



HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

The Stock Exchange of Hong Kong has made enquiries concerning the increase in the price of the shares of the Company today. Save as referred to below, the directors of the Company are not aware of any matter that might have resulted in the increase in the price of the shares of the Company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent increase in the price of the shares of the Company and wish to state that save as set out below, we are not aware of any reasons for such increase.

Save as set out below, we confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 and neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09, which is or may be of a price-sensitive nature.

The Company has on 4 July 2006 entered into two memoranda of understanding with an independent third party in relation to potential investments in one or more subsidiaries of the Company which may involve an issue of securities in the Company. The transactions, if entered into, may constitute notifiable transactions for the Company. The transactions may or may not proceed. Shareholders and investors are advised exercise caution when dealing in the shares of the Company.

Made by the order of the Board of the Company the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board
Li Wenjin
Executive Director

Hong Kong, 4 July 2006

As at the date hereof, the Board comprises eight executive directors, namely Cheung Yuk Fung, Kui Man Chun, Lo Siu Yu, Xu Sheng, Li Wenjin, Chan Yiu Kwong, Xu Chang Jun and Zhou Jian; and three independent non-executive directors, namely Tam Chun Fai, Leung Wai Man, Roger and Xu Sitao.

* For identification purpose only

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*