability;
"Track Record Period"	for the three years ended 31 December 2014 and the four months ended 30 April 2015;
"Vendors"	甘肅騰達西鐵資源控股集團有限公司(transliterated as "Gansu Tengda West Iron Resources Holding Group Co., Ltd."), 杭州鍋爐集團股份有限公司 (transliterated as "Hangzhou Boiler Group Co., Ltd.") and Wang Jian Min（王建民）;
"%"	per cent.;
"HK$"	Hong Kong Dollar, the lawful currency of Hong Kong;
"RMB"	Reminbi, the lawful currency of the PRC.

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

By Order of the board
Group Sense (International) Limited
Shum Sai Chit
Chairman

Hong Kong, 12 August 2015

For the purposes of illustration only, any amount denominated in RMB in this announcement was translated into HK$ at the rate of HK$1 = RMB0.81583 (being the RMB central parity rate by the People's Bank of China as at 12 August 2015). Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.

As at the date of this announcement, the board of CS Directors comprises Mr. Chi Wen Fu, Mr. Shum Sai Chit, Ms. Chi Bi Fen and Mr. Yang Yuchuan as executive directors; Mr. Guo Mengyong as non-executive director, Mr. Kwong Ping Man, Mr. Sheng Hong and Mr. Lau Chi Kit as independent non-executive directors.

As at the date of this announcement, the board of GS Directors comprises Mr. Shum Sai Chit and Ms. Chi Bi Fen as executive directors; Professor Meng Jian and Dr. Tam Wai Ho, Samson JP as non-executive directors, Mr. Kwong Ping Man, Mr. Cheung Sound Poon and Mr. Chen Gang as independent nonexecutive directors.

If there is any inconsistency in this announcement between the Chinese and English versions and the English version shall prevail.