

Deloitte Technology Fast 50 China winning companies continue recording impressive revenue growth

Recent financial tsunami poses no negative impact but accelerates winners' expansion plans

Published: 31/10/08

Contact: [Dickie Luk](#)

Director, Clients & Markets

Contact: [Dina Dong](#)

PR Manager

Contact: [Terra Cheng](#)

Assistant PR Manager

Deloitte today announced the results of the Deloitte Technology Fast 50 China 2008 Program at an award presentation ceremony in Shenzhen. The 50 winning companies achieved a three-year average revenue growth of 1,877% while the top five winning companies grew by 11,988% on average over the past three years, substantially up from 9,668% in the previous year.

Reflecting the strong demand for alternative energy, the proportion of the clean technology/new energy sector in the 50 winning companies this year increased to 20% from 8% last year, among which is the top winner, Jiangyin Jetion Science & Technology Co. Ltd. The proportion of the biotech/pharmaceutical sector also increased from 4% last year to 12% this year while the software sector dropped from 30% to 14%.

In general, the five fastest growing companies come from clean technology/new energy, internet and computer/peripherals sectors. They achieved an outstanding three-year average revenue growth ranging from 3,680% to 34,706%, significantly higher than that of last year.

The geographical distribution of the 50 winning companies covers 12 cities/regions in China, with 72% located in Beijing, Shanghai and Shenzhen, demonstrating the strategic importance of these three cities to the development of China's TMT industry. Another interesting trend is the increased representation of companies from Shenzhen accounting for 22% of top 50 winning companies, a 10% increase from 2007.

Mr. Patrick Tsang, China National Leader of Deloitte's TMT Group, said, "The TMT industry in China has continued recording impressive revenue growth. This can be attributed largely to TMT companies' commitment to technological advancement and innovation, delivering new products and technology that are key to achieving organic growth. Although the global financial markets have been exceptionally volatile this year, we are pleased to see that 97% of CEOs in our survey of the Technology Fast 50 companies are confident of achieving continuous high growth in the next 12 months."

"This high level of CEO confidence is also evident in the supplementary survey we conducted among the winning companies in mid October 2008 to understand how the recent financial tsunami is affecting China's TMT sector. Results show that a majority of the respondents confirmed the financial meltdown has not impacted their plans and some of them even plan to accelerate their expansion. However, two-thirds of the CEOs felt that the increasing financial pressure and labour cost in the current economic environment are posing the greatest challenge to their growth in the next 12 months," said Mr Tsang.

The top winner, Jiangyin Jetion, recorded 34,706% three-year average revenue growth. The company, founded in March 2005, manufactures high quality solar cells and modules which convert sunlight directly into electricity. Located in Jiangsu, it is a foreign company listed on the Alternative Investment Market of the London Stock Exchange.

Beijing 100e was the first runner-up with a three-year average revenue growth of 8,429%. It is an online

platform for self-learning language programs. Founded in December 2005, the company has rapidly gained popularity among university students and English learners.

The third place went to Beijing LeTV Mobile Media & Technology Co. Ltd which enjoyed 8,331% three-year average revenue growth. Founded in 2004, the LeTV website is an interactive platform for entertainment databases, providing movies, animations, news and lifestyle information etc.

ReneSola Ltd took fourth place with three-year average revenue growth of 4,793%. It is a leading manufacturer of wafers for the photovoltaic industry and one of the fastest growing companies in the industry.

Following closely in the fifth place is Shenzhen Launch Digital Technology Co., Ltd which recorded three-year average revenue growth of 3,679%. It is a rapidly growing integrated high-tech manufacturer with a strong experienced design team assisting clients in all aspects of digital video, network video communication, video audio codec, image processing and embedded OS.

To understand the top-of-mind issues and concerns of the CEOs of winning companies and their outlook, a survey was conducted in August and September 2008 as part of the Technology Fast 50 China program. Key findings of the CEO survey are:

Key success factors and challenges

- The ability to develop and enhance products that can meet the changing customer needs (37%), to attract and retain talent (23%), and the competitiveness of the company in the relevant market (21%) were considered by the CEOs as the three key factors for the success of a company.
- Being responsive to the fast-changing market environment (45%) and making strategic investment decisions (25%) were the greatest challenges for operations in the eyes of CEOs. Also, 6% of the CEOs were concerned about the lower demand due to the economic downturn in the major markets.
- 40% of the CEOs said the most significant financial challenge was optimizing financial structure while 36% said it was managing investors' expectations.

Impact of the economic downturn

- 46% of the CEOs said the global economic downturn did not have a major impact on their companies. Meanwhile, 24% said their companies were reviewing strategies and another 24% said their company strategies will not be changed. This shows that enterprises have confidence in facing the stresses, challenges and development in fierce competition amid volatile markets.
- Facing a possible slowdown of the global economy, 32% of the CEOs said their companies might take measures to attract talent from developed markets, 28% might seek acquisition opportunities in developed markets and 15% might seek opportunities to restructure the company.
- Most of the CEOs (77%) will put more focus on Asia Pacific markets in the light of a slowdown of the global economy.
- Over half of the CEOs (54%) said the problems in the credit market did not affect the investment plans of their companies.
- 60% of the CEOs thought that China has been undergoing a slowdown in 2008, with 33% saying this, however, did not have a significant impact on their companies.

Growth prospects

- Most of the CEOs (97%) are confident of continuous rapid growth in the next 12 months, with 50% extremely confident, 44% very confident and 3% having some confidence.
- Nearly half of the CEOs (49%) expected their companies will increase headcount by over 25% in the next 12 months.
- Financial pressure such as difficulties in financing and higher interest rates (35%) and increasing labour costs (30%) were considered by the CEOs as the major challenges for the technology industry in the next 12 months.

The Deloitte Technology Fast 50 China program ranks leading companies in Technology, Media and

Telecommunication sectors based on their average revenue growth rates over the last three years. Along with its counterparts in Australia, India, Japan, Korea and New Zealand, the Deloitte Technology Fast 50 China is a key component of the Deloitte Technology Fast 500 Asia Pacific Program which is reputed as one of the most established and objective ranking programs of fast growing technology companies in the Asia Pacific Region. Winners of the Deloitte Technology Fast 50 China Program will automatically qualify for the Deloitte Technology Fast 500 Asia Pacific Program with the regional winners to be announced on 11 December 2008 at an award presentation ceremony in Hong Kong.

The Deloitte Technology Fast 50 China 2008 program's strategic partners include Bowne, CEOCIO China, and UK Trade & Investment, with supporting partners Shenzhen Capital Group Co. Ltd, Zero2IPO Group and Tsinghua Science Park.

About UK Trade & Investment

UK Trade & Investment is the UK Government's international business development organisation, supporting businesses seeking to establish in the UK and helping UK companies grow internationally. The services offered by UK Trade & Investment bring together a network of business sector specialists and support teams in London, Glasgow, Cambridge, the nine English Regions and in British diplomatic posts in some 100 markets all around the world. UK Trade & Investment works with a wide range of partner organisations in the UK, including other Government departments, Regional Development Agencies and the Devolved Administrations, Business Links, Chambers of Commerce and trade associations. For more information, please visit

<http://www.uktradeinvest.gov.uk>.

[Contact us for more information about this topic.](#)

Page Last Updated: 06 November 2008

Source: Deloitte Touche Tohmatsu CPA Ltd - China (English)

©2008 Deloitte Touche Tohmatsu in Hong Kong SAR, Deloitte Touche Tohmatsu in Macau SAR, and Deloitte Touche Tohmatsu Certified Public Accountants Ltd. in the Chinese Mainland. All rights reserved.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/cn/en/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu and its member firms.

 [Deloitte RSS Feeds](#)

沪ICP备07006416号