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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)

DISCLOSEABLE AND CONNECTED TRANSACTION TRANSFER OF FURTHER SHARES IN A SUBSIDIARY

Due to the 2010 SBL Net Profit being less than RMB375,000,000, the Company has transferred 300 SBL Ordinary Shares (representing 3% of the issued share capital of Success Bridge, assuming full conversion of all SBL Preference Shares into SBL Ordinary Shares) to the SBL Preference Shareholders in accordance with the Shareholders Agreement.

Reference is made to the announcements of the Company dated 30 December 2009 and 29 January 2010, and the circular of the Company dated 8 January 2010, relating to the entering into of the Subscription Agreement between the Company and the Subscriber, and the Shareholders Agreement between the Company, the Subscriber and Success Bridge.

Unless otherwise specified in this announcement, terms defined in the circular dated 8 January 2010 shall bear the same meanings when used in this announcement.

The Company had pursuant to the Subscription Agreement issued and allotted the 600 SBL Preference Shares to the Subscriber on 29 January 2010. On the same date, the Company, the Subscriber and Success Bridge entered into the Shareholders Agreement relating to, among other things, (i) the grant of Exchange Rights by the Company to SBL Preference Shareholders; (ii) the transfer of a specified number of SBL Ordinary Shares equal to up to 3% of the aggregate number of SBL Shares in issue as at Completion at an aggregate consideration of HK\$1.00 by the Company to the SBL Preference Shareholders if the 2010 SBL Net Profit is less than RMB450,000,000 (the “Ratchet Disposal”); and (iii) the transfer of a specified number of SBL Preference Shares and/or SBL Ordinary Shares equal to up to 2% of the aggregate number of SBL Shares in issue as at Completion at an aggregate consideration of HK\$1.00 by the SBL Preference Shareholders to the Company if the 2010 SBL Net Profit is RMB500,000,000 or more (the “Ratchet Acquisition”).

Details of the formulae calculating the number of SBL Ordinary Shares to be transferred under the Ratchet Disposal and Ratchet Acquisition are disclosed in the circular dated 8 January 2010 and the announcement dated 30 December 2009.

* *For identification only*

As the 2010 SBL Net Profit was less than RMB375,000,000, the Company has transferred 300 SBL Ordinary Shares (representing 3% of the issued share capital of Success Bridge, assuming full conversion of all SBL Preference Shares into SBL Ordinary Shares) to the SBL Preference Shareholders in accordance with the Shareholders Agreement. The SBL Ordinary Shares so transferred have, upon completion of the transfer, been re-designated into SBL Preference Shares, the principal terms of which are set out in the circular dated 8 January 2010.

The following table sets out the shareholding of Success Bridge before the Ratchet Disposal and as at the date of this announcement:–

	Before the Ratchet Disposal ^{Note}	As at the date of this announcement ^{Note}
Company	9,400 SBL Ordinary Shares (94%)	9,100 SBL Ordinary Shares (91%)
SBL Preference Shareholders	600 SBL Preference Shares (6%)	900 SBL Preference Shares (9%)

Note: Shareholding percentages are calculated on the assumption that all SBL Preference Shares are fully converted into SBL Ordinary Shares.

The SBL Ordinary Shares transferred and re-designated under the Ratchet Disposal are to be returned to the Company if the volume weighted average price of the Shares exceeds HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 (being the date falling nine months immediately following the date of Completion) up to (and excluding) 29 January 2012 (being the date falling on the second anniversary of the date of Completion). The Company, the Subscriber and Success Bridge entered into a supplemental agreement to the Shareholders Agreement dated 10 June 2011 in order to document the mechanics for such return, if any, of the SBL Ordinary Shares.

The Ratchet Disposal was completed on 10 June 2011.

By Order of the Board of
Hi Sun Technology (China) Limited
Li Wenjin
Executive Director

Hong Kong, 10 June 2011

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.