

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make 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.



HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

INSIDE INFORMATION — POSSIBLE INVESTMENT IN FINTECH BUSINESS

The Board is pleased to announce that after trading hours on 9 October 2020, VBill HK (an indirect non-wholly owned subsidiary of the Company) entered into the Memorandum with the Target Company, the Existing Shareholders and the beneficial owners of the Existing Shareholders in relation to the Possible Investment.

The Memorandum, save for provisions relating to exclusivity, confidentiality and certain miscellaneous provisions, is non-legally binding in nature. As at the date of this announcement, no legally binding agreement in relation to the Possible Investment has been entered into. As such, the Possible Investment may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Hi Sun Technology (China) Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

* *For identification purposes only*

THE MEMORANDUM

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that after trading hours on 9 October 2020, (i) VBill HK Limited (“**VBill HK**”, an indirect non-wholly owned subsidiary of the Company), (ii) the target company which is incorporated in Hong Kong (the “**Target Company**”), (iii) all existing shareholders of the Target Company (the “**Existing Shareholders**”) and (iv) the beneficial owners of the Existing Shareholders entered into a memorandum (the “**Memorandum**”) in relation to the proposed subscription of new shares in the Target Company and proposed acquisition of certain shares of the Target Company held by the Existing Shareholders by VBill HK (the “**Possible Investment**”). If the Possible Investment materialises, VBill HK will hold approximately 52.4% of the Target Company immediately upon completion of the Possible Investment and will have control over the board of directors of the Target Company.

The Target Company and its subsidiaries are principally engaged in regulated financial technology service business and payment service business.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, all counterparties of the Memorandum are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Exclusivity period

Upon the signing of the Memorandum, VBill HK shall be entitled to an exclusivity period of 90 days, for conducting the due diligence and the parties will use their best endeavours to negotiate the terms of the formal agreements in respect of the Possible Investment. During the said exclusivity period, the Target Company and the Existing Shareholders will not engage in discussion or negotiation with any other party of similar nature as the Possible Investment, or provide any information to any third party relating to the Possible Investment.

Within 90 days of the signing of the Memorandum, VBill HK agrees to provide a loan of not more than RMB3 million to the Target Company for a term of six months, upon which VBill HK shall have the right to request the extension of the exclusivity period for six months accordingly. Therefore, depending on the date of advancement of the loan, the maximum exclusivity period is 90 days plus six months after the signing of the Memorandum.

If the formal agreements in respect of the Possible Investment are not signed before the expiry of the exclusivity period, the Target Company shall repay the loan to VBill HK in full upon the expiry of the exclusivity period.

Non-legally binding

The Memorandum, save for provisions relating to exclusivity, confidentiality and certain miscellaneous provisions, is non-legally binding in nature.

Reasons for and benefits of the Possible Investment

The Target Company and its subsidiaries are principally engaged in regulated financial technology service business and payment service business. The Board is of the view that the Possible Investment is in line with the development of the Group and is in the interests of the Company and its shareholders as a whole.

GENERAL

The Possible Investment, if materialised, may constitute a notifiable transaction for the Company under the Listing Rules. The Company will make further announcement(s) as and when appropriate and comply with all other applicable requirements under the Listing Rules in this regard.

The Memorandum, save for provisions relating to exclusivity period, costs and fees, confidentiality and certain miscellaneous provisions, is non-legally binding in nature. As at the date of this announcement, no legally binding agreement in relation to the Possible Investment has been entered into. As such, the Possible Investment may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
HI SUN TECHNOLOGY (CHINA) LIMITED
Hui Lok Yan
Company Secretary

Hong Kong, 9 October 2020

As at the date of this announcement, the board of directors of the Company 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; and three independent non-executive directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Chang Kai-Tzung, Richard.