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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)**

### ANNOUNCEMENT

The board (the “**Board**”) of directors of Hi Sun Technology (China) Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), would like to inform the shareholders and potential investors of the Company that on 4 November 2020, a share purchase agreement (the “**Series F Subscription Agreement**”) was entered into by (i) Cloopen Group Holding Limited (“**Cloopen**”, an investment of the Company accounted for using the equity method), and certain subsidiaries of Cloopen, including Cloopen Limited and Anxun Guantong (Beijing) Technology Co., Ltd. (“**Anxun**”), Beijing Ronglian Yitong Information Technology Co., Ltd. (“**Beijing Ronglian**”) (a company which Anxun exercises control and enjoys economic benefits through contractual arrangements, together the “**Cloopen Group**”) and certain of its subsidiaries; (ii) the founding shareholders, namely Mr. SUN Changxun and Mr. LI Xiaoguang and their respective investment holding companies, namely Cloopen Co., Ltd. and Wisdom Legend Investment Limited; and (iii) eight subscribers (the “**Series F Investors**”).

Pursuant to the Series F Subscription Agreement, one of the Series F Investors has conditionally agreed to subscribe for warrant to be issued by Cloopen (the “**Series F Warrant**”) to subscribe for an aggregate of 11,799,685 series F preferred shares of Cloopen at the aggregate price of US\$34 million while the other seven the Series F Investors have conditionally agreed to subscribe for an aggregate of 31,581,509 series F preferred shares of Cloopen at the aggregate price of US\$91 million.

Upon completion of the Series F Subscription Agreement and full exercise of Series F Warrant, Cloopen will have issued an aggregate of 43,381,194 series F preferred shares, representing approximately 15.15% of the enlarged issued share capital of Cloopen, to the Series F Investors (assuming 29,525,465 ordinary shares of Cloopen which have been

\* *For identification purposes only*

reserved for issuance to officers, directors, employees or consultants of Cloopen pursuant to its employee share option plan (“**ESOP Shares**”) are allotted and issued), and Cloopen Group will have raised US\$125 million (before deducting expenses) in this series of preference shares issue pursuant to the Series F Subscription Agreement.

The Group is not one of the Series F Investors. As at the date of this announcement and immediately before closing of the Series F Subscription Agreement, the Group is interested in approximately 22.91% equity interest in Cloopen (assuming all the ESOP Shares are allotted and issued). Immediately completion of the Series F Subscription Agreement and full exercise of Series F Warrant, the Group’s equity interests in Cloopen will be approximately 19.45% (assuming all the ESOP Shares are allotted and issued) and the Cloopen Group remains to be an investment of the Company accounted for using the equity method.

The Series F Subscription Agreement does not constitute a notifiable or connected transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 4 November 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.*