



# HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技（中國）有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock code: 0818)

## CONVERSION OF CONVERTIBLE PREFERENCE SHARES IN A SUBSIDIARY OF THE COMPANY

The Company has received notices dated 20 April 2007 from the OZ Funds (as defined below) on 23 April 2007 that they would like to exercise the conversion rights attached to the 3,418,804 Convertible Preference Shares in Turbo Speed, a subsidiary of the Company into Shares.

As a result of the aforesaid conversion, the Company has issued and allotted 51,866,667 new Shares to the OZ Funds in the aggregate on 27 April 2007 representing approximately 2.65% of the existing total issued share capital of the Company and approximately 2.58% of the total issued share capital of the Company as enlarged by the conversion.

On 23 April 2007, the Company received notices from OZ Master Fund, Ltd., OZ Asia Master Fund, Ltd. and OZ Global Special Investments Master Fund, L.P., (collectively the "OZ Funds") for the conversion of all the 3,418,804 convertible preference shares ("Convertible Preference Shares") in Turbo Speed Technology Limited ("Turbo Speed") held by the OZ Funds in the aggregate into the ordinary shares ("Shares") of the Company pursuant to the terms of the subscription agreement ("Subscription Agreement") dated 9 November 2004 entered into among Turbo Speed, Comtel Development Limited, Acme Partner International Limited and the Company, details of which were announced by the Company on 11 November 2004. The 3,418,804 Convertible Preference Shares were transferred to the OZ Funds on 8 December 2006, details of which were announced by the Company on 8 December 2006.

As a result of the aforesaid conversion, 51,866,667 new Shares were issued and allotted to the OZ Funds in the aggregate on 27 April 2007 at a conversion price of HK\$0.3 per Share representing approximately 2.65% of the existing total issued share capital of the Company and approximately 2.58% of the total issued share capital of the Company as enlarged by the conversion.

This announcement is made by the order of the board of directors of the Company (the "Board"), of which the directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement.

By order of the Board  
**Li Wenjin**  
Executive Director

Hong Kong, 27 April 2007

As at the date of this announcement, the Board consists of six executive directors, namely Mr. Cheung Yuk Fung, Mr. Kui Man Chun, Mr. Xu Wensheng, Mr. Li Wenjin, Mr. Chan Yiu Kwong and Mr. Xu Chang Jun and three independent non-executive directors, namely Mr. Tam Chun Fai, Mr. Xu Sitao and Mr. Leung Wai Man, Roger.

\* For identification purpose only