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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the unaudited consolidated results of the Group for the six months ended 30 June 2010 may incur a loss as compared to a profit for the corresponding period in 2009. The Board believes that the expected loss was primarily attributable to (i) the drop in operating profit of wireless business which is mainly attributable to the continuous investment and expansion of new businesses, and (ii) operating loss of electronic power meters and solutions segment has further increased due to the drop in gross profit margin and product shipment was lower than anticipated.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

This announcement is made by Hi Sun Technology (China) Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that that it is expected that the unaudited consolidated results of the Group for the six months ended 30 June 2010 may incur a loss as compared to a profit for the corresponding period in 2009. The Board believes that the expected loss was primarily attributable to (i) the drop in operating profit of wireless business which is mainly attributable to the continuous investment and expansion of new businesses, and (ii) operating loss of electronic power meters and solutions segment has further increased due to the drop in gross profit margin and product shipment was lower than anticipated. The Board considers that the financial position of the Group remains sound and the Group is capable of financing its operations.

The Company is still in the process of finalising the unaudited consolidated interim results of the Group for the six months ending 30 June 2010. The information contained in this announcement is only a preliminary assessment by the management of the Company based on the latest management accounts of the Company and its subsidiaries currently available and is not based on any figures or information which has been audited or reviewed by the Company’s auditors. Finalised interim results of the Group and other details will be disclosed in the 2010 interim report to be published by the Company.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

By Order of the
Board
Li Wenjin
Executive Director

Hong Kong, 26 July 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 purpose only*