

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities in the Company.



研祥智能科技股份有限公司
EVOc Intelligent Technology Company Limited*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8285)

**PROPOSED NEW SPECIFIC MANDATE TO ISSUE NEW H SHARES
RELATING TO A POSSIBLE PLACING OF NEW H SHARES**

References are made to the announcements of the Company dated 14 August 2007 and 6 November 2007 and the circular of the Company dated 21 September 2007 in relation to, inter alia, the grant of the Specific Mandate by the Shareholders to the Board to issue and allot up to 184,971,600 new H Shares. At the extraordinary general meeting of the Shareholders and the respective class meetings for the holders of H Shares and the Domestic Shares held on 6 November 2007, the Shareholders had passed resolutions to approve the grant of the Specific Mandate to allot and issue not more than 184,971,600 new H Shares, which represent approximately 15% of the issued capital of the Company at the date of the grant of the Specific Mandate, and 60% of the total number of the H Shares then in issue. The Possible Placing has not yet been proceeded with and the Specific Mandate has lapsed on 5 November 2008.

The Board proposes to convene the EGM and the Class Meetings for the grant of the proposed New Specific Mandate by the Shareholders to the Board to issue and allot up to 184,971,600 new H Shares.

The Company will dispatch to the Shareholders a circular, together with notices of the EGM and the Class Meetings, within 21 days after publication of this announcement. Such circular will contain, among other things, further information on the proposed New Specific Mandate.

INTRODUCTION

References are made to the announcements of the Company dated 14 August 2007 and 6 November 2007 and the circular of the Company dated 21 September 2007 in relation to, inter alia, the grant of the Specific Mandate by the Shareholders to the Board to issue and allot up to 184,971,600 new H Shares.

At the extraordinary general meeting and the respective class meetings for the holders of H Shares and the Domestic Shares held on 6 November 2007, the Shareholders had passed resolutions to approve the grant of the Specific Mandate to allot and issue not more than 184,971,600 new H Shares, which represent approximately 15% of the issued capital of the Company at the date of the grant of the Specific Mandate, and 60% of the total number of the H Shares then in issue.

The Possible Placing has not yet been proceeded with and the Specific Mandate has lapsed on 5 November 2008.

PROPOSED RENEWAL OF SPECIFIC MANDATE TO ISSUE NEW H SHARES

1. The Proposed New Specific Mandate

The Board proposes to convene the EGM and the Class Meetings (i) for the grant of the proposed New Specific Mandate by the Shareholders to the Board to issue and allot up to 184,971,600 new H Shares and (ii) to authorise the Board to determine and deal with at its discretion and with full authority matters relating thereto (including but not limited to the specific timing of the issue, final number of new H Shares to be issued (not more than 184,971,600 new H Shares), offering mechanism, pricing mechanism, issue price, target subscribers, the number and proportion of the new H Shares to be issued to each subscriber, and the amount of commission payable to the placing agent(s) involved in the Possible Placing. The proposed New Specific Mandate to be sought from the Shareholders at the EGM and the Class Meetings is for the period from the passing of the relevant resolutions at the EGM and the Class Meetings up to the earliest of: (i) the expiration of the 12-month period following the passing of relevant resolution at the EGM and/or the Class Meetings; or (ii) the revocation or variation of the authority given under the relevant resolution(s) at the EGM and/or the Class Meetings by special resolution(s) of the Shareholders in a general or a class meeting. Issue of new H Shares pursuant to the proposed New Specific Mandate is subject to, among other things, the obtaining of the necessary approvals for the issue of the new H Shares from the relevant PRC regulatory authorities, including the CSRC. The relevant approval from the CSRC has been obtained by the Company on 12 June 2008. Depending on market conditions, the Directors may or may not exercise the proposed New Specific Mandate, if granted, to issue new H Shares.

2. The Possible Placing (if proceeded with)

(i) Structure of the Possible Placing

If, upon the grant of the proposed New Specific Mandate, the Directors proceed to place the new H Shares pursuant to the proposed New Specific Mandate, the Company may issue up to 184,971,600 new H Shares, which represent:

Maximum number of H Shares to be issued	Approximate percentage to the existing issued capital	Approximate percentage to the enlarged issued capital	Approximate percentage to the existing issued H Shares	Approximate percentage to the enlarged issued H Shares
184,971,600 H Shares	15%	13%	60%	37.5%

The actual size of funding raised from the Possible Placing will depend on the number of new H Shares to be issued and the issue price per new H Share, which may be at a premium or discount to the higher of (i) the closing price of the H Shares as quoted on the Stock Exchange on the date of signing of the relevant placing agreement; or (ii) the average closing price of the H Shares as quoted on the Stock Exchange for 5 trading days immediately prior to the signing of relevant placing agreement (the “**Benchmark Price**”). If the new H Shares are issued at a discount, the discount shall not be more than 20% of the Benchmark Price.

(ii) The estimated proceeds (for reference and illustration only)

For reference and illustration purposes only: the average closing price of the H Shares for the 5 trading days immediately prior to the date of this announcement is approximately HK\$1.37 per H Share. On the assumption that the new H Shares are to be issued at a price of approximately HK\$1.09 per H Share (being 20% discount to the average closing price of the H Shares for 5 trading days immediately prior to the date of this announcement), the gross proceeds from the issue of a maximum number of 184,971,600 new H Shares will be approximately HK\$202,136,964.

Investors should note that as at the date of this announcement, no placing agreement has been signed. Accordingly, the particulars of the Possible Placing is for illustration purposes only and the actual price per H Share and the fund size to be raised by the issue of new H Shares under the Possible Placing may be different from the above indicative figures.

The Company will issue an announcement if the Possible Placing takes place. It is intended that the new H Shares under the Possible Placing will be placed to places who are independent strategic, professional, institutional and/or individual investors who are not connected persons of the Company (as defined in the GEM Listing Rules) after approvals are obtained from the Shareholders at the EGM and the Class Meetings. In the event that the new H Shares under the Possible Placing are placed to less than six places, the Company shall comply with the relevant requirements of the GEM Listing Rules to disclose the identity of the places.

(iii) Conditions to the Possible Placing

If the Directors proceed to place new H Shares pursuant to the proposed New Specific Mandate, the Possible Placing will be conditional upon:

- (a) the grant of the proposed New Specific Mandate by the Shareholders to the Board having been obtained at the EGM and the Class Meetings;
- (b) the approval of the proposed issue of the new H Shares by the CSRC (which has already been obtained on 12 June 2008);
- (c) the entering into of a placing agreement by the Company and the placing agreement not being terminated in accordance with its terms, unless this condition is otherwise waived by the Company; and
- (d) the GEM Listing Committee granting the listing of and permission to deal in all of the new H Shares to be issued and placed pursuant to the Possible Placing.

(iv) Possible application for listing

Should the Board, upon obtaining the proposed New Specific Mandate, proceed to exercise the proposed New Specific Mandate to issue new H Shares, the Company will apply to the GEM Listing Committee for the listing of and permission to deal in all of the new H Shares to be issued and placed pursuant to the Possible Placing.

(v) Possible change in the share capital structure of the Company

For reference and illustrative purposes only: assuming that: (i) the proposed New Specific Mandate is granted by the Shareholders to the Board at the EGM and the Class Meetings; (ii) the Board exercises the proposed New Specific Mandate to issue new H Shares; and (iii) all conditions for the issue and placing of new H Shares have been satisfied, the possible changes in the share capital of the Company will be as follows:

Class of Shares	Before the exercise of the proposed New Specific Mandate		Immediately after the exercise of the proposed New Specific Mandate	
	Number of Shares	%	Number of Shares	%
Domestic Shares				
— Shenzhen Yanxiang Wangke Industry Co., Ltd,	840,635,928	68.17	840,635,928	59.28
— Shenzhen Haoxuntong Industry Co., Ltd.	46,239,600	3.75	46,239,600	3.26
— Shenzhen Longrun Industry Development Co., Ltd	28,668,552	2.32	28,668,552	2.02
— Shenzhen Kelijian Electronic Industry Co., Ltd	4,623,960	0.38	4,623,960	0.33
— Beijing Hejixing Automation Complete Equipment Development Centre	4,623,960	0.38	4,623,960	0.33
H Shares				
— H Shares in issue	308,352,000	25.00	308,352,000	21.74
— new H Shares proposed to be issued under the Possible Placing	—	—	184,971,600	13.04
Total	<u>1,233,144,000</u>	<u>100.00</u>	<u>1,418,115,600</u>	<u>100.00</u>

Reasons for the Possible Placing and proposed use of proceeds

The Directors propose to use all of the net proceeds from the Possible Placing for its investment/capital contribution into Jiang Nan Da Shi Jie.

With the addition of such net proceeds into the financial resources of the Company, the Directors intend to apply the Company's excess working capital in the development and expansion of the business of the Company in the PRC and overseas as the Company has been actively exploring and identifying suitable new market opportunities which the Directors is of the opinion that would improve and strengthen the financial results of the Company and to finance the research and development capability of the Company's business.

In the event that the Board obtains the proposed New Specific Mandate from the Shareholders and if the Board proceeds to issue and place new H Shares pursuant to the Possible Placing, based on an assumed placing price of HK\$1.09 per H Share calculated for reference and illustrative purposes only, the gross proceeds from the issue of a maximum number of 184,971,600 new H Shares will be approximately HK\$202,136,964.

The Directors believe that the terms of the Possible Placing after finalization will be fair and reasonable and will be in the interests of the Company and the Shareholders as a whole.

GENERAL

The Company will dispatch to the Shareholders a circular, together with notices of the EGM and the Class Meetings, within 21 days after publication of this announcement. Such circular will contain, among other things, further information on the proposed New Specific Mandate.

According to the articles of association of the Company and the GEM Listing Rules, any Shareholder who has material interest in an arrangement or transaction of the Company shall abstain from voting on the resolution(s) approving the arrangement or transaction at the relevant general meeting of the Company. As all of the net proceeds of the Possible Placing may be applied for the investment/capital contribution towards Jiang Nan Da Shi Jie, a company indirectly owned as to 90% by Ms. Wang, Ms. Wang is considered to have a material interest in the Possible Placing. Therefore, Ms. Wang and her associates (as defined in the GEM Listing Rules) shall abstain from voting at the EGM and the Class Meetings.

WARNING

Investors should be aware that the proposed New Specific Mandate may or may not be approved by the Shareholders at the EGM and the Class Meetings. Even if the proposed New Specific Mandate is granted to the Board, the Possible Placing may or may not be proceeded with. If the Possible Placing is proceeded with, it is subject to the satisfaction of a number of conditions which are more particularly set out in the section headed "Conditions to the Possible Placing" above. There is no assurance that any of the conditions to the Possible Placing will be fulfilled. Therefore, the Possible Placing may or may not proceed. Investors should therefore exercise caution when dealing in the H Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Company”	研祥智能科技股份有限公司 (EVOC Intelligent Technology Company Limited), a joint stock limited company incorporated in the PRC with limited liability and the H shares of which are listed on GEM
“Class Meeting(s)”	the respective class meetings of the holders of H Shares and holders of Domestic Shares to be convened and held for the purposes of approving the proposed New Specific Mandate
“CSRC”	中國證券監督管理委員會 (China Securities Regulatory Commission)
“Directors”	the directors of the Company
“Domestic Share(s)”	ordinary domestic share(s) of nominal value of RMB0.10 each in the registered capital of the Company which are subscribed for in RMB
“EGM”	the extraordinary general meeting of the holders of Domestic Shares and holders of H Shares of the Company to be convened and held for the purpose of approving the proposed New Specific Mandate
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“H Shares”	the overseas listed foreign invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in HK\$
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiang Nan Da Shi Jie”	無錫市江南大世界投資發展有限公司 (Wuxi Jiang Nan Da Shi Jie Investment Development Company Limited), a company incorporated in the PRC which is indirectly owned as to 90% by the spouse of Mr. Chen Zhi Lie
“Ms. Wang”	王蓉 (Ms. Wang Rong), the spouse of Mr. Chen Zhi Lie who is a director of the Company
“New Specific Mandate”	the new specific mandate proposed to be granted to the Directors by the Shareholders at the EGM and Class Meetings to issue up to 184,971,600 new H Shares

“Possible Placing”	the possible placing of the new H Shares pursuant to the proposed New Specific Mandate to be granted by the Shareholders to the Board
“PRC”	the People’s Republic of China which, for the purpose of this announcement excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	H Shares, Domestic Shares and all shares of other class(es) resulting from any sub-division, consolidation or re-classification thereof from time to time in the share capital of the Company
“Shareholders”	holders of shares of the Company
“Specific Mandate”	the specific mandate granted to the Directors by the Shareholders at the extraordinary general meeting and the respective class meetings for the holders of H Shares and the Domestic Shares held on 6 November 2007 to issue up to 184,971,600 new H Shares, which has lapsed on 5 November 2008
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
EVOC Intelligent Technology Company Limited*
Chen Zhi Lie
Chairman

Shenzhen, the PRC, 29 December 2008

As at the date hereof, the executive directors of the Company are Mr. Chen Zhi Lie, Mr. Tso Cheng Shun and Mr. Zhu Jun; the independent non-executive directors of the Company are Mr. Wen Bing, Ms. Zhou Hong, Mr. Dong Lixin and Mr. Wang Tian Xiang.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

* For identification purpose only