



## HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司\*

(Stock code: 818.HK)

**Hi Sun Tech 2016 Interim Profit Surges 3.5 Times**  
**Payment Processing Segmental EBITDA Surges 22 Times**  
**Business Continues to Grow Rapidly**

### Financial Highlights

HK\$'000	1H2016	1H2015	Change	
			%	Amount
Revenue	657,453	465,191	+41%	+192,262
From payment processing solutions	372,164	143,157	+160%	+229,007
Segmental EBITDA	76,134	-7,039	N/A	+83,173
From payment processing solutions	99,450	4,343	+2,190%	+95,107
Profit for the period	120,095	26,971	+345%	+93,124
Basic earnings per share for profit attributable to equity holders of the Company (HK\$)	0.04	0.01	+300%	+0.03

[9 August 2016, Hong Kong] A leading payment & finance solutions provider in China - **Hi Sun Technology (China) Limited** (the "Company"; Stock code: 818.HK) announced the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2016 (the "Reporting Period").

During the Reporting Period, benefiting from the growing operational scale of the Payment processing solutions segment of the Group, the consolidated revenue of the Group was HK\$657.5 million, representing an increase of 41%, compared to RMB465.2 million for the same period last year. The segmental EBITDA totaled HK\$76.1 million, compared to a loss of HK\$7.0 million for the same period last year. Profit for the period soared by 3.5 times to HK\$120.1 million, as compare with HK\$27.0 million the same period last year. Basic earnings per share soared by 3 times year-on-year to HK\$0.04.

**Payment Processing Business Swings from Loss and Keeps Growing, Contributing Segmental Operating Profit of HK\$61.8 million**

During the Reporting Period, the Group's payment processing solutions business has shown an encouraging performance. Segmental revenue of the business amounted to HK\$372.2 million, representing an increase of 160% as compared with 1H2015 and segmental EBITDA soared 22 times to HK\$99.5 million. Segmental operating profit of the business amounted to HK\$61.8 million as compared to a loss of HK\$9.5 million in 1H2015.

隨行付支付有限公司 ("SXF"), a subsidiary of the Group which is mainly engaged in the Payment Processing business, has resumed the acceptance of new merchants since the second quarter in 2015. By leveraging proper business strategies and unremitting effort, SXF's merchant scale and transaction volume continued to grow rapidly. With approximately 1 million domestic merchants and RMB60 billion of monthly transaction volume as at the end of June 2016, SXF has achieved the industry leading position of third-party bank card acquiring in China. Along with the leading trend of the payment industry, SXF has also launched various businesses and services of innovative internet payment and mobile payment such as MPOS acquiring, UnionPay QuickPass, Apple Pay, QR code payment, etc. With the increasing various innovative payment solutions being commercially ready, it is believed that these market segments will continue to grow rapidly.

In addition, the Group will benefit from the official implementation of the reform in September 2016 regarding the new bank card acquiring fees (charged separately by debit cards and credit cards) by the National Development and Reform Commission, together with a series of recent policies issued by the People's Bank of China and other regulatory authorities with regard to the stringent regulations targeting violations and illegal operations in the bank card acquiring market. The Group believes that with more lucidity in policy and standardization in the market, those market participants relying on violations and illegal operations will be gradually eliminated from the market, which creates a more favourable environment for the sustainable growth of those acquirers with obvious comprehensive strengths such as SXF. Drawing on the capabilities in comprehensive payment solutions and risk controls, SXF -- with acquiring as the entrance -- will seize opportunities to actively develop inclusive finance business of small and micro merchants.

### **Concentrating Resources Inputs and Further Optimizing Industry Chain Synergies**

During the Reporting Period, the Group's other businesses remained steady development. For the financial solutions segment, the Group continued to focus on core banking systems, steadily expanded its market position with traditional customers such as China's "Big 5" banks, joint-equity banks and their overseas arms, such as smoothly putting into operations of the core banking system including China Guangfa Bank and China Everbright Bank (Seoul). Meanwhile, the Group has invested strategically in city commercial banks as an emerging market, and achieved substantial breakthroughs including successfully winning of the bid of the core banking systems for Bank of Suzhou and Huishang Bank. The relevant revenues will gradually become obvious with the construction progress. In addition, in order to optimize business operations and concentrate the investment of resources, the Group has integrated the original telecommunication solutions and

payment platform solutions into “platform operation solutions,” so as to collectively and efficiently provide the main customer of China Mobile with a series of services for the business development, business operation, and system operations and maintenance with regard to its mobile payment business (“和包” or “And Wallet”), voice value-added businesses and animation business, etc.

Along with the overall strategic deployment of the Group in the field of financial technology and services, the synergies among all the segments have been gradually appearing and are being further optimized. Looking forward, the Group will seize opportunities from each business segment and maintain steady growth. Meanwhile, the Group will continue to explore, strengthen and take the advantages of various core technologies and synergies in the financial technology and services industry chain of the Group, including front-end to back-end, online to offline, and software to hardware, to develop into a more comprehensive and integrated leading payment & finance solutions provider.

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#### **About Hi Sun Technology (China) Limited**

**Hi Sun Technology (China) Limited** (“Hi Sun Tech,” stock code: 818.HK) is a leading integrated solutions provider of payment, finance and telecommunications in China. Hi Sun Tech is principally engaged in the provision of payment processing solutions, provision of financial solutions, sales of electronic power meters and solutions and provision of platform operation solutions.

#### **For investor enquiries**

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This press release is distributed by **Financial PR (HK) Limited** on behalf of **Hi Sun Technology (China) Limited**.

**If you are interested in the business performance and future plan of the company, please feel free to contact us to arrange a meeting with the company for further discussion.**

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