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TECHNOVATOR INTERNATIONAL LIMITED

同方泰德國際科技有限公司*

(incorporated in Singapore with limited liability)
(Stock Code: 1206)

(1) MAJOR AND CONNECTED TRANSACTION AND

(2) CONTINUING CONNECTED TRANSACTION IN RELATION TO

ACQUISITIONS OF BUSINESSES IN RELATION TO PROVIDING INTELLIGENCE INTEGRATED SOLUTIONS WHICH CENTER AROUND SUPERVISION AND CONTROL SYSTEMS IN THE FIELDS OF INTELLIGENT RAIL TRANSIT, INTELLIGENT BUILDING AND INTELLIGENT URBAN HEATING NETWORK AND RELATED ASSETS

SUMMARY

On 28 July 2015, the Company, through its wholly-owned subsidiaries, Technovator Beijing and Tongfang Energy Saving (as purchasers), entered into agreements (including the Technovator Beijing Agreement and the Tongfang Energy Saving Agreement) with THTF (as vendor) to acquire the businesses in relation to providing intelligence integrated solutions which center around supervision and control systems in the fields of intelligent rail transit, intelligent building and intelligent urban heating network (in each case, together with the assets and liabilities associated with such businesses) for a total consideration of RMB528,000,000 (subject to adjustments).

^{*} For identification purposes only

The Target Businesses:

- (i) Intelligent Rail Transit Business provide intelligence integrated solutions for the main electro-mechanical systems such as Integrated Supervision and Control System (ISCS), Platform Screen Doors (PSD) and Building Automation System (BAS).
- (ii) Intelligent Building Business provide building intelligence integrated solutions which center around the Building Automation (BA) that has been developed and debugged by THTF with the energy saving algorithm.
- (iii) Intelligent Urban Heating Network Business provide integrated solutions for heating plant and network including Supervisory Control And Data Acquisition (SCADA).

As at the date of the Business and Assets Purchase Agreements, THTF being the beneficial owner of 268,148,142 Shares, representing approximately 34.64% of the entire issued share capital of the Company, is a Controlling Shareholder of the Company. THTF is therefore a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Accordingly, the Acquisitions contemplated under the Business and Assets Purchase Agreements constitute connected transactions of the Company under the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Acquisitions is more than 25% but all of the applicable percentage ratios are less than 100%, the Acquisitions on an aggregate basis constitute a major transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Business and Assets Purchase Agreements and the transactions contemplated under them are subject to reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

The Company will hold the EGM to approve the Business and Assets Purchase Agreements and the transactions contemplated under them. The Circular containing, among other things, (1) further information on the Acquisitions and the Business and Asset Purchase Agreements; (2) the notice of the EGM; (3) a letter from Quam Capital Limited to the independent board committee and the Independent Shareholders; and (4) the recommendation of the independent board committee to the Independent Shareholders is currently expected to be despatched to the Shareholders on or before 18 August 2015.

As completion of the Business and Assets Purchase Agreements is subject to the satisfaction of the conditions precedent under the Business and Assets Purchase Agreements, the Acquisitions may or may not be completed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

(I) INTRODUCTION

The Board is pleased to announce that on 28 July 2015, the Company, through its wholly-owned subsidiaries, Technovator Beijing and Tongfang Energy Saving (as purchasers) entered into agreements (including the Technovator Beijing Agreement and the Tongfang Energy Saving Agreement) with THTF (as vendor) to acquire the businesses in relation to providing intelligence integrated solutions which center around supervision and control systems in the fields of intelligent rail transit, intelligent building and intelligent urban heating network (in each case, together with the assets and liabilities associated with such businesses) for a total consideration of RMB528,000,000 (subject to adjustments).

(II) THE TECHNOVATOR BEIJING AGREEMENT

The principal terms of the Technovator Beijing Agreement are set out below:

Date: 28 July 2015

Parties: (1) Technovator Beijing (a direct wholly-owned subsidiary of the Company) as the purchaser; and

(2) THTF as the vendor.

Businesses and assets to be acquired:

THTF agrees to transfer the Intelligent Rail Transit Business, the Target Assets for Intelligent Rail Transit Business (including the Intelligent Rail Transit Business Related Assets and Liabilities), the Intelligent Building Business, and the Target Assets for Intelligent Building Business (including the Intelligent Building Business Related Assets and Liabilities) to Technovator Beijing. Please refer to the paragraph headed "The Target Businesses and the Target Assets" for further details.

Consideration:

The total consideration for the Technovator Beijing Acquisition shall be RMB370,000,00. The consideration for the Technovator Beijing Acquisition shall be subject to adjustments as set out below. The consideration for the Technovator Beijing Acquisition will be adjusted by adding or subtracting the net profit or loss of the Intelligent Rail Transit Business and the Intelligent Building Business, respectively, during the period between the Reference Date and the Completion Date, and subtracting the amount of cash as recorded in the relevant Completion Accounts.

The consideration for the Technovator Beijing Acquisition was determined based on arm's length negotiation between Technovator Beijing and THTF with reference to the Valuation Reports in respect of the value of the Intelligent Rail Transit Business and the Intelligent Building Business, respectively, as at the Valuation Date issued by an independent valuer.

The Valuation Reports on the Intelligent Rail Transit Business and the Intelligent Building Business will be disclosed in the Circular.

Payment terms:

Pursuant to the Technovator Beijing Agreement, the consideration for the Technovator Beijing Acquisition shall be satisfied in cash in the following manner:

- 1. the full amount of the consideration shall be paid to THTF within fifteen (15) business days after the Completion Date; or alternatively,
- 2. no less than 30% of the consideration shall be settled within five (5) business days after the Completion Date; and

the balance of the consideration (with interest accrued at the prevailing market interest rate on any outstanding amount) shall be settled by one or more payments at any time within one (1) year after the Completion Date.

Conditions precedent:

The Technovator Beijing Agreement shall take effect upon the satisfaction of the following conditions:

- (i) the Technovator Beijing Agreement shall have been signed and/or sealed by the respective legal representative or authorised representative of Technovator Beijing and THTF;
- (ii) each of Technovator Beijing and THTF shall have completed their own internal approval process in relation to the Technovator Beijing Acquisition;
- (iii) the Company shall have obtained the necessary resolutions and approvals from the Shareholders in accordance with the Listing Rules; and
- (iv) all of the conditions precedent set out in the Tongfang Energy Saving Agreement (other than the fulfillment of conditions of the Technovator Beijing Agreement) have been satisfied.

Completion Accounts:

THTF will produce the Completion Accounts as at the Completion Date and the statement of profit and loss for the period between the Reference Date and the Completion Date of the Intelligent Rail Transit Business and the Intelligent Building Business within five (5) business days after the Completion Date.

THTF will be entitled to any profit and responsible for any loss of the Intelligent Rail Transit Business and the Intelligent Building Business during the period between the Reference Date and the Completion Date as recorded in the Completion Accounts. Upon settlement of the profit and loss pursuant to adjustments of the consideration for the Technovator Beijing Agreement, such profit and loss will belong to Technovator Beijing.

Completion:

The completion date of the Technovator Beijing Acquisition is the first business day after all of the conditions precedent are satisfied, or on such date as may be agreed between Technovator Beijing and THTF. Pursuant to the Technovator Beijing Agreement, THTF agrees to transfer the Target Assets for Intelligent Rail Transit Business and the Target Assets for Intelligent Building Business to Technovator Beijing on or before the Completion Date. Notwithstanding any registration or procedural requirements applicable to the transfer of the Target Assets for Intelligent Rail Transit Business, and the Target Assets for Intelligent Building Business from THTF to Technovator Beijing and to be completed after the Completion Date, all Target Assets for Intelligent Rail Transit Business, and Target Assets for Intelligent Building Business will be deemed to be solely owned by Technovator Beijing since the Completion Date.

Non-competition:

Pursuant to the Technovator Beijing Agreement, THTF undertakes not to, whether by itself or together with other parties, directly or indirectly in any manners whatsoever, engage or invest in any business which competes with the Intelligent Rail Transit Business and the Intelligent Building Business after the Completion Date.

(III) THE TONGFANG ENERGY SAVING AGREEMENT

The principal terms of the Tongfang Energy Saving Agreement are set out below:

Date: 28 July 2015

Parties:

- (1) Tongfang Energy Saving (an indirect wholly-owned subsidiary of the Company) as the purchaser; and
- (2) THTF as the vendor.

Business and assets to be acquired:

THTF agrees to transfer the Intelligent Urban Heating Network Business, and the Target Assets for Intelligent Urban Heating Network Business (including the Intelligent Urban Heating Network Business Related Assets and Liabilities) to Tongfang Energy Saving. Please refer to the paragraph headed "The Target Businesses and the Target Assets" for further details.

Consideration:

The total consideration for the Tongfang Energy Saving Acquisition shall be RMB158,000,000. The consideration for the Tongfang Energy Saving Acquisition shall be subject to the adjustments as set out below. The consideration for the Tongfang Energy Saving Acquisition will be adjusted by adding or subtracting the net profit or loss of the Intelligent Urban Heating Network Business, respectively, during the period between the Reference Date and the Completion Date, and subtracting the amount of cash as recorded in the relevant Completion Accounts.

The consideration for the Tongfang Energy Saving Acquisition was determined based on arm's length negotiation between Tongfang Energy Saving and THTF with reference to the Valuation Report in respect of the value of the Intelligent Urban Heating Networks as at the Valuation Date issued by an independent valuer.

The Valuation Report on the Intelligent Urban Heating Network Business will be disclosed in the Circular.

Payment terms:

Pursuant to the Tongfang Energy Saving Agreement, the consideration for the Tongfang Energy Saving Acquisition shall be satisfied in cash in the following manner:

- 1. the full amount of the consideration shall be paid to THTF within fifteen (15) business days after the Completion Date; or alternatively,
- 2. no less than 30% of the consideration shall be settled within five (5) business days after the Completion Date; and

the balance of the consideration (with interest accrued at the prevailing market interest rate on any outstanding amount) shall be settled by one or more payments at any time within one (1) year after the Completion Date.

Conditions precedent:

The Tongfang Energy Saving Agreement shall take effect upon the satisfaction of the following conditions:

- (i) the Tongfang Energy Saving Agreement shall have been signed and/or sealed by the respective legal representative or authorised representative of Tongfang Energy Saving and THTF;
- (ii) each of Tongfang Energy Saving and THTF shall have completed their own internal approval process in relation to the Tongfang Energy Saving Acquisition;
- (iii) the Company shall have obtained the necessary resolutions and approvals from the Shareholders in accordance with the Listing Rules; and
- (iv) all of the conditions precedent set out in the Technovator Beijing Agreement have been satisfied (other than the fulfillment of conditions of the Tongfang Energy Saving Agreement).

Completion Accounts:

THTF will produce the Completion Accounts as at the Completion Date and the statement of profit and loss for the period between the Reference Date and the Completion Date of the Intelligent Urban Heating Network Business within five (5) business days after the Completion Date.

THTF will be entitled to any profit and responsible for any loss of the Intelligent Urban Heating Network Business during the period between the Reference Date and the Completion Date as recorded in the Completion Accounts. Upon settlement of the profit and loss pursuant to adjustments of the consideration for the Tongfang Energy Saving Agreement, such profit and loss will belong to Tongfang Energy Saving.

Completion:

The completion date of the Tongfang Energy Saving Acquisition is the first business day after all of the conditions precedent are satisfied, or on such date as may be agreed between Tongfang Energy Saving and THTF. Pursuant to the Tongfang Energy Saving Agreement, THTF agrees to transfer the Target Assets for Intelligent Urban Heating Network Business to Tongfang Energy Saving on or before the Completion Date. Notwithstanding any registration or procedural requirements applicable to the transfer of the Target Assets for Intelligent Urban Heating Network Business from THTF to Tongfang Energy Saving and to be completed after the Completion Date, all Target Assets for Intelligent Urban Heating Network Business will be deemed to be solely owned by Tongfang Energy Saving since the Completion Date.

Non-competition:

Pursuant to the Tongfang Energy Saving Agreement, THTF undertakes not to, whether by itself or together with other parties, directly or indirectly in any manners whatsoever, engage or invest in any business which competes with the Intelligent Urban Heating Network Business after the Completion Date.

(IV) THE TARGET BUSINESSES AND TARGET ASSETS

The Target Businesses comprises the following businesses carried on by THTF:

The Target Businesses:

- (i) Intelligent Rail Transit Business provide intelligence integrated solutions for the main electro-mechanical systems such as Integrated Supervision and Control System (ISCS), Platform Screen Doors (PSD) and Building Automation System (BAS).
- (ii) Intelligent Building Business provide building intelligence integrated solutions which center around the Building Automation (BA) that has been developed and debugged by THTF with the energy saving algorithm.
- (iii) Intelligent Urban Heating Network Business provide integrated solutions for heating plant and network including Supervisory Control And Data Acquisition (SCADA).

The Target Assets consist of assets and liabilities of the Target Businesses as determined in accordance with the relevant accounting standards as well as other products and technologies relating to the Target Businesses (including but not limited to the intellectual property rights, technical data and information related to patents, software copyrights, proprietary technologies, source codes, technical manuals, and operation manuals).

As of 31 March 2015, the unaudited net asset value of the Target Businesses were as follows:

Net asset value of the Intelligent Rail Transit Business as of 31 March 2015 was RMB80,778,000.

Net asset value of the Intelligent Building Business as of 31 March 2015 was RMB134,740,000.

Net asset value of the Intelligent Urban Heating Network Business as of 31 March 2015 was RMB99,935,000.

Aggregate net asset value of the Target Businesses as of 31 March 2015 was RMB315,453,000.

For the two years ended 31 December 2013 and 2014, the unaudited net profits/loss of the Target Businesses were as follows:

For the year ended 31 December 2013

(i) Intelligent Rail Transit Business:

Net profits (before tax): RMB18,296,000

Net profits (after tax): RMB15,461,000

(ii) Intelligent Building Business:

Net loss (before tax): RMB7,830,000

Net loss (after tax): RMB7,830,000

(iii) Intelligent Urban Heating Network Business:

Net profits (before tax): RMB24,366,000

Net profits (after tax): RMB20,579,000

For the year ended 31 December 2014

(i) Intelligent Rail Transit Business:

Net profits (before tax): RMB26,785,000

Net profits (after tax): RMB22,654,000

(ii) Intelligent Building Business:

Net profits (before tax): RMB3,997,000

Net profits (after tax): RMB3,788,000

(iii) Intelligent Urban Heating Network Business:

Net profits (before tax): RMB10,022,000

Net profits (after tax): RMB8,434,000

According to the Valuation Reports, the Intelligent Rail Transit Business, the Intelligent Building Business and the Intelligent Urban Heating Network Business were valued at RMB197,000,000, RMB173,000,000, and RMB158,000,000 respectively as at 31 March 2015. THTF established and grew the Target Businesses, and did not acquire from a third party. Thus, there is no original acquisition cost of the Target Businesses and Target Assets.

(V) REASONS FOR AND BENEFITS OF THE ACQUISITIONS AND FUTURE BUSINESS ARRANGEMENTS

With the continuous growth in demand for energy saving and emission reduction across the globe, national governments made great efforts in energy-saving and emission-reduction, which will bring an unprecedented historical opportunity for the energy saving industry. As a leading provider of integrated and comprehensive urban energy saving services, Technovator will continue to strengthen the urban integrated energy saving business covering various business fields in the future.

At the same time, with the increasing requirement for technical development and energy saving and environmental protection, the government and customers of the industry raised a higher demand for the reasonable use of resources, energy saving and consumption reduction and environmental protection in the domains of intelligent and automation control of the energy efficient infrastructure which include the fields of rail transit, building and urban heating network that THTF is engaged in.

The energy saving management of the urban infrastructure is always the core of the Group's business, the Group shares the same source of technology and clientele with the Target Business and has in recent years closely cooperated with THTF on providing products for the Target Business's system integration project. Meanwhile, the Target Businesses have solid technical strength, clientele and market outlook. It will be beneficial to optimize the overall allocation of the resources, enhance business efficiency and create a good complementation and synergy after the Acquisitions. In addition, the Group's overseas capital platform can help to facilitate the more rapid and better development of the Target Businesses.

The Board is of the view that the Acquisitions will facilitate the Group to optimize the layout of the industry chain, explore customers' resources, strengthen the Group's existing urban integrated services and seize more potential business opportunities so as to provide greater driving force and more sources for the future growth of the Group.

The Directors (other than the independent non-executive Directors who reserve their opinion pending advice of Quam Capital Limited as the independent financial adviser) consider that the Business and Assets Purchase Agreements and the transactions contemplated thereunder are entered into on normal commercial terms, and the terms of the Business and Assets Purchase Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

An independent board committee comprising all of the independent non-executive Directors, namely Mr. Fan Ren Da Anthony, Mr. Chia Yew Boon and Ms. Chen Hua, has been established in compliance with the Listing Rules to advise the Independent Shareholders, and Quam Capital Limited has been appointed as the independent financial adviser to advise the independent board committee and the Independent Shareholders, in respect of the Business and Asset Purchase Agreements and the transactions contemplated thereunder.

Pursuant to the Business and Assets Purchase Agreements,

- (i) THTF and the Purchasers will cooperate to implement the transfer of the Acquired Projects from THTF to the Purchasers by way of assignment, sub-contracting and/or delegation. Since the Completion Date, the Purchasers will be responsible for performing the work required by the Acquired Projects and entitled to the income from the Acquired Projects. To the extent that the legal rights of THTF under the contracts in respect of any Acquired Projects have not been assigned to the Purchasers, or for any other reasons THTF receives any payment from the customers of any Acquired Projects for any income generated after the Completion Date, THTF is required to pay such amount to the Purchasers no later than the balance sheet date of the month in which such amount is received without any additional compensation;
- (ii) THTF should use its reasonable endeavors to notify all of the debtors of loans which are part of the Target Assets of the assignment of such debt to the Purchasers. In the event that the relevant debtors settle such debt by paying THTF, THTF is required to pay such amount to the Purchasers no later than the balance sheet date of the month in which such amount is received without any additional compensation;
- (iii) THTF should use its reasonable endeavors to facilitate the assumption of debt which are part of the Target Liabilities by the Purchasers. In the event that THTF is required to settle such debt with the relevant third party creditors, the Purchasers are required to reimburse THTF for such amount no later than the balance sheet date of the month in which such amount is paid by THTF;

- (iv) THTF undertakes to assist the Purchasers to take up the Acquired Projects without any additional compensation, including but not limited to providing any necessary information to the Purchasers and handling the relevant project completion and settlement procedures as necessary; and
- (v) THTF will support the Purchasers on the continual development and expansion of the Target Businesses, including cooperating with the Purchasers to develop new projects and business opportunities in respect of the Target Businesses, being a party to the relevant agreements to facilitate the Purchasers' conducting of the Target Businesses if necessary, and providing the required information and assistance to complete the relevant projects, in manners similar to the support to be provided by THTF in respect of the Acquired Projects as set out in paragraphs (i) to (iv) above.

By virtue of the arrangements as set out above, after completion of the Acquisitions, to the extent that any existing sales or project contract of the Target Businesses are not capable to be assigned to Technovator Beijing or Tongfang Energy Saving (as applicable), THTF will continue to act as the party to such agreements, and will transfer any payments it receives from the relevant customers of the Target Businesses to Technovator Beijing and Tongfang Energy Saving, respectively, without any additional charges.

Likewise, under such arrangements, if after completion of the Acquisitions circumstances arise such that it is necessary or desirable for THTF to be a contracting party to new sales or project contracts of the Target Businesses, THTF may cooperate with Technovator Beijing or Tongfang Energy Saving (as applicable) in the performance of such contracts for the relevant customers, and transfer any payments it receives from the relevant customers of the Target Businesses to Technovator Beijing and Tongfang Energy Saving, respectively, without any additional charges.

As at the date of the Business and Assets Purchase Agreements, THTF being the beneficial owner of 268,148,142 Shares, representing approximately 34.64% of the entire issued share capital of the Company, is a Controlling Shareholder of the Company. Under Rule 14A.07(1) of the Listing Rules, THTF is a connected person of the Company and hence the aforementioned business arrangements between THTF and the Purchasers after the completion of the Acquisition, including transfer of payments received from third party customers from time to time from THTF to the Purchasers, will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As no consideration will be paid by the Group to THTF in relation to such business arrangements, all future transactions to be conducted between the Group and THFT in connection with such business arrangements are fully exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76(1) of the Listing Rules.

(VI) INFORMATION ABOUT THE GROUP & THE PURCHASERS

The Group is a leading provider of integrated and comprehensive urban energy saving services, focusing on providing integrated and comprehensive products, solutions and services in relation to energy saving. The Group's businesses cover energy monitoring, management and design and application of solutions for urban infrastructures in relation to energy saving in buildings, industrial energy saving, urban heat supply energy saving and energy saving in urban rail transit. The Company was incorporated in Singapore in 2005, and the shares of the Company are listed on the Main Board of the Stock Exchange since 27 October 2011.

Technovator Beijing is a wholly-owned subsidiary of the Company enterprise established in the PRC. Technovator Beijing is principally engaged in providing intergrated comprehensive energy saving products, solutions and services in the areas of urban rail transit, building and urban heat supply.

Tongfang Energy Saving is a wholly-owned subsidiary of the Company and is established in the PRC with limited liability. Tongfang Energy Saving is principally engaged in providing energy saving solutions for heating and cooling in areas such as industrial production and building environment with absorption heat pump technology. The main business models of Tongfang Energy Saving are Energy Management Contract (EMC), Engineering, Procurement and Construction (EPC) and sales of products.

(VII) INFORMATION ABOUT THE VENDOR

THTF, a controlling shareholder of the Company, is a joint stock limited company established in the PRC, whose shares are listed and traded on the Shanghai Stock Exchange (上海證券交易所) since June 1997. The principal businesses of THTF cover the following six sectors: internet services and terminals, public security, intelligent city; energy saving and environment protection, science park, and headquarters and investment. Its internet services and terminal sector includes business groups such as smart chips hardware terminals and internet content services; its public security sector includes business groups such as security systems, national security and military industry; its intelligent city sector includes business groups such as internet of things, intelligent building, intelligent rail transit and intelligent urban heating network; its energy saving and environment protection sector includes business groups such as building energy saving, industrial energy saving, semi-conductor lighting and water supply.

The Target Businesses in the Acquisitions are primarily the businesses relating to intelligent rail transit, intelligent building and intelligent urban heating network in the intelligent city sector which are developed based on core technologies self-developed by THTF.

(VIII) LISTING RULES IMPLICATIONS

As at the date of the Business and Assets Purchase Agreements, THTF being the beneficial owner of 268,148,142 Shares, representing approximately 34.64% of the entire issued share capital of the Company, is a Controlling Shareholder of the Company. THTF is therefore a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Accordingly, the Acquisitions contemplated under the Business and Assets Purchase Agreements constitute connected transactions of the Company under the Listing Rules.

Given that the Technovator Beijing Acquisition and the Tongfang Energy Saving Acquisition are interconditional and the Purchasers are wholly-owned subsidiaries of the Company, the Board considers it appropriate to aggregate the Technovator Beijing Acquisition and the Tongfang Energy Saving Acquisition for the purpose of determining the requirements applicable to the Company under Chapter 14 and Chapter 14A of the Listing Rules in respect of the Acquisitions.

As one or more of the applicable percentage ratios in respect of the Acquisitions on an aggregate basis is more than 25% but all of the applicable percentage ratios are less than 100%, the Acquisitions constitute a major transaction of the Company under Chapter 14

of the Listing Rules. Accordingly, the Business and Assets Purchase Agreements and the transactions contemplated under it are subject to reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

(IX) THE EGM

The EGM will be convened as soon as practicable at which ordinary resolutions will be proposed for the Shareholders to consider, and, if thought fit, to approve the Acquisitions. Pursuant to Rule 14A.36 of the Listing Rules, at the EGM, THTF, the controlling shareholder of the Company, and its associates are required to abstain from voting on the ordinary resolution approving the Business and Assets Purchase Agreements. Voting at the EGM will be conducted by poll.

The Circular containing, among other things, (1) further information on the Acquisitions and the Business and Asset Purchase Agreements; (2) the notice of the EGM; (3) a letter from Quam Capital Limited to the independent board committee and the Independent Shareholders; and (4) the recommendation of the independent board committee to the Independent Shareholders is currently expected to be despatched to the Shareholders on or before 18 August 2015.

As completion of the Business and Assets Purchase Agreements is subject to the satisfaction of the conditions precedent under the Business and Assets Purchase Agreements, the Acquisitions may or may not be completed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

(X) DEFINITIONS

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

"Accounting Standards for Business Enterprises"	Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC
"Acquired Projects"	means the contracts or projects entered into between THTF and third parties in relation to the Target Businesses, including, up to the Reference Date, contracts that have been signed but not yet fulfilled, and projects that are under the bidding or negotiation phase and contracts are yet to be signed, and, between the period of the Reference Date to the Completion Date, new contracts that have been signed, and projects that are under the bidding or negotiation phase
"Acquisitions"	collectively, the Technovator Beijing Acquisition and the Tongfang Energy Saving Acquisition
"Board"	means the board of directors of the Company

"Business and Assets means collectively, the Technovator Beijing Agreement and the Tongfang Energy Saving Agreement Purchase Agreements" "Circular" means a circular to be issued by the Company in relation to the Business and Assets Purchase Agreements "Company" means Technovator International Limited, a limited liability company incorporated in Singapore on 25 May 2005 and the issued securities of which are listed on the Stock Exchange "Completion Accounts" means the balance sheet and the statement of profit and loss as at the Completion Date and for the period between the Reference Date and the Completion Date for the Intelligent Rail Transit Business, the Intelligent Building Business or the Intelligent Urban Heating Network Business, as applicable "Completion Date" means the date of the completion of the Technovator Beijing Agreement and Tongfang Energy Saving Agreement, which shall be the first business day after all of the conditions precedent are satisfied pursuant to Technovator Beijing Agreement and Tongfang Energy Saving Agreement respectively, or on such date as may be agreed between THTF and Technovator Beijing or Tongfang Energy Saving, as applicable "connected person" has the same meaning ascribed thereto under the Listing Rules "Controlling Shareholder" has the same meaning ascribed thereto under the Listing Rules "Director(s)" means the director(s) of the Company "EGM" means an extraordinary general meeting of the Company to be convened to consider, and if thought fit, approving the Acquisitions "Group" means the Company and its subsidiaries (as defined in the Listing Rules) from time to time "Hong Kong" means the Hong Kong Special Administrative Region of the **PRC** "Independent Shareholders" means the Shareholders who are not interested in or involved in the Business and Assets Purchase Agreement and the transactions contemplated thereunder

"Intelligent Building Business"

means business which provide building intelligence integrated solutions which center around the Building Automation (BA) that has been developed and debugged by THTF with the energy saving algorithm.

"Intelligent Building
Business Related
Assets and Liabilities"

means the assets and liabilities associated with the Intelligent Building Business as at the Reference Date and according to the Accounting Standards for Business Enterprises (details of which are set forth in the Valuation Report), and any such changes to the aforementioned assets and liabilities and new assets and liabilities that have been generated from the Target Business's normal operation between the period of the Reference Date to the Completion Date.

"Intelligent Rail Transit Business" means business which provide intelligence integrated solutions for the main electro-mechanical systems such as Integrated Supervision and Control System (ISCS), Platform Screen Doors (PSD) and Building Automation System (BAS).

"Intelligent Rail Transit
Business Related Assets
and Liabilities"

means the assets and liabilities associated with the Intelligent Rail Transit Business as at the Reference Date and according to the Accounting Standards for Business Enterprises (details of which are set forth in the Valuation Report), and any such changes to the aforementioned assets and liabilities and new assets and liabilities that have been generated from normal operation between the period of the Reference Date to the Completion Date.

"Intelligent Urban Heating Network Business" means business which provide integrated solutions for heating plant and network including Supervisory Control And Data Acquisition (SCADA).

"Intelligent Urban Heating Network Business Related Assets and Liabilities" means the assets and liabilities associated with the Intelligent Urban Heating Network Business as at the Reference Date and according to the Accounting Standards for Business Enterprises (details of which are set forth in the Valuation Report), and any such changes to the aforementioned assets and liabilities and new assets and liabilities that have been generated from normal operation between the period of the Reference Date to the Completion Date.

"Listing Rules"

means the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time

"PRC"

means the People's Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan

"Purchasers" means, collectively, Technovator Beijing and Tongfang

Energy Saving

"Reference Date" means 31 March 2015

"RMB" means Renminbi, the lawful currency of the PRC

"Share(s)" means the ordinary share(s) in the capital of the Company

"Shareholder(s)" means the holders of Shares

"Stock Exchange" means The Stock Exchange of Hong Kong Limited

"subsidiary(ies)" has the meaning as defined in the Listing Rules

"Target Assets" means, collectively, the Target Assets for Intelligent Building Business, the Target Assets for Intelligent Rail

Transit Business and the Target Assets for Intelligent Urban

Heating Network Business

"Target Assets for Intelligent means the Intelligent Building Business Related Assets and Liabilities and other products and technologies relating

to the Intelligent Building Business (including but not limited to the intellectual property rights, technical data and information related to patents, software copyrights, proprietary technologies, source codes, technical manuals,

and operation manuals)

"Target Assets for Intelligent means the Intelligent Rail Transit Business Related Assets and Liabilities and other energy saving products and

technologies relating to the Intelligent Rail Transit Business (including but not limited to the intellectual property rights, technical data and information related to patents, software copyrights, proprietary technologies, source codes, technical

copyrights, proprietary technologies, source codes, technical manuals, and operation manuals)

"Target Assets for Intelligent Urban Heating Network Business Related Assets and Liabilities and other products and technologies relating to the Intelligent Urban Heating

Network Business (including but not limited to the intellectual property rights, technical data and information related to patents, software copyrights, proprietary technologies, source codes, technical manuals, and operation

manuals)

"Target Businesses" means, collectively, the Intelligent Rail Transit Business,

the Intelligent Building Business and the Intelligent Urban

Heating Network Business

"Target Business Related Assets and Liabilities" means collectively, the Intelligent Rail Transit Business Related Assets and Liabilities, the Intelligent Building Business Related Assets and Liabilities and the Intelligent Urban Heating Network Business Related Assets and Liabilities

"Technovator Beijing"

means 同方泰德國際科技(北京)有限公司 (TongFang Technovator Int (Beijing) Co., Ltd*), a direct wholly foreignowned enterprise incorporated in the PRC on 7 August 2006 and a wholly-owned subsidiary of the Company

"Technovator Beijing Acquisition"

means the acquisition of Intelligent Rail Transit Business, the Intelligent Building Business, the Target Assets for Intelligent Rail Transit Business, and the Target Assets for Intelligent Building Business by Technovator Beijing from THTF pursuant to the terms of Technovator Beijing Agreement

"Technovator Beijing Agreement"

means the acquisition agreement entered into by Technovator Beijing and THTF on 28 July 2015 in respect of the Technovator Beijing Acquisition

"THTF"

means 同方股份有限公司 (Tsinghua Tongfang Co., Ltd*), formerly known as 清華同方股份有限公司 (Tsinghua Tongfang Company Limited*), a joint stock limited company incorporated in the PRC, whose shares are listed and traded on the Shanghai Stock Exchange (上海證券交易所) and a controlling shareholder of the Company

"Tongfang Energy Saving"

means 同方節能工程技術有限公司 (Tongfang Energy Saving Engineering Technology Co., Ltd.*), a wholly foreign-owned enterprise established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

"Tongfang Energy Saving Acquisition"

means the acquisition of the Intelligent Urban Heating Network Business and Target Assets for Intelligent Urban Heating Network Business by Tongfang Energy Saving from THTF pursuant to the terms of Tongfang Energy Saving Agreement

"Tongfang Energy Saving Agreement"

means the acquisition agreement entered into by Tongfang Energy Saving and THTF on 28 July 2015 in respect of the Tongfang Energy Saving Acquisition

"Valuation Date"

means 31 March 2015

"Valuation Reports"

means the valuation reports in respect of the valuation of each of (i) the Intelligent Rail Transit Business; (ii) the Intelligent Building Business; and (iii) the Intelligent Urban Heating Network Business, as at the Valuation Date

"%"

means per cent.

By Order of the Board

Technovator International Limited

Lu Zhicheng

Chairman

Hong Kong, 28 July 2015

As at the date of this announcement, the executive directors of the Company are Mr. Zhao Xiaobo and Mr. Seah Han Leong; the non-executive directors of the Company are Mr. Lu Zhicheng, Mr. Fan Xin, Mr. Liu Tianmin and Mr. Ng Koon Siong; and the independent non-executive directors of the Company are Mr. Fan Ren Da Anthony, Mr. Chia Yew Boon and Ms. Chen Hua.