

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration under the United States Securities Act of 1933, as amended, or an exemption therefrom.*



**HI SUN TECHNOLOGY (CHINA) LIMITED**

**高陽科技（中國）有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock code: 818)**

**POSSIBLE DISCLOSEABLE TRANSACTION  
IN RELATION TO  
THE PROPOSED SPIN-OFF AND SEPARATE LISTING OF  
PAX GLOBAL TECHNOLOGY LIMITED  
ON THE MAIN BOARD OF  
THE STOCK EXCHANGE OF HONG KONG LIMITED**

The Board is pleased to announce that on 31 March 2010, PAX Global submitted an advance booking form for an application for the listing of, and permission to deal in, the PAX Shares on the main board of the Stock Exchange. The Proposed Spin-off, if proceeded, will be effected in compliance with Practice Note 15 of the Listing Rules.

PAX Global is currently a wholly owned subsidiary of the Company. The PAX Group is principally engaged in the Transaction Data Capture Terminals and Solutions Businesses.

It is intended that assured entitlements to certain PAX Shares will be provided to the qualifying Shareholders, subject to certain conditions. The details of such assured entitlements have not yet been finalized and will be announced in due course.

As the applicable percentage ratios calculated with reference to the deemed disposal as a result of the Proposed Spin-off (assuming that the Share Offer involves the issue of new PAX Shares representing up to 27.71% of the issued share capital of Pax Global immediately after the Share Offer) are more than 5% and less than 25%, the Proposed Spin-off may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore not subject to approval from the Shareholders under paragraph 3(e)(1) of Practice Note 15 of the Listing Rules. As PAX Global will, in the preparation of its listing, likely adopt an employee share option scheme and there may be other reorganisation related transactions that may attract Shareholders' approval requirements under the Listing Rules, the Company will in due course convene a special general meeting to seek Shareholders' approval of the relevant matters. Further announcement in this respect will be made as and when appropriate.

**Shareholders and potential investors should note that the Proposed Spin-off is subject to, among others, the approval of the Stock Exchange and the final decision of the Board, the Proposed Spin-off may or may not occur. There is no assurance that the approval from the Stock Exchange will be granted. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to Rule 13.09 and Practice Note 15 of the Listing Rules. Reference is made to the announcement of the Company dated 15 March 2010 in relation to the Proposed Spin-off. The Board is pleased to announce that on 31 March 2010, PAX Global submitted an advance booking form for an application for the listing of, and permission to deal in, the PAX Shares on the main board of the Stock Exchange. Credit Suisse (Hong Kong) Limited and CITIC Securities Corporate Finance (HK) Limited have been appointed as the joint sponsors to PAX Global in its listing application.

## **INFORMATION ON PAX GLOBAL**

PAX Global is currently a wholly owned subsidiary of the Company. The PAX Group is principally engaged in the Transaction Data Capture Terminals and Solutions Businesses, which include:

- (a) the development, manufacture and sale of electronic power meters; and
- (b) the development and sale of EDC-POS products (electronic data capture Point-of-Sale products).

## **INFORMATION ON THE PROPOSED SPIN-OFF**

It is currently proposed that, pursuant to the Share Offer, PAX Shares will be offered for subscription to the public in Hong Kong, placing to certain professional, institutional and other investors, and will include a potential offer for subscription of PAX Shares to qualifying Shareholders.

The Hi Sun Group's percentage interest in the share capital of PAX Global will be reduced but PAX Global is expected to remain as a subsidiary of the Company upon completion of the Share Offer, subject to the final structure of the Share Offer which is not yet confirmed at this stage.

## **REASONS FOR AND BENEFITS OF THE PROPOSED SPIN-OFF**

The Proposed Spin-off will, upon its implementation, allow the Hi Sun Group to focus on the business of financial solutions, payment solutions and telecommunications solution and operation value-added services. The PAX Group will focus on the Transaction Data Capture Terminals and Solutions Businesses, mainly including, electronic power meters and EDC — POS products, which has now grown to a size which warrants a separate listing. This will enable the two separate management teams to adopt different business strategies in order to better suit their businesses and with clearer segregation of roles, enhance their ability to focus on opportunities specific to the business of the relevant company, which each of the Hi Sun Group and the PAX Group could benefit.

In terms of profile for listing, the Proposed Spin-off will enable the Hi Sun Group and the PAX Group to establish its own profile thereby attracting different investors. A separate listing platform will also make it easier for the two groups to seek further capital in the future.

Since the Company will remain as a controlling shareholder and the holding company of PAX Global, the Hi Sun Group will continue to benefit from the business prospects and results of PAX Global.

## **ASSURED ENTITLEMENTS**

The Board will give due regard to the interests of the Shareholders by providing qualifying Shareholders with assured entitlements to a certain number of PAX Shares, subject to certain conditions, by way of preferred application, if the Stock Exchange has given the approval of the Proposed Spin-off and the Share Offer, respectively, and the Board and the board of directors of PAX Global decided to

proceed with the Proposed Spin-off and the Share Offer. The details of such assured entitlements have not yet been finalized. Further announcement will be made by the Company in due course setting out the details of the assured entitlements to be made to the qualifying Shareholders.

## **APPROVALS NOT REQUIRED FROM THE SHAREHOLDERS**

As the applicable percentage ratios calculated with reference to the deemed disposal as a result of the Proposed Spin-off (assuming that the Share Offer involves the issue of new PAX Shares representing up to 27.71% of the issued share capital of Pax Global immediately after the Share Offer) are more than 5% and less than 25%, the Proposed Spin-off may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore not subject to approval from the Shareholders under paragraph 3(e)(1) of Practice Note 15 of the Listing Rules. As PAX Global will, in the preparation of its listing, likely adopt an employee share option scheme and there may be other reorganisation related transactions that may attract Shareholders' approval requirements under the Listing Rules, the Company will in due course convene a special general meeting to seek Shareholders' approval of the relevant matters. Further announcement in this respect will be made as and when appropriate.

**Shareholders and potential investors should note that the Proposed Spin-off is subject to, among others, the approval of the Stock Exchange and the final decision of the Board, the Proposed Spin-off may or may not occur. There is no assurance that the approval from the Stock Exchange will be granted. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, the following terms have the following meanings:

“Board”	the board of Directors
“Company”	Hi Sun Technology (China) Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Hi Sun Group”	the Company and its subsidiaries

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PAX Global”	PAX Global Technology Limited, a company incorporated in Bermuda with limited liability
“PAX Group”	PAX Global and those companies in the Hi Sun Group that will be its subsidiaries at the time of the Share Offer
“PAX Shares”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of PAX Global
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Spin-off”	the proposed spin-off of the interests in PAX Group currently held by the Hi Sun Group for the separate listing on the main board of the Stock Exchange pursuant to the Share Offer
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.0025 each in the share capital of the Company
“Share Offer”	the offer for subscription of PAX Shares to the public in Hong Kong, the placing of PAX Shares to certain professional, institutional and other investors and may include a potential offer for subscription of PAX Shares to qualifying Shareholders
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Data Capture Terminals and Solutions Businesses”	the businesses described under the heading “Information on PAX Global”

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong  
“%” per cent.

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

Hong Kong, 31 March 2010

*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; two non-executive Directors, namely Mr. Yang Lei, Raymond and Mr. Chang Kai-Tzung, Richard and three independent non-executive Directors, namely Mr. Tam Chun Fai, Mr. Xu Sitao and Mr. Leung Wai Man, Roger.*

*\* for identification only*