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**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)**

**UPDATE ANNOUNCEMENT**

**ON**

**(1) CONNECTED TRANSACTION IN RELATION TO  
SUBSCRIPTION FOR CONVERTIBLE BONDS UNDER  
SPECIFIC MANDATE;**

**AND**

**(2) APPLICATION FOR WHITEWASH WAIVER**

**PROPOSED ADJOURNMENT OF EXTRAORDINARY GENERAL  
MEETING TO BE HELD ON 18 JUNE 2020**

This announcement is made by Century Sunshine Group Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the circular of the Company dated 26 May 2020 (the “**Circular**”) in relation to, among other things, (i) connected transaction in relation to subscription for Convertible Bonds under Specific Mandate; and (ii) application for Whitewash Waiver and the notice of EGM dated 26 May 2020 (the “**EGM Notice**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Circular.

## Update on the business and financial positions of the Group

As disclosed in the section headed “Material Change” in Appendix I to the Circular, the Group’s production has been negatively affected by the holiday extension and logistics delay across the PRC due to COVID-19 and the Group recorded a drop in revenue in the first three months of 2020.

The Board would like to provide further update to the Shareholders that:

- (i) The businesses of some of the Group’s customers in the PRC have experienced slower recovery from the impact of COVID-19 and requested the Group to extend credit periods and delay shipment of sales orders. As a result, the Group continued to record a drop in revenue in April 2020 and reported reduced liquidity of the Group’s operating cash flow due to increase in inventory and extended account receivables collection period. The Board will continue to closely monitor the development of the COVID-19 outbreak and evaluate the extent of its impact on the operations of the Group.
- (ii) As disclosed in the 2019 Annual Report, the SGD101.75 million (equivalent to approximately HK\$559.625 million\*) 7.00% subordinated notes (the “**Notes**”) issued by the Company and listed on the Singapore Stock Exchange will mature on 3 July 2020. Detailed terms of the Notes are set out in the Company’s announcement dated 9 May 2017. As further disclosed in the section headed “Reasons for and Benefits of the Subscription” in the “Letter from the Board” in the Circular, the Company is in ongoing discussions with financial institutions for the refinancing of the Notes (the “**Notes Refinancing**”).

The Board would like to inform the Shareholders that the Company is in negotiation with the arranging bank in relation to the proposed issue of U.S. dollar denominated notes (the “**Proposed Issue**”) in late June 2020 for the Notes Refinancing. Nevertheless, the Company notes that the recent investor sentiment has been dampened by the rising U.S.-China tensions and the weakened investor appetite has increased the Company’s difficulties with respect to its refinancing efforts and cast uncertainty over the response of the Proposed Issue.

The Company is exploring different options and continuing its discussions and negotiations with other potential investors/lenders for the Proposed Issue and the Notes Refinancing.

Given the near-term refinancing risks of the Notes, Shareholders and potential investors of the Company should be aware that if the Proposed Issue cannot be implemented due to market uncertainties and if the other attempts on the Notes Refinancing are unsuccessful, the repayment of the Notes on maturity would put substantial pressure on the Group's liquidity. The Company's senior management team is reviewing the current situation and is considering the possible solutions.

The Company will keep Shareholders and potential investors of the Company updated by way of further announcement(s) regarding the progress of the Notes Refinancing before the end of June 2020.

In light of the current circumstances and the upcoming maturity of the Notes, it is proposed that the EGM, which was initially scheduled to be held on 18 June 2020 as set out in the EGM Notice, will be adjourned to a later date to be fixed, pending the update on the Notes Refinancing and the corresponding information in the Circular, if any, for the Independent Shareholders to make an informed decision on how to vote on the Subscription (including the grant of the Specific Mandate) and the Whitewash Waiver.

Accordingly, upon the commencement of the EGM and provided that a quorum is present, the chairman of the EGM will put forward a resolution (the "**Adjournment Resolution**") to adjourn the EGM pursuant to the articles of association of the Company, to a date to be determined by the Board.

Subject to the passing of the Adjournment Resolution at the EGM, further notice setting out the date, time and place of the adjourned extraordinary general meeting of the Company (the "**Adjourned EGM**") will be issued in due course. The resolutions set out in the EGM Notice to be proposed at the EGM will remain unchanged, and will be proposed at the Adjourned EGM.

Save as disclosed above, the business operations of the Group are continuing as usual in all material respects.

**Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

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

Hong Kong, 12 June 2020

As at the date of this announcement, the Directors are:

*Executive Directors:* *Mr. Chi Wen Fu, Mr. Shum Sai Chit and Mr. Chi Jing Chao*

*Non-executive Director:* *Mr. Guo Mengyong*

*Independent non-executive Directors:* *Mr. Cheung Sound Poon, Mr. Sheng Hong and Mr. Lau Chi Kit*

\* *For the purpose of this announcement, the translation of SGD to HK\$ is based on the exchange rate of SGD\$1 = HK\$5.5 and is provided for illustration purpose only.*