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HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

ANNOUNCEMENT

The board (the “**Board**”) of directors of Hi Sun Technology (China) Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), would like to inform the shareholders and potential investors of the Company that on 28 February 2018, Main Access Limited (“**Main Access**”), a wholly-owned subsidiary of the Company, as one of the subscribers, entered into a share subscription agreement (the “**Series D Subscription Agreement**”) with (i) Cloopen Group Holding Limited (“**Cloopen**”), an investment of the Company accounted for using the equity method, two subsidiaries of Cloopen, namely Cloopen Limited and Anxun Guantong (Beijing) Technology Co., Ltd. (“**Anxun**”), Beijing Ronglian Yitong Information Technology Co., Ltd. (“**Ronglian**”) (a company which Anxun exercises control and enjoys economic benefits through contractual arrangements, together the “**Cloopen Group**”); (ii) the founding shareholders, namely Mr. SUN Changxun and Mr. LI Xiaoguang and their respective investment holding companies, namely Cloopen Co., Ltd. and Slivo Co., Ltd.; and (iii) other subscribers. Pursuant to the Series D Subscription Agreement, Main Access has conditionally agreed to subscribe for 2,434,015 series D preferred shares of Cloopen at the consideration of US\$5 million. Upon completion of the Series D Subscription Agreement, Cloopen will have issued an aggregate of 12,462,157 series D preferred shares, representing approximately 6.02% of the enlarged issued share capital of Cloopen, to all the subscribers of the series D preferred shares, including Main Access (assuming 21,119,408 ordinary shares of Cloopen which have been reserved for issuance to officers, directors, employees or consultants of Cloopen pursuant to its employee share option plan (“**ESOP Shares**”) are allotted and issued), and Cloopen Group will have raised US\$25.6 million (before deducting expenses) in this series of preference shares issue pursuant to the Series D Subscription Agreement.

As at the date of this announcement and immediately before completion of the Series D Subscription Agreement, the Group is interested in approximately 27.34% equity interest in Cloopen (assuming all the ESOP Shares are allotted and issued). Completion of the Series D Subscription Agreement will take place no later than 3 business days after all conditions precedent specified thereunder are satisfied or waived. Upon completion of the Series D Subscription Agreement, the Group’s equity interests in Cloopen will be approximately 26.87% (assuming all the ESOP Shares are allotted and issued).

* For identification purpose only

Immediately after completion of the Series D Subscription Agreement, the Cloopen Group will remain to be an investment of the Company accounted for using the equity method.

The Series D Subscription Agreement does not constitute a notifiable or connected transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
HI SUN TECHNOLOGY (CHINA) LIMITED
Li Wenjin
Executive Director

Hong Kong, 28 February 2018

As at the date of this announcement, the Board consists of five executive Directors, namely, Mr. Cheung Yuk Fung, Mr. Kui Man Chun, Mr. Xu Wensheng, Mr. Li Wenjin and Mr. Xu Chang Jun; and three independent non-executive Directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Chang Kai-Tzung, Richard.