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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 TRANSACTION DISPOSAL OF AN AGGREGATE OF APPROXIMATELY 20% OF MEGAHUNT

THE DISPOSAL

The Board announces that on 15 December 2021:

- (i) Megahunt HK (an indirect wholly-owned subsidiary of the Company), Purchaser I and Megahunt (an indirect non-wholly owned subsidiary of the Company) entered into the Share Transfer Agreement I, pursuant to which Megahunt HK conditionally agreed to sell and Purchaser I conditionally agreed to purchase approximately 4.36% of the issued share capital of Megahunt (representing RMB2,609,433 registered capital of Megahunt) at a consideration of RMB52,363,200 (equivalent to approximately HK\$63,883,000) in cash;
- (ii) Megahunt HK, Purchaser II and Megahunt entered into the Share Transfer Agreement II, pursuant to which Megahunt HK conditionally agreed to sell and Purchaser II conditionally agreed to purchase 8% of the issued share capital of Megahunt (representing RMB4,784,000 registered capital of Megahunt) at a consideration of RMB80,000,000 (equivalent to HK\$97,600,000) in cash;
- (iii) Megahunt HK, Purchaser III and Megahunt entered into the Share Transfer Agreement III, pursuant to which Megahunt HK conditionally agreed to sell and Purchaser III conditionally agreed to purchase approximately 3.99% of the issued share capital of Megahunt (representing RMB2,387,875 registered capital of Megahunt) at a consideration of RMB39,931,000 (equivalent to approximately HK\$48,716,000) in cash; and
- (iv) Megahunt HK, Purchaser IV and Megahunt entered into the Share Transfer Agreement IV, pursuant to which Megahunt HK conditionally agreed to sell and Purchaser IV conditionally agreed to purchase approximately 3.64% of the issued share capital of Megahunt (representing RMB2,178,694 registered capital of Megahunt) at a consideration of RMB36,433,000 (equivalent to approximately HK\$44,448,000) in cash.

* For identification purpose only

Although completion of each of the Share Transfer Agreements is not inter-conditional to each other, the Company expects that completion of all the Share Transfer Agreements (for Share Transfer Agreement II, completion of first tranche thereunder) will take place together at the same time or within a short period of time. Upon completion of the Disposal, the Group's interest in Megahunt will be decreased from approximately 65.73% to approximately 45.73% and Megahunt will cease to be a subsidiary of the Company and will be accounted for as an associate of the Company.

REPURCHASE GUARANTEE

The Board further announces that in connection with Share Transfer I and Share Transfer (Pax), on 15 December 2021, Purchaser I, Megahunt and Management Platform Company entered into the Side Letter I and Side Letter (Pax) respectively, pursuant to which Purchaser I shall have the right to require Management Platform Company by serving a Repurchase Notice to Management Platform Company to repurchase all or part of Sale Shares I and/or Sale Shares (Pax) from Purchaser I at the Repurchase Price within 180 days upon the occurrence of any of the Triggering Events. Pursuant to the Side Letter I and Side Letter (Pax), Megahunt will guarantee the payment of the relevant Repurchase Price and such Repurchase Guarantee will be valid for three years from the date of such Triggering Event.

IMPLICATIONS UNDER THE LISTING RULES

Since the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and therefore is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Since the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the provision of the Repurchase Guarantee is more than 5% but less than 25%, the provision of the Repurchase Guarantee constitutes a discloseable transaction for the Company and therefore is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Management Platform Company is a substantial shareholder of Megahunt and an associate of Mr. Li, who is a director of Megahunt. Purchaser II is also considered as an associate of Mr. Li by virtue of the relationship as disclosed in the paragraph headed "INFORMATION ON THE PARTIES — Purchaser II" in this announcement. However, as Megahunt is an insignificant subsidiary of the Company, Management Platform Company and Purchaser II and their respective ultimate beneficial owners are not regarded as connected persons of Company pursuant to Rule 14A.09 of the Listing Rules. Therefore, both the Disposal and the provision of the Repurchase Guarantee do not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

THE DISPOSAL

The Board announces that on 15 December 2021, Megahunt HK (an indirect wholly-owned subsidiary of the Company) entered into the Share Transfer Agreement I, Share Transfer Agreement II, Share Transfer Agreement III and Share Transfer Agreement IV, pursuant to which Megahunt HK has conditionally agreed to dispose of an aggregate of approximately 20% of the issued share capital of Megahunt at an aggregate consideration of RMB208,727,200 (equivalent to approximately HK\$254,647,000). The principal terms of each of the Share Transfer Agreements are set out below.

SHARE TRANSFER AGREEMENT I

The principal terms of the Share Transfer Agreement I are as follows:

- Date** : 15 December 2021
- Parties** : (i) Megahunt HK;
(ii) Purchaser I; and
(iii) Megahunt.

Subject matter

Megahunt HK has conditionally agreed to sell and Purchaser I conditionally agreed to purchase approximately 4.36% of the issued share capital of Megahunt (representing RMB2,609,433 registered capital of Megahunt) (i.e. Sale Shares I) at a consideration of RMB52,363,200 (equivalent to approximately HK\$63,883,000) in cash.

Consideration

The consideration of RMB52,363,200 was determined after arm's length negotiation between Megahunt HK and Purchaser I, after taking into account the development plan, business prospects, financial performance of Megahunt and the Valuation. Pursuant to the Valuation Report, the appraised value of Sale Shares I as at 30 September 2021 using market approach was approximately RMB52.49 million as assessed by the Valuer.

Conditions precedent

Share Transfer I is conditional on the following conditions being satisfied or waived (only in respect of conditions (2), (4) and (5) below, where applicable) by Purchaser I:

- (1) all related transaction documents incidental to the execution of the Share Transfer Agreement I, having been signed and delivered by each of the parties to the Share Transfer Agreement I and all necessary approval(s), consent(s) and authorization(s) in connection with Share Transfer I and the transactions contemplated under the Share Transfer Agreement I having been obtained from the board of directors and shareholders of each of the parties thereto;
- (2) all labour contracts, intellectual property agreements, confidentiality agreements and non-competition agreements having been signed by Megahunt and each of the Management Shareholders;
- (3) the existing shareholders of Megahunt having waived their respective pre-emptive rights and joint sale rights on Sale Shares I;

- (4) Megahunt having convened a shareholders' meeting and obtained the shareholders' approval of the Repurchase Guarantee, including the Repurchase Price provided under the Side Letter I and the validity of the Repurchase Guarantee being three years from the date of the Triggering Event; and
- (5) the respective warranties and representations given by Megahunt and Purchaser I pursuant to the Share Transfer Agreement I shall remain correct, accurate, complete in all material aspects, neither be misleading, deceptive nor contain any material omission up to and including the date of the signing of the Share Transfer Agreement I and the date of completion.

Completion

Completion shall take place within ten (10) Working Days after the conditions precedent as stated under the paragraph headed "SHARE TRANSFER AGREEMENT I – Conditions precedent" above have been fulfilled or waived (where applicable) or any other date as agreed among the parties.

On the date of completion, Purchaser I shall pay the consideration (after deducting and withholding the tax payable by Megahunt HK in connection with Share Transfer I) in cash into the designated account of Megahunt HK and the register of members of Megahunt shall be accordingly updated, and a copy of which shall also be issued to Purchaser I.

The business registration in respect of Share Transfer I shall be registered with the relevant PRC authority within twenty (20) Working Days after the date of completion.

If the conditions precedent as set out above are not satisfied or waived (where applicable), or completion of the Share Transfer Agreement I does not take place before the Long Stop Date, either Megahunt HK or Purchaser I is entitled to terminate the Share Transfer Agreement I, and neither party can claim any cost, damages, compensation or otherwise from the other party.

The Side Letter I

In connection with Share Transfer I, on 15 December 2021, Purchaser I, Megahunt and Management Platform Company entered into the Side Letter I, pursuant to which Purchaser I shall have the right to require Management Platform Company by serving a Repurchase Notice to Management Platform Company to repurchase all or part of Sale Shares I from Purchaser I within 180 days upon the occurrence of any of the following Triggering Events:

- (i) a Qualified IPO is not completed before 31 December 2023;
- (ii) there is a transfer of the principal operating asset(s) or business(es) by way of merger, division or transfer (except with the consent of Purchaser I);
- (iii) except with the consent of Purchaser I, there is a breach of the labour contract(s) and any non-competition obligations by the Management Shareholder(s) which has caused a material adverse impact on the operations of Megahunt;

- (iv) the relevant government authority or judicial authority decides that Megahunt has materially violated laws and regulations in its course of operations, resulting in its inability to continue normal operations or to materialise a Qualified IPO;
- (v) action(s) having been performed by Megahunt HK that might cause change(s) to the actual controller of Megahunt without the consent of Purchaser I;
- (vi) Megahunt fails to complete relocation before 31 December 2022 (or any other later date as otherwise agreed);
- (vii) the information as disclosed by Megahunt and Megahunt HK to Purchaser I is false in any material aspect which has caused or would cause Megahunt to incur a one-off financial loss exceeding RMB3 million or an accumulated financial loss exceeding RMB10 million;
- (viii) Management Platform Company or its designated entity has not purchased not less than 5% of the issued share capital of Megahunt at a valuation of not less than RMB1 billion before 31 December 2022; and
- (ix) the appraised value of Megahunt concluded from the valuation to be conducted for the purpose of its next round of financing is less than RMB1.5 billion.

Within ninety (90) days after the receipt of the Repurchase Notice, Management Platform Company shall pay the cash consideration (“**Repurchase Price A**”) to Purchaser I calculated with reference to the following formula:

$$\text{Repurchase Price A} = [C_a \times (1 + 8\% \times T_a/360) - E_a] \times SI_a/AI_a$$

Whereas:

C_a denotes the consideration paid for Sale Shares I by Purchaser I pursuant to the Share Transfer Agreement I;

T_a denotes the number of calendar days between the day on which Purchaser I pays the consideration for Sale Shares I and the day on which Management Platform Company directly (or through its designated entity) pays the Repurchase Price A (both dates inclusive);

E_a denotes the actual profit distributed to Purchaser I by Megahunt;

SI_a denotes the amount of issued share capital of Megahunt to be repurchased by Management Platform Company pursuant to the Repurchase Notice; and

AI_a denotes the total amount of issued share capital of Megahunt owned by Purchaser I.

Notwithstanding the above, the maximum Repurchase Price A to be paid by Management Platform Company is agreed to be capped at RMB99 million.

Pursuant to the Side Letter A, Megahunt agrees to guarantee the payment of Repurchase Price A and the Repurchase Guarantee will be valid for three years from the date of the Triggering Event. However, Purchaser I has agreed and confirmed that the Repurchase Guarantee shall unconditionally and irrevocably be terminated on 31 December 2022.

If Management Platform Company or its designated entity fails to pay the Repurchase Price A to Purchaser I within ninety (90) days after Purchaser I has served the Repurchase Notice to Management Platform Company, Purchaser I shall have the right to issue a written demand to Megahunt for payment within thirty (30) days after the expiry of the aforesaid ninety (90) days from the service of the Repurchase Notice by Purchaser I. In the event that Megahunt fails to pay such Repurchase Price A as demanded by Purchaser I within the prescribed time, the Repurchase Price A shall be charged with an overdue daily interest at the per annum rate of 0.12% on the outstanding amount for each day of overdue commencing from the expiry of the aforesaid ninety (90) days.

SHARE TRANSFER AGREEMENT II

The principal terms of the Share Transfer Agreement II are as follows:

Date: 15 December 2021

Parties: (i) Megahunt HK;
(ii) Purchaser II; and
(iii) Megahunt.

Subject matter

Megahunt HK has conditionally agreed to sell and Purchaser II has conditionally agreed to purchase 8% issued share capital of Megahunt (representing RMB4,784,000 registered share capital of Megahunt) (i.e. Sale Shares II) at a consideration of RMB80,000,000 (equivalent to HK\$97,600,000) in cash.

Consideration

The total consideration in the amount of RMB80,000,000 was determined after arm's length negotiation between Megahunt HK and Purchaser II, after taking into account the development plan, business prospects, and financial performance of Megahunt and the Valuation. Pursuant to the Valuation Report, the appraised value of Sale Shares II as at 30 September 2021 using market approach was approximately RMB79.90 million as assessed by the Valuer.

Conditions precedent

Share Transfer II is conditional on the following conditions being satisfied or waived (only in respect of condition (1) below subject to the relevant law, where applicable) by Purchaser II:

- (1) all related transaction documents incidental to the execution of the Share Transfer Agreement II, having been signed and delivered by each of the parties to the Share Transfer Agreement II and all necessary approval(s), consent(s) and authorization(s) in connection with Share Transfer II and the transactions contemplated thereunder having been obtained from the board of directors and shareholders of each of the under the Share Transfer Agreement II parties thereto; and
- (2) the respective warranties and representations given by Megahunt and Purchaser II pursuant to the Share Transfer Agreement II shall remain correct, accurate, complete in all material aspects, neither be misleading, deceptive nor contain any material omission up to and including the date of the signing of the Share Transfer Agreement II and the date of completion of Share Transfer II.

Completion

Completion shall take place within ten (10) Working Days after all conditions precedent as stated under the paragraph headed “SHARE TRANSFER AGREEMENT II – Conditions precedent” above have been fulfilled or waived (where applicable) or any other date as agreed among the parties.

The parties agree that the completion of Share Transfer II may take place in two tranches, in the first tranche of which transfer of not less than 50% of Sale Shares II shall be completed before 31 December 2021 (or any other later date as agreed among the parties) and the second tranche of transfer of the remaining of Sale Shares II shall be completed before 15 April 2022 (or any other later date as agreed among the parties).

On the date immediately before the date of completion of Share Transfer II (or the respective dates of completion of the first and second tranches as the case maybe), Megahunt shall update the register of members accordingly, and a copy of which shall also be issued to Purchaser II. After receiving the updated register of members, Purchaser II shall pay the consideration (after deducting and withholding the tax payable by Megahunt HK in connection with Share Transfer II) in cash into the designated account of Megahunt HK.

The business registration in respect of Share Transfer II shall be registered with the relevant PRC authority within twenty (20) Working Days after the date of completion.

If the conditions precedent as set out above are not satisfied or waived (where applicable), or completion of the Share Transfer Agreement II cannot be taken place before the Long Stop Date, either Megahunt HK or Purchaser II is entitled to terminate the Share Transfer Agreement II, and neither party can claim any cost, damages, compensation or otherwise from the other party.

SHARE TRANSFER AGREEMENT III

The principal terms of the Share Transfer Agreement III are as follows:

- Date: 15 December 2021
- Parties: (i) Megahunt HK;
(ii) Purchaser III; and
(iii) Megahunt.

Subject matter

Megahunt HK has conditionally agreed to sell and Purchaser III has conditionally agreed to purchase approximately 3.99% of the issued share capital of Megahunt (representing RMB2,387,875 registered share capital of Megahunt) (i.e. Sale Shares III) at a consideration of RMB39,931,000 (equivalent to approximately HK\$48,716,000) in cash.

Consideration

The consideration of RMB39,931,000 was determined after arm's length negotiation between Megahunt HK and Purchaser III, after taking into account the development plan, business prospects, and financial performance of Megahunt and the Valuation. Pursuant to the Valuation Report, the appraised value of Sale Shares III as at 30 September 2021 using market approach was approximately RMB39.88 million as assessed by the Valuer.

Conditions precedent

Share Transfer III is conditional on the following conditions being satisfied or waived (only in respect of condition (2) below subject to the relevant law, where applicable) by Purchaser III:

- (1) all related transaction documents incidental to the execution of the Share Transfer Agreement III, having been signed and delivered by each of the parties to the Share Transfer Agreement III and all necessary approval(s), consent(s) and authorization(s) in connection with the Share Transfer III and the transactions contemplated under the Share Transfer Agreement III having been obtained from the board of directors and shareholders of each of the parties thereto; and
- (2) the respective warranties and representations given by Megahunt and Megahunt HK pursuant to the Share Transfer Agreement III shall remain correct, accurate, complete in all material aspects, neither be misleading, deceptive nor contain any material omission up to and including the date of the signing of the Share Transfer Agreement III and the date of completion.

Completion

Completion shall take place after all conditions precedent as stated under the paragraph headed “SHARE TRANSFER AGREEMENT III – Conditions precedent” above have been fulfilled or waived (where applicable) no later than 31 December 2021 (or such other date as Megahunt HK and Purchaser III may agree).

On the date of completion, Purchaser III shall pay the consideration in cash into the designated account of Megahunt HK and the register of members of Megahunt shall be updated accordingly, and a copy of which shall also be issued to Purchaser III.

The business registration in respect of Share Transfer III shall be registered with the relevant PRC authority within twenty (20) Working Days after the date of completion.

If the conditions precedent as set out above are not satisfied or waived (where applicable), or completion of the Share Transfer Agreement III cannot take place before the Long Stop Date, either Megahunt HK or Purchaser III is entitled to terminate the Share Transfer Agreement III, and neither party can claim any cost, damages, compensation or otherwise from the other party.

SHARE TRANSFER AGREEMENT IV

The principal terms of the Share Transfer Agreement IV are as follows:

- Date: 15 December 2021
- Parties: (i) Megahunt HK;
- (ii) Purchaser IV; and
- (iii) Megahunt.

Subject matter

Megahunt HK has conditionally agreed to sell and Purchaser IV has conditionally agreed to purchase approximately 3.64% of the issued share capital of Megahunt (representing RMB2,178,694 registered share capital of Megahunt) (i.e. Sale Shares IV) at a consideration of RMB36,433,000 (equivalent to approximately HK\$44,448,000) in cash.

Consideration

The consideration of RMB36,433,000 was determined after arm’s length negotiation between Megahunt HK and Purchaser IV, after taking into account the development plan, business prospects, and financial performance of Megahunt and the Valuation. Pursuant to the Valuation Report, the appraised value of Sale Shares IV as at 30 September 2021 using market approach was approximately RMB36.39 million as assessed by the Valuer.

Conditions precedent

Share Transfer IV is conditional on the following conditions being satisfied or waived (only in respect of condition (2) below subject to the relevant law, where applicable) by Purchaser IV:

- (1) all related transaction documents incidental to the execution of the Share Transfer Agreement IV, having been signed and delivered by each of the parties to the Share Transfer Agreement IV and all necessary approval(s), consent(s) and authorization(s) in connection with Share Transfer IV and the transactions contemplated under the Share Transfer Agreement IV having been obtained from the respective board of directors and shareholders of each of the parties thereto; and
- (2) the respective warranties and representations given in the Share Transfer Agreement IV by Megahunt and Megahunt HK shall remain correct, accurate, complete in all material aspects and neither be misleading, deceptive nor contain any material omission up to and including the date of the signing of the Share Transfer Agreement IV and the date of completion.

Completion

Completion shall take place after all conditions precedent as stated under the paragraph headed “SHARE TRANSFER AGREEMENT IV – Conditions precedent” above have been fulfilled or waived (where applicable) no later than 31 December 2021 (or such other date as Megahunt HK and Purchase IV may agree).

On the date of completion, Purchaser IV shall pay the consideration in cash into the designated account of Megahunt HK and the register of members of Megahunt shall be updated accordingly, and a copy of which shall also be issued to Purchaser IV.

The business registration in respect of Share Transfer IV shall be registered with the relevant PRC authority within twenty (20) Working Days after the date of completion.

If the conditions precedent as set out above, or completion of the Share Transfer Agreement IV cannot take place before the Long Stop Date, either Megahunt HK or Purchaser IV is entitled to terminate the Share Transfer Agreement IV, and neither party can claim any cost, damages, compensation or otherwise from the other party.

SHARE TRANSFER AGREEMENT (PAX)

On 15 December 2021, another shareholder of Megahunt (i.e. Wonder Pax) also entered into the Share Transfer Agreement (Pax) with Purchaser I to sell its entire shareholding in Megahunt to Purchaser I.

The principal terms of the Share Transfer Agreement (Pax) are as follows:

Date: 15 December 2021

Parties: (i) Wonder Pax;
(ii) Purchaser I; and
(iii) Megahunt.

Subject matter

Wonder Pax has conditionally agreed to sell and Purchaser I has conditionally agreed to purchase approximately 3.64% of the issued share capital of Megahunt (representing RMB2,174,567 registered share capital of Megahunt) (i.e. Sale Shares (Pax)) at a consideration of RMB43,636,800 (equivalent to approximately HK\$53,237,000) in cash.

Completion

Conditions precedent to the completion of the Share Transfer Agreement (Pax) are identical to those conditions precedent contained in the Share Transfer Agreement I. Completion shall take place within ten (10) Working Days after all conditions precedent have been fulfilled or waived (where applicable) or any other date as agreed among the parties.

On the date of completion, Purchaser I shall pay the cash consideration in the amount of RMB43,636,800 into the designated account of Wonder Pax and the register of members of Megahunt shall be updated accordingly, and a copy of which shall also be issued to Purchaser I.

The business registration in respect of Share Transfer (Pax) shall be registered with the relevant PRC authority within twenty (20) Working Days after the date of completion.

The Side Letter (Pax)

In connection with Share Transfer (Pax), on 15 December 2021, Purchaser I, Megahunt and Management Platform Company entered into the Side Letter (Pax), pursuant to which Purchaser I shall have the right to require Management Platform Company by serving a Repurchase Notice to Management Platform Company to repurchase all or part of Sale Shares (Pax) from Purchaser I within 180 days upon the occurrence of any of the Triggering Events described in the Side Letter I.

Within ninety (90) days after the receipt of the Repurchase Notice, Management Platform Company shall pay the cash consideration (“**Repurchase Price (Pax)**”) to Purchaser I calculated with reference to the following formula:

$$\text{Repurchase Price (Pax)} = [C_b \times (1 + 8\% \times T_b/360) - E_b] \times SI_b/AI_b$$

Whereas:

C_b denotes the consideration paid for Sale Shares (Pax) by Purchaser I pursuant to the Share Transfer Agreement (Pax);

T_b denotes the number of calendar days between the day on which Purchaser I pays the consideration for Sale Shares (Pax) and the day on which Management Platform Company directly (or through its designated entity) pays the Repurchase Price (Pax) (both dates inclusive);

E_b denotes the actual profit distributed to Purchaser I by Megahunt;

SI_b denotes the amount of issued share capital of Megahunt to be repurchased by Management Platform Company pursuant to the Repurchase Notice; and

AI_b denotes the total amount of the issued share capital of Megahunt owned by Purchaser I.

Notwithstanding the above, the maximum Repurchase Price (Pax) to be paid by Management Platform Company is agreed to be capped at RMB81 million.

Pursuant to the Side Letter (Pax), Megahunt agrees to guarantee the payment of Repurchase Price (Pax) and the Repurchase Guarantee will be valid for three years from the date of the Triggering Event. However, Purchaser I has agreed and confirmed that the Repurchase Guarantee shall unconditionally and irrevocably be terminated on 31 December 2022.

If Management Platform Company or its designated entity fails to pay the Repurchase Price (Pax) to Purchaser I within ninety (90) days after Purchaser I has served the Repurchase Notice to Management Platform Company, Purchaser I shall have the right to issue a written demand to Megahunt for payment within thirty (30) days after the expiry of the aforesaid ninety (90) days from the service of the Repurchase Notice by Purchaser I. In the event that Megahunt fails to pay such Repurchase Price (Pax) as demanded by Purchaser I within the prescribed time, the Repurchase Price (Pax) shall be charged with an overdue daily interest accrued at a per annum rate of 0.12% on the outstanding amount from the expiry of the aforesaid ninety (90) days from the service of the Repurchase Notice by Purchaser I.

SHAREHOLDERS' RIGHTS

All shareholders of Megahunt will sign a shareholders' agreement or similar document setting out the shareholders' rights upon completion of Share Transfer Agreements, which will include the following provisions:

Right of first refusal

Where a shareholder of Megahunt intends to transfer any of its interest in Megahunt to a third-party purchaser, it shall provide an irrevocable notice, setting out the terms of such intended transfer, to the other shareholders of Megahunt of such intent. Each recipient shareholder of Megahunt shall have the right, exercisable upon a notice at any time within 20 days from the date of the said irrevocable notice, to accept the offer and purchase such percentage of the interest in Megahunt in proportion to its then percentage of shareholding in Megahunt.

Capital Increase

If Megahunt proposes to issue any new securities, all shareholders of Megahunt may, at any time within 20 days from the date on which the issue of new securities are proposed, exercise its right to subscribe for such number of new securities proposed to be issued by Megahunt on a pro-rata basis based on its then percentage of shareholding in Megahunt.

SHAREHOLDING OF MEGAHUNT

The below table illustrates the shareholding structure* of Megahunt (i) as the date of this announcement, (ii) immediately after completion of the Share Transfer I; (iii) immediately after completion of Share Transfer II; (iv) immediately after completion of Share Transfer III; (v) immediately after completion of Share Transfer IV; (vi) immediately after completion of the Disposal; and (vii) immediately after completion of the Disposal and the Share Transfer (Pax).

	As at the date of this announcement		Immediately after completion of the Share Transfer I ⁽¹⁾		Immediately after completion of the Share Transfer II ⁽²⁾		Immediately after completion of the Share Transfer III ⁽³⁾		Immediately after completion of the Share Transfer IV ⁽⁴⁾		Immediately after completion of the Disposal and the Share Transfer (Pax)	
	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)	Amount of registered capital held (RMB)	Approximate percentage of registered capital held (%)
Megahunt HK Management Platform Company	39,309,111	65.73	36,699,678	61.37	34,525,111	57.73	36,921,236	61.74	37,130,417	62.09	27,349,109	45.73
Ju Xin Fund ⁽⁵⁾	7,665,284	12.82	7,665,284	12.82	7,665,284	12.82	7,665,284	12.82	7,665,284	12.82	7,665,284	12.82
Xin Lian Xin ⁽⁶⁾	4,349,075	7.27	4,349,075	7.27	4,349,075	7.27	4,349,075	7.27	4,349,075	7.27	4,349,075	7.27
Wonder Pax	2,174,567	3.64	2,174,567	3.64	2,174,567	3.64	2,174,567	3.64	2,174,567	3.64	2,174,567	3.64
Mr. Xu WS	1,965,447	3.29	1,965,447	3.29	1,965,447	3.29	1,965,447	3.29	1,965,447	3.29	1,965,447	3.29
Mr. Xu CJ	1,768,884	2.96	1,768,884	2.96	1,768,884	2.96	1,768,884	2.96	1,768,884	2.96	1,768,884	2.96
Ms. Hui	393,065	0.66	393,065	0.66	393,065	0.66	393,065	0.66	393,065	0.66	393,065	0.66
Purchaser I	-	-	2,609,433	4.36	-	-	-	-	2,609,433	4.36	4,784,000	8.00
Purchaser II	-	-	-	-	4,784,000	8.00	-	-	-	-	4,784,000	8.00
Purchaser III	-	-	-	-	-	-	2,387,875	3.99	-	-	2,387,875	3.99
Purchaser IV	-	-	-	-	-	-	-	-	2,178,694	3.64	2,178,694	3.64
Total	59,800,000	100.00	59,800,000	100.00	59,800,000	100.00	59,800,000	100.00	59,800,000	100.00	59,800,000	100.00

Notes:

* Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

(1) Assuming the other parts of the Disposal and the Share Transfer (Pax) are not completed.

(2) Assuming the Share Transfer (Pax) is not completed.

(3) Ju Xin Fund is a limited partnership incorporated in the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the business scope of Ju Xin Fund includes equity investment, investment management and investment consultation; (ii) the executive partner of Ju Xin Fund is 上海肇芯投資管理中心(有限合伙)(Shanghai Zhaoxin Investment Management Center (Limited Partnership)*); (iii) the limited partners holding more than 30% interest in Ju Xin Fund are 國家集成电路产业投资基金股份有限公司 (National Integrated Circuit Industry Investment Fund Co., Ltd.*) of which the largest shareholder holding more than 30% of its interest is 中華人民共和國財政部 (Ministry of Finance of the People's Republic of China), and 中芯晶圓股權投資(寧波)有限公司 (Zhongxin Jingyuan Equity Investment (Ningbo) Co., Ltd.*) which is ultimately controlled by Semiconductor Manufacturing International Corporation (中芯國際集成電路製造有限公司), a company listed on the Shanghai Stock Exchange and the Stock Exchange; and (iv) each of Ju Xin Fund and its ultimate beneficial owners is an Independent Third Party. (4) Xin Lian Xin is a limited partnership incorporated in the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) Xin Lian Xin is a private equity investment fund, which mainly makes equity investment in the integrated circuit field and its upstream and downstream fields; (ii) Xin Lian Xin is 張玉珍 (Zhang Yuzhen); (iii) the limited partners holding more than 30% interest in Xin Lian Xin are 歐陽軍 (Ouyang Jun) and 陳秀雅 (Chen Xiuya); and (iv) each of Xin Lian Xin and its ultimate beneficial owners is an Independent Third Party.

FINANCIAL EFFECT OF THE DISPOSAL

Although completion of each of the Share Transfer Agreements is not inter-conditional to each other, the Company expects that completion of all the Share Transfer Agreements (for Share Transfer Agreement II, completion of first tranche thereunder) will take place together at the same time or within a short period of time. Upon completion of the Disposal, the Group's interest in Megahunt will be decreased from approximately 65.73% to approximately 45.73% and Megahunt will cease to be a subsidiary of the Company and will be accounted for as an associate of the Company. Consequently, the financial results of Megahunt will no longer be consolidated into the consolidated financial statements of the Group and its assets and liabilities will be deconsolidated from the Group's consolidated financial statements. The Group will account for its interests in Megahunt as an investment in associates initially at fair value upon completion of the Disposal and will share the results of Megahunt as an investment accounted for using the equity method going forward. The excess of the fair value of Megahunt as an associate of the Group over the combined net asset value of Megahunt upon completion of the Disposal will represent a corresponding increase in the net asset value of the Group.

The Board expects to recognise an unaudited net gain from the Disposal of approximately HK\$590 million, which is calculated on the assumption that the Disposal was effected on 30 June 2021, the estimated fair value of 45.73% equity interests in Megahunt at that time was approximately HK\$549 million and with reference to the Group's share of the unaudited net asset value of Megahunt as at 30 June 2021 of approximately HK\$189 million, which is calculated based on 65.73% of the unaudited net asset value of Megahunt as at 30 June 2021 of approximately HK\$302 million. **However, the actual gain from the Disposal may differ as it is estimated based on a number of assumptions and the amount will be calculated upon completion of the Disposal. Shareholders should note that the exact financial effect of the Disposal is subject to the review of the auditors of the Company.**

Following the completion of the Disposal and the deconsolidation of Megahunt from the Group's consolidated financial statements, the written put option liability at amortised cost of approximately HK\$98 million as of 30 June 2021 previously recognised by the Group in respect of the subscription agreement entered into between the Company, Megahunt, Megahunt HK, certain management team members and certain investors in 2019 will be derecognised from the consolidated balance sheet of the Group with a corresponding entry of the same amount recognised within 'other reserves' in the equity. Such put option liability will be recognised as a derivative financial liability at fair value through profit or loss, with corresponding and subsequent changes in the fair value reflecting in the profit or loss of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND THE REPURCHASE GUARANTEE

The Disposal represents an opportunity for the Group to realise part of its investments in Megahunt so as to raise additional working capital for the Group. The gross proceeds from the Disposal is approximately RMB209 million and the net proceeds from the Disposal (after deducting tax expenses) is approximately RMB188 million, which will be used as general working capital of the Group.

Management Platform Company has taken up the primary obligation to repurchase Sale Shares I and Sale Shares (Pax) respectively sold by Megahunt HK and Wonder Pax upon the occurrence of any of the Triggering Events. The purpose of Megahunt providing the Repurchase Guarantee is to facilitate Share Transfer I and Share Transfer (Pax), so as to introduce Purchaser I to Megahunt as its shareholder.

The introduction of Purchaser I (i.e. Tianjin Wei Hao Tai Da Hai He Equity Investment Partnership (Limited Partnership)) is expected to bring strategic benefits to Megahunt for its long-term growth. Through establishing a cooperative relationship with Tianjin Wei Hao, it is expected that Megahunt would benefit by leveraging on the experience and reputation of Tianjin Wei Hao to further develop its business and to attract future funding opportunity.

Besides, the disposal of part of the Group's interests in Megahunt to Purchaser II, Purchaser III and Purchaser IV will provide the management team of Megahunt with the opportunity to acquire further proprietary interests in Megahunt and encourage them to work towards enhancing the value of equity interests in Megahunt for the benefit of Megahunt and its shareholders as a whole.

INFORMATION ON THE PARTIES

The Group

The principal activities of the Group are provision of payment processing solutions, provision of fintech solutions and services, sale of information security chips and solutions, provision of platform operation solutions, provision of financial solutions and sale of electronic power meters and solutions.

Purchaser I

Purchaser I is a limited partnership incorporated in the PRC. Its business scope includes equity investment, investment management and asset management. Its executive partner is 上海韋豪創芯投資管理有限公司 (Shanghai Weihao Chuangxin Investment Management Co., Ltd.), which is ultimately controlled by Mr. Zhou Siyuan, an Independent Third Party. The largest limited partner holding 75% interest in Purchaser I is 天津泰達海河智能製造產業發展基金合夥企業(有限合夥)(Tianjin Tai Dai Hai He Smart Manufacturing Industry Development Fund Partnership (Limited Partnership)*) (“**Haihe Fund**”), the major limited partners of which are (i) 天津泰達產業投資引導基金有限公司 (Tianjin Tai Da Industrial Investment Guidance Fund Co., Ltd.*) (holding approximately 58.98%), which is in turn ultimately controlled by 天津經濟技術開發區國有資產監督管理局 (State-owned Assets Supervision and Administration Bureau of Tianjin Economic and Technological Development Zone) (“**Tianjin Economic and Technological Dev Zone**”); and (ii) 天津市海河產業基金合夥企業(有限合夥)(Tianjin Hai He Industry Fund Partnership (Limited Partnership)*) (holding approximately 39.9867%), which is in turn ultimately controlled by 天津市人民政府國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of Tianjin Municipal People’s Government) (“**SASAC of Tianjin Municipal People’s Government**”).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Purchaser I and its ultimate beneficial owners is an Independent Third Party.

Purchaser II

Purchaser II is a limited partnership incorporated in the PRC. Its business scope includes equity investment, investment management and asset management. Its general partner is 天津芯義科技有限責任公司 (Tianjin Xinyi Technology Co., Ltd.) (“**Tianjin Xinyi**”), which is ultimately controlled by Mr. Li. The limited partners of Purchaser II are Mr. Li and Haihe Fund. Pursuant to the partnership agreement of Purchaser II, Tianjin Xinyi, Mr. Li and Haihe Fund have agreed to inject RMB8,000, RMB8,000 and RMB79,984,000 respectively to Purchaser II and Purchaser II will be owned as to 0.01%, 0.01% and 99.98% by Tianjin Xinyi, Mr. Li and Haihe Fund respectively. As disclosed under the paragraph headed “INFORMATION ON THE PARTIES – Purchaser I” above, Haihe Fund is ultimately controlled by the Tianjin Economic and Technological Dev Zone and the SASAC of Tianjin Municipal People’s Government.

The capital that to be injected by Haihe Fund to Purchaser II is intended to be used for the purchase of Sale Shares II and it is intended that ultimately, Mr. Li will repay such funding to Haihe Fund and Purchaser II will be ultimately controlled by Mr. Li after repayment.

Save for the relationship of Mr. Li with the Group as disclosed in the paragraph headed “INFORMATION ON THE PARTIES – Management Platform Company”, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Purchaser II and its ultimate beneficial owners is an Independent Third Party.

Purchaser III

Purchaser III is a limited partnership incorporated in the PRC. Its business scope includes technical services, technology development, technical consultation, technical exchanges, technology transfer, technology promotion, electronic product sales, computer system services, software sales, internet equipment sales and information system integration services. Its executive partner is 天津芯禮科技有限責任公司 (Tianjin Xinli Technology Co., Ltd.*) (“**Tianjin Xinli**”), which is owned as to 60% by Ms. Wang Kui and 40% by Ms. Zhou Na. Both Ms. Wang Kui and Ms. Zhou Na are employees of Megahunt. As at the date of this announcement, Purchaser III has 1 director, namely Mr. Yang, 2 supervisors, namely Ms. Yang Yan Hong (楊艷紅) and Mr. Hua Yang (華陽), and 33 employees of Megahunt as its limited partners, none of them holding more than 30% interest in Purchaser III.

Purchaser III is intended to be a platform company for the employees of Megahunt to be the stakeholders of Megahunt.

Since Megahunt is an insignificant subsidiary of the Company, Mr. Yang is not regarded as a connected person of the Company pursuant to Rule 14A.09 of the Listing Rules. On such basis, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Purchaser III and its ultimate beneficial owners is an Independent Third Party.

Purchaser IV

Purchaser IV is a limited partnership incorporated in the PRC. Its business scope includes technical services, technology development, technical consultation, technical exchanges, technology transfer, technology promotion, electronic product sales, computer system services, software sales, internet equipment sales and information system integration services. Its executive partner is Tianjin Xinli, which is owned as to 60% by Ms. Wang Kui and 40% by Ms. Zhou Na. As at the date of this announcement, Purchaser IV has 40 employees of Megahunt as its limited partners, none of them holding more than 30% interest in Purchaser IV.

Purchaser IV is intended to be a platform company for the employees of Megahunt to be the stakeholders of Megahunt.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Purchaser IV and its ultimate beneficial owners is an Independent Third Party.

Management Platform Company

Management Platform Company is a limited partnership incorporated in the PRC. Its business scope includes technology development, technology consultation, technology transfer, technology service, corporate management and sale of self-developed products. Its executive partner is 天津芯仁科技有限責任公司 (Tianjin Xin Ren Technology Co., Ltd.*) (“**Tianjin Xin Ren**”), which is ultimately controlled by Mr. Li. The Management Platform Company is held as to approximately 61.53% by Mr. Li, 17.95% by Mr. Liu, 17.95% by Mr. Yang, 2.56% by Ms. Song and 0.01% by Tianjin Xin Ren.

Mr. Li is a director, the legal representative and the general manager of Megahunt; Mr. Liu is the technology chief officer of Megahunt; Mr. Yang is the deputy general manager and director of Megahunt; and Ms. Song is the chairlady of supervisory committee of Megahunt.

As at the date of this announcement, Management Platform Company is interested in approximately 12.82% of the issued share capital of Megahunt.

Since Megahunt is an insignificant subsidiary of the Company, Management Platform Company and its ultimate beneficial owners are not regarded as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules. On such basis, each of Management Platform Company and its ultimate beneficial owners is an Independent Third Party.

Wonder Pax

Wonder Pax is an indirect wholly-owned subsidiary of PAX Global and is principally engaged in the development of software and hardware of E-Payment Terminals products and provision of related services in the PRC. As at the date of this announcement, the Company is interested in approximately 33.17% of PAX Global's issued share capital. Save as aforesaid, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Wonder Pax and its ultimate beneficial owners is an Independent Third Party.

As at the date of this announcement, Wonder Pax is interested in approximately 3.64% of the issued share capital of Megahunt.

Megahunt

As at the date of this announcement, Megahunt is an indirect non-wholly owned subsidiary of the Company and is principally engaged in the sale of information security chips and solutions, computer hardware and software, system integration and the development of system on a chip (SOC).

Set out below is a summary of certain unaudited consolidated financial information of Megahunt Group (prepared in accordance with generally accepted accounting principles of Hong Kong) for the two years ended 31 December 2020:

	For the year ended 31 December 2019 HK\$'000 (unaudited)	For the year ended 31 December 2020 HK\$'000 (unaudited)
Revenue	290,010	298,752
Profit before taxation	3,476	9,176
(Loss)/Profit after taxation	(99)	7,510

According to the unaudited consolidated financial information of Megahunt Group prepared in accordance with generally accepted accounting principles of Hong Kong, the unaudited total asset value and net asset value of Megahunt Group as at 30 June 2021 were approximately HK\$363 million and HK\$302 million respectively.

VIEWS OF THE DIRECTORS

Having considered the reasons for and benefits of the Disposal and the Repurchase Guarantee as mentioned above, the Directors (including the independent non-executive Directors) are of the view that the Disposal and the terms of each of the Share Transfer Agreements, the Side Letter I and the Side Letter (Pax) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Since the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal is more than 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company and therefore is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Since the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the provision of the Repurchase Guarantee is more than 5% but is less than 25%, the provision of the Repurchase Guarantee constitutes a discloseable transaction for the Company and therefore is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Management Platform Company is a substantial shareholder of Megahunt and is an associate of Mr. Li, who is a director of Megahunt. Purchaser II is also considered as an associate of Mr. Li by virtue of the relationship as disclosed in the paragraph headed “INFORMATION ON THE PARTIES — Purchaser II” in this announcement. However, as Megahunt is an insignificant subsidiary of the Company, Management Platform Company and Purchaser II and their respective ultimate beneficial owners are not regarded as connected persons of Company pursuant to Rule 14A.09 of the Listing Rules. Therefore, both the Disposal and the provision of the Repurchase Guarantee do not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Company”	Hi Sun Technology (China) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (stock code: 818)
“Disposal”	collectively, Share Transfer I, Share Transfer II, Share Transfer III and Share Transfer IV
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company

“Ju Xin Fund”	上海聚源聚芯集成電路產業股權投資基金中心(有限合夥)(Shanghai Ju Yuan Ju Xin Integrated Circuit Industry Equity Investment Fund Centre (Limited Partnership)*), a limited partnership incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	60 days from the signing of the Share Transfer Agreements, or such later day as the vendor and the purchaser may agree
“Management Shareholders”	collectively, Mr. Li, Mr. Liu, Mr. Yang and Ms. Song
“Management Platform Company”	Beijing Xinhui Technology Centre (Limited Partnership) (北京芯匯科技中心(有限合夥)*), a limited liability partnership incorporated in the PRC
“Megahunt”	Megahunt Technologies Inc. (兆訊恒達科技股份有限公司), a joint stock limited liability company incorporated in the PRC and an indirect non-wholly owned subsidiary of the Company as at the date of this announcement
“Megahunt Group”	Megahunt and its subsidiary
“Megahunt HK”	Mega Hunt Microelectronics Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Mr. Li”	Mr. Li Li (李立), a director, the legal representative and the general manager of Megahunt, and a Management Shareholder
“Mr. Liu”	Mr. Liu Zhan Li (劉占利), the technology chief officer of Megahunt and a Management Shareholder
“Mr. Xu CJ”	Mr. Xu Changjun (徐昌軍), an executive Director
“Mr. Xu WS”	Mr. Xu Wensheng (徐文生), an executive Director
“Mr. Yang”	Mr. Yang Lei (楊磊), the deputy general manager of Megahunt, a Management Shareholder and a director of Megahunt
“Ms. Hui”	Ms. Hui Lok Yan (許諾恩), the group financial controller and a joint company secretary of the Company, a director of certain subsidiaries of the Company
“Ms. Song”	Ms. Song Jie (宋劫), the chairlady of supervisory committee of Megahunt and a Management Shareholder

“PAX Global”	Pax Global Technology Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock code: 327)
“PRC”	the People’s Republic of China
“Purchaser I” or “Tianjin Wei Hao”	天津韋豪泰達海河股權投資合夥企業(有限合夥)(Tianjin Wei Hao Tai Da Hai He Equity Investment Partnership (Limited Partnership)*), a limited partnership incorporated in the PRC
“Purchaser II”	天津芯聚科技合夥企業(有限合夥)(Tianjin Xin Ju Technology Partnership (Limited Partnership)*), a limited partnership incorporated in the PRC
“Purchaser III”	天津芯智科技合夥企業(有限合夥)(Tianjin Xin Zhi Technology Partnership (Limited Partnership)*), a limited partnership incorporated in the PRC
“Purchaser IV”	天津信芯科技合夥企業(有限合夥)(Tianjin Xin Xin Technology Partnership (Limited Partnership)*), a limited partnership incorporated in the PRC
“Purchasers”	collectively, Purchaser I, Purchaser II, Purchaser III and Purchaser IV
“Qualified IPO”	the listing of the shares of Megahunt on Shanghai Stock Exchange, Shenzhen Stock Exchange or such other stock exchange as agreed by all shareholders of Megahunt
“RMB”	Renminbi, the lawful currency of the PRC
“Repurchase Guarantee”	the guarantee given by Megahunt under the Side Letter I and/or Side Letter (Pax) (as the case may be)
“Repurchase Notice”	the notice to be served by Purchaser I to Management Platform Company to require Management Platform Company to repurchase all or part of Sale Shares I and/or Sale Shares (Pax) (as the case may be) from Purchaser I pursuant to the terms of the Side Letter I and/or Side Letter (Pax) (as the case may be)
“Repurchase Price”	collectively, Repurchase Price A and Repurchase Price (Pax)
“Sale Shares”	collectively, Sale Shares I, Sale Shares II, Sale Shares III, Sale Shares IV and Sale Shares (Pax)
“Sale Shares I”	approximately 4.36% of the issued share capital of Megahunt to be disposed of by Megahunt HK pursuant to the Share Transfer Agreement I

“Sale Shares II”	8% of the issued share capital of Megahunt to be disposed of by Megahunt HK pursuant to the Share Transfer Agreement II
“Sale Shares III”	approximately 3.99% of the issued share capital of Megahunt to be disposed of by Megahunt HK pursuant to the Share Transfer Agreement III
“Sale Shares IV”	approximately 3.64% of the issued share capital of Megahunt to be disposed of Megahunt HK pursuant to the Share Transfer Agreement IV
“Sale Shares (Pax)”	approximately 3.64% of the issued share capital of Megahunt to be disposed of by Wonder Pax pursuant to the Share Transfer Agreement (Pax)
“Shareholder(s)”	the shareholders of the Company
“Share Transfer I”	the sale and purchase of approximately 4.36% of the issued share capital of Megahunt pursuant to the Share Transfer Agreement I
“Share Transfer II”	the sale and purchase of 8% of the issued share capital of Megahunt pursuant to the Share Transfer Agreement II
“Share Transfer III”	the sale and purchase of approximately 3.99% of the issued share capital of Megahunt pursuant to the Share Transfer Agreement III
“Share Transfer IV”	the sale and purchase of approximately 3.64% of the issued share capital of Megahunt pursuant to the Share Transfer Agreement IV
“Share Transfer (Pax)”	the sale and purchase of approximately 3.64% of the issued share capital of Megahunt pursuant to the Share Transfer Agreement (Pax)
“Share Transfer Agreement I”	the agreement dated 15 December 2021 entered into by and among Megahunt HK, Megahunt and Purchaser I in relation to the sale and purchase of approximately 4.36% of the issued share capital of Megahunt
“Share Transfer Agreement II”	the agreement dated 15 December 2021 entered into by and among Megahunt HK, Megahunt and Purchaser II in relation to the sale and purchase of 8% of the issued share capital of Megahunt
“Share Transfer Agreement III”	the agreement dated 15 December 2021 entered into by and among Megahunt HK, Megahunt and Purchaser III in relation to the sale and purchase of approximately 3.99% of the issued share capital of Megahunt

“Share Transfer Agreement IV”	the agreement dated 15 December 2021 entered into by and among Megahunt HK, Megahunt and Purchaser IV in relation to the sale and purchase of approximately 3.64% of the issued share capital of Megahunt
“Share Transfer Agreement (Pax)”	the agreement dated 15 December 2021 entered into by and among Wonder Pax, Megahunt and Purchaser I in relation to the sale and purchase of approximately 3.64% of the issued share capital of Megahunt
“Share Transfer Agreements”	collectively, Share Transfer Agreement I, Share Transfer Agreement II, Share Transfer Agreement III and Share Transfer Agreement IV
“Side Letter I”	the side letter to Share Transfer Agreement I dated 15 December 2021 entered into by and among Purchaser I, Megahunt and Management Platform Company in relation to the repurchase of all or part of Sale Shares I
“Side Letter (Pax)”	the side letter to Share Transfer Agreement (Pax) dated 15 December 2021 entered into by and among Purchaser I, Megahunt and Management Platform Company in relation to the repurchase of all or part of Sale Shares (Pax)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Triggering Event(s)”	the event(s) triggering Purchaser I’s rights to require Management Platform Company to repurchase all or part of Sale Shares I and/or Sale Shares (Pax) (as the case may be) pursuant to the terms and conditions of the Side Letter I and/or Side Letter (Pax) (as the case may be)
“Valuation”	the appraised value of the Sale Shares as at 30 September 2021 as assessed by the Valuer
“Valuation Report”	the valuation report in relation to the appraised value of the Sale Shares as assessed by the Valuer
“Valuer”	Jones Lang LaSalle Corporate Appraisal and Advisory Limited
“Wonder Pax”	萬達百匯科技(深圳)有限公司 (Wonder Pax Technology (Shenzhen) Co., Ltd.*), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of PAX Global
“Working Day(s)”	a working day other than Saturday, Sunday and public holiday under the laws of the PRC

“Xin Lian Xin”

芯聯芯(平潭綜合實驗區)科技投資中心(有限合夥)
(Xin Lian Xin (Pingtan Integrated Laboratory District)*
Technology Investment Centre (Limited Partnership)), a
limited partnership incorporated in the PRC

“%”

per cent.

For the purpose of this announcement, all amounts denominated in RMB have been translated (for information only) into HK\$ using the exchange rate of RMB1.00 to HK\$1.22. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

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

Hong Kong, 15 December 2021

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 Changjun; and four independent non-executive directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger, Mr. Chang Kai-Tzung, Richard and Mr. Li Heguo.

* *for identification purposes only*