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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 TRANSACTION  
IN RELATION TO  
DISPOSAL OF SHARES OF DISTECH CONTROLS  
AND  
(2) RESUMPTION OF TRADING**

**The Agreement**

The Board announces that on 8 March 2015 (Montreal Time), (i) 1028665 B.C. Ltd., a subsidiary of Acuity Brands, Inc. (as the Purchaser), (ii) Acuity Brands Lighting, Inc., the Purchaser's Parent, (iii) Distech Controls (as the Target), and (iv) all shareholders of the Target, including the Company (other than Samsung) (as the Sellers), entered into the Agreement for the disposal of all of the issued and outstanding shares in the capital of the Target that the Sellers held as at the date of the Agreement to the Purchaser.

In the event that Samsung executes the Agreement and becomes one of the Sellers, Samsung shall sell all such shares that it holds as of the Closing Date to the Purchaser. All such shares held by Samsung, together with all of the issued and outstanding shares held by the Sellers in the capital of the Target, represent all of the issued and outstanding shares in the capital of the Target as at the date of the Agreement.

In the event that holders of share options of the Target exercise their outstanding share options, intervene the Agreement and become one of the Sellers, they shall sell all such shares of the Target that they hold as of the Closing Date to the Purchaser.

\* For identification purposes only

The Consideration for the Sale Shares (including the shares of the Target held by Samsung and any other shares in the capital of the Target that are issued and outstanding as of the Closing Date) before adjustments shall be CAD\$318,000,000. The Consideration after adjustments shall be the sum of: (i) CAD\$318,000,000, (ii) plus the Available Cash, (iii) minus any Indebtedness, (iv) plus the Net Working Capital Surplus or minus the Net Working Capital Deficiency.

Among the Sale Shares, the Company agreed to sell and the Purchaser agreed to purchase 18,122,053 Class A Common Shares (being all shares of the Target held by the Company), representing (i) approximately 43.98% of shareholding in the Target as at the date of the Agreement; and (ii) approximately 42.80% of shareholding in the Target as of Closing in the event that all outstanding share options of the Target are exercised in full. In return, the Company shall be entitled to receive the Pro Rata Share of the Consideration after adjustments.

It is expected that the Group will record a profit before tax of approximately CAD\$122 million (based on the 43.98% of shareholding in the Target held by the Company as at the date of the Agreement) or approximately CAD\$118 million (based on the 42.80% of shareholding in the Target as of Closing in the event that all outstanding share options of the Target are exercised in full) from the Disposal, which is calculated with reference to the difference between the consideration before any adjustments to be received by the Company and the Group's share of the net assets in the Target. The actual gain as a result of the Disposal to be recorded by the Group is subject to audit, the Company's shareholding percentage in the Target as of Closing and any further adjustments on consideration, and will be assessed after completion of the Disposal.

The completion of the Agreement is subject to the shareholders' approval at the EGM. Upon completion of the Agreement, the Company will cease to have any interests in the Target and the Target will cease to be a subsidiary of the Group.

Completion of the Agreement is conditional upon, among other things, the following:

- (a) each of the Target's, the Sellers' and the Purchaser's core representations and each of the representations and warranties of each of the Target, the Sellers and the Purchaser contained in the Agreement that are qualified as to materiality or material adverse effect shall be true and correct in all respects as of the Closing Date;
- (b) each of other representations and warranties of each of the Target, the Sellers and the Purchaser contained in the Agreement shall be true and correct in all material respects as of the Closing Date;

- (c) the Target, the Sellers and the Purchaser shall have fulfilled in all material respects with all covenants contained in the Agreement and in any Acquisition Agreement to which they are a party to be fulfilled with by them at or prior to Closing;
- (d) all required consents and authorizations shall have been obtained on terms acceptable to the Purchaser, acting reasonably, and remain in full force and effect;
- (e) the Samsung Execution Date shall have occurred on or before the 5<sup>th</sup> day following the date of the Agreement;
- (f) the Company shall have complied with its obligations under the Agreement with respect to the Circular and the EGM, the Circular shall have been approved by the Stock Exchange by no later than 45 days after the Company Execution Date, the shareholders' resolution of the Company to approve the transactions contemplated by the Agreement shall have been adopted, and the Company shall have complied with all other necessary regulatory requirements, and obtained all other necessary authorizations in connection with the transactions contemplated by the Agreement;
- (g) no action or proceeding shall be pending or threatened by any person (other than the Purchaser) in any jurisdiction, seeking to enjoin, restrict or prohibit or imposing any conditions on, any of the transactions contemplated by the Agreement or the Acquisition Agreements, the right of the Purchaser to acquire or own the Sale Shares, or the right of any Corporation to operate the business after Closing on substantially the same basis as currently operated;
- (h) no action or proceeding shall be pending or threatened by any person (other than the Sellers or the Corporations and their respective affiliates) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by the Agreement or the Acquisition Agreements;
- (i) no law shall have been enacted by any governmental authority, that makes illegal or otherwise enjoins or prohibits any of the transactions contemplated by the Agreement or the Acquisition Agreements;
- (j) since the date of the Agreement, there shall not have occurred any event, development or condition or any damage, destruction or loss that has or can reasonably be expected to have, a material adverse effect; and

- (k) the Circular shall have been approved by the Stock Exchange by no later than 45 days after the Company Execution Date.

Subject to the conditions precedent set out above, completion of the Agreement shall take place on the Closing Date.

### **Listing Rules Implications**

As one or more of the applicable percentage ratio in respect of the Disposal under the Agreement is more than 25% but less than 75%, the Disposal under the Agreement constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **EGM**

The Company will hold the EGM to approve the Disposal and the transactions under the Agreement. A circular containing, among other things, further details of Agreement and a notice convening the EGM, is expected to be despatched to the Shareholders on or before 30 March 2015.

### **VOTING UNDERTAKINGS**

Tongfang, Resuccess and Dragon Point Limited, which were the registered holders of an aggregate of approximately 51.78% of the issued share capital of the Company as at the date of this announcement, have given the Voting Undertakings to the Company and the Purchaser to vote in favour of the resolution to be proposed to the Shareholders at the EGM to approve the Disposal.

## **THE AGREEMENT**

Date: 8 March 2015 (Montreal Time)

Parties: Purchaser:  
1028665 B.C. Ltd.

Purchaser's Parent:  
Acuity Brands Lighting, Inc.

Target:  
Distech Controls Inc., a company incorporated under the laws of Québec, Canada and owned as to approximately 43.98% by the Company as at the date of the Agreement

Sellers:

all shareholders of the Target (other than Samsung) as at the date of the Agreement, namely:

- (a) the Company
- (b) Mr. Veilleux
- (c) 9109-2759 Québec Inc.
- (d) Caisse de Dépôt et Placement du Québec
- (e) EnerTech Capital Partners IV L.P.
- (f) Export Development Canada
- (g) Fonds de solidarité des travailleurs du Québec (F.T.Q.)
- (h) Fonds de solidarité FTQ investissements croissance I s.e.c.
- (i) Investissements W2 Inc.

In the event that Samsung executes the Agreement by the 5th day following the date of the Agreement and becomes one of the Sellers, Samsung shall sell all such shares that it holds as of the Closing Date to the Purchaser.

In the event that holders of share options of the Target, all of whom are director, employees and/or ex-employee of the Target and its subsidiaries, exercise their outstanding share options, intervene the Agreement and become one of the Sellers, they shall sell all such shares of the Target that they hold as of the Closing Date to the Purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Purchaser and the Purchaser's Parent, as well as their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Immediately prior to the completion of the Agreement, (i) Mr. Veilleux is a substantial shareholder, director and chief executive officer of the Target; (ii) 9109-2759 Québec Inc. is a company controlled by Mr. Veilleux; (iii) Fonds de solidarité des travailleurs du Québec (F.T.Q.) and Fonds de solidarité FTQ investissements croissance I s.e.c., together, are substantial shareholders of the Target; and (iv) Ahmed Hirani, a holder of share options of the Target, is a director of one of the Acquired Subsidiaries.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save for the aforesaid, each of Other Sellers, as well as their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Assets to be disposed of  
by the Company:

Pursuant to the Agreement, the Sellers (including the Company (other than Samsung)) shall dispose of all of the issued and outstanding shares in the capital of the Target that they held as at the date of the Agreement to the Purchaser. Among the Sale Shares, the Company agreed to sell and the Purchaser agreed to purchase 18,122,053 Class A Common Shares (being all the shares of the Target held by the Company), representing (i) approximately 43.98% of shareholding in the Target as at the date of the Agreement; and (ii) approximately 42.80% of shareholding in the Target as of Closing in the event that all outstanding share options of the Target are exercised in full.

Consideration:

The Consideration for the Sale Shares (including the shares of the Target held by Samsung and any other shares (or rights or options with respect to shares) in the capital of the Target that are issued and outstanding as of the Closing Date) before adjustments shall be CAD\$318,000,000. The Consideration after adjustments shall be the sum of: (i) CAD\$318,000,000, (ii) plus the Available Cash, (iii) minus any Indebtedness, (iv) plus the Net Working Capital Surplus or minus the Net Working Capital Deficiency. The Company shall be entitled to receive the Pro Rata Share of the Consideration after adjustments.

In the event that Samsung does not become a party to the Agreement, the Purchaser may elect to purchase all the Sale Shares held by all Sellers other than Samsung, in such case the necessary pro rata adjustments will be made to the Consideration.

The Consideration and any adjustments to the Consideration was arrived at through arm's length negotiation among the parties to the Agreement. When determining the Consideration and any adjustments to the Consideration, the Board has taken into account the financial information of the Target and market multiples of listed companies which are engaged in similar business as the Target and in the principal markets in which the Target operates. The Board is therefore of the view that the Consideration and any adjustments to the Consideration are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Delivery of Estimated Statement:

No later than 2 Business Days prior to the Closing, the Sellers' Representative shall deliver to the Purchaser a statement ("Estimated Statement") setting forth, among other things, the estimated amount of (i) Net Working Capital, (ii) Net Working Capital Surplus or the Net Working Capital Deficiency, as applicable; (iii) Available Cash; (iv) Indebtedness; (v) the Transaction Expense; and (vi) based on the foregoing, the Closing Cash Payment (after deducting the estimated Transaction Expenses) due to the Sellers at Closing.

Payments:

On the Closing Date, the Purchaser shall pay the following amounts:

- (a) to secure and to serve as a fund in respect of the indemnification obligations of Sellers and in respect of the payment of any adjustments to the Consideration under the Agreement, the Purchaser, the Sellers and the Escrow Agent will, at Closing, enter into the Escrow Agreement and the Purchaser shall deposit the Adjustment Escrow Amount and the Indemnity Escrow Amount with the Escrow Agent in cash;
- (b) by wire transfer of immediately available funds, the Sellers' Representative Expense Amount to such account as shall be designated by the Sellers' Representative prior to the Closing Date;
- (c) to the creditors of the Indebtedness, all amounts necessary to discharge fully the estimated Indebtedness due to them, by wire transfer of immediately available funds to the accounts set out in the payout letters;

- Final determination of the Consideration:
- (d) to the Target, for and on behalf of the Sellers, the amount equal to the estimated Transaction Expenses paid by the Target for and on behalf of the Sellers, by wire transfer of immediately available funds to account(s) designated by the Target; and
  - (e) by wire transfer of immediately available funds to such account as shall be designated by the Sellers' Representative prior to the Closing Date, an amount equal to the Closing Cash Payment minus the estimated Transaction Expenses, for payment by the Sellers' Representative to the Sellers based on their respective Pro Rata Shares.
- (a) As soon as practicable (but in no event later than 60 days following the Closing Date), the Sellers' Representative shall deliver to the Purchaser the Closing Date Statement setting forth, among other things, the calculation of (i) the amount of Net Working Capital, (ii) the amount of Available Cash, (iii) the amount of Actual Indebtedness, and (iv) the amount of the resulting True-Up Payment.
  - (b) If the Purchaser has any objections to the Closing Date Statement, the Purchaser shall, within 30 days after its receipt of the Closing Date Statement (the "**Notice Period**"), give written notice (the "**Dispute Notice**") to the Sellers' Representative.
  - (c) If the Purchaser does not deliver the Dispute Notice within such 30 day period, the Closing Date Statement shall be final, binding and conclusive on the parties, absent manifest error.
  - (d) If the Sellers' Representative and the Purchaser are unable to resolve all such disputes within the 10 Business Day period, then within 5 Business Days after the expiration of such period, all unresolved disputes shall be submitted to Deloitte (the "**Neutral Accountant**") who shall perform its services within 30 days of submission of the Closing Date Statement and objection(s) thereto. The decision of the Neutral Accountant shall be final, binding and conclusive upon the parties and will not be subject to appeal, absent manifest error.

- (e) When the Closing Date Statement is final, binding and conclusive on the parties:
  - (A) if the True-Up Payment amounts to a positive number, the Consideration will be decreased by such amount and the Sellers will pay such amount to the Purchaser; and
  - (B) if the True-Up Payment amounts to a negative number, the Consideration will be increased by such amount and the Purchaser will pay such amount to the Sellers' Representative (for the benefit of and disbursement to the Sellers in accordance with their respective Pro Rata Shares).
- (f) The True-Up Payment shall be paid within 5 Business Days after the date that is the earliest of: (i) the date on which the Purchaser advises the Sellers' Representative in writing that it does not intend to send a Dispute Notice, (ii) the last day of the Notice Period, if no Dispute Notice is delivered within the Notice Period, and (iii) the date of resolution during the 10 Business Day period or resolution by the Neutral Accountant, as applicable. The True-Up Payment shall be made by wire transfer of immediately available funds to a bank account designated by the recipient party.

The Adjustment Escrow Amount and the Indemnity Escrow Amount held by the Escrow Agent shall be released pursuant to the Escrow Agreement.

Conditions precedent:

Completion of the Agreement is conditional upon, among other things, the following:

- (a) each of the Target's, the Sellers' and the Purchaser's core representations and each of the representations and warranties of each of the Target, the Sellers and the Purchaser contained in the Agreement that are qualified as to materiality or material adverse effect shall be true and correct in all respects as of the Closing Date;
- (b) each of other representations and warranties of each of the Target, the Sellers and the Purchaser contained in the Agreement shall be true and correct in all material respects as of the Closing Date;

- (c) the Target, the Sellers and the Purchaser shall have fulfilled in all material respects with all covenants contained in the Agreement and in any Acquisition Agreement to which they are a party to be fulfilled with by them at or prior to Closing;
- (d) all required consents and authorizations shall have been obtained on terms acceptable to the Purchaser, acting reasonably, and remain in full force and effect;
- (e) the Samsung Execution Date shall have occurred on or before the 5<sup>th</sup> day following the date of the Agreement;
- (f) the Company shall have complied with its obligations under the Agreement with respect to the Circular and the EGM, the Circular shall have been approved by the Stock Exchange by no later than 45 days after the Company Execution Date, the shareholders' resolution of the Company to approve the transactions contemplated by the Agreement shall have been adopted, and the Company shall have complied with all other necessary regulatory requirements, and obtained all other necessary authorizations in connection with the transactions contemplated by the Agreement;
- (g) no action or proceeding shall be pending or threatened by any person (other than the Purchaser) in any jurisdiction, seeking to enjoin, restrict or prohibit or imposing any conditions on, any of the transactions contemplated by the Agreement or the Acquisition Agreements, the right of the Purchaser to acquire or own the Sale Shares, or the right of any Corporation to operate the business after Closing on substantially the same basis as currently operated;
- (h) no action or proceeding shall be pending or threatened by any person (other than the Sellers or the Corporations and their respective affiliates) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by the Agreement or the Acquisition Agreements;
- (i) no law shall have been enacted by any governmental authority, that makes illegal or otherwise enjoins or prohibits any of the transactions contemplated by the Agreement or the Acquisition Agreements;

- (j) since the date of the Agreement, there shall not have occurred any event, development or condition or any damage, destruction or loss that has or can reasonably be expected to have, a material adverse effect; and
- (k) the Circular shall have been approved by the Stock Exchange by no later than 45 days after the Company Execution Date.

Actions to satisfy conditions precedent:

The Target, the Sellers, and the Purchaser shall ensure compliance with all of the conditions set forth in “Conditions precedent”. In particular, the Company shall, among other things:

- (a) promptly, but in no event later than 5 Business Days after the Company Execution Date, submit to the Stock Exchange the draft Circular. The Company shall promptly finalize the Circular to cause the Circular to be sent to the Shareholders so as to permit the EGM to be held as soon as practicable; and
- (b) convene the EGM to be held as soon as practicable and shall not adjourn, postpone or cancel the EGM without the prior written consent of the Purchaser.

Waiver of conditions  
precedent:

If any of the conditions set forth in “Conditions precedents” above have not been satisfied, the Purchaser may elect in writing to waive the condition and proceed with the completion of the transactions contemplated by the Agreement (including, for greater certainty, (i) in the event that the Company does not obtain the necessary approval for the shareholders’ resolution of the Company or terminates the Agreement with respect to itself, or (ii) in the event that Samsung does not become a party thereto, the Purchaser may elect to purchase all of the Sale Shares held by all Sellers other than (i) the Company (in the case of the Company’s failure to obtain the necessary approval for the shareholders’ resolution of the Company or in the case of a termination by the Company), and/or (ii) Samsung, in either of which cases the necessary pro rata adjustments will be made to the Consideration) and, if any of the conditions set forth in paragraph (a), (b), (c), (h), and (i) of “Conditions precedent” above have not been satisfied, the Sellers may elect in writing to waive the condition and proceed with the completion of the transactions contemplated by the Agreement. Any such waiver and election by the Purchaser or the Sellers, as the case may be, will only serve as a waiver of the specific closing condition and the party which has not been able to satisfy the waived condition will, subject to the Closing with respect to such party, have no liability with respect to that specifically waived condition.

Closing deliverables:

On or prior to the Closing Date, the Sellers shall deliver or cause to be delivered to the Purchaser among other things, the following:

- (a) evidence of termination of the unanimous shareholders’ agreement dated 26 April 2013 entered into by the Target, shareholders of the Target (including the Company) and Fiducie Veilor, details of which have been disclosed in the Company’s circular dated 5 April 2013;

- (b) evidence of the termination or exercise of all outstanding options under, and termination of, the Target's employee stock option plan, and executed joinder agreements from each former option holder who exercises options, pursuant to which they agree to become bound by the terms of the Agreement as Sellers;
- (c) an amended and restated list of the names and shareholdings of all the Sellers as at the Closing Date; and
- (d) the Escrow Agreement.

Representations and warranties:

Each Seller, including the Company, (jointly as to each Seller only and not solidarily as to or with any other Seller) has given certain specific and customary representations and warranties to the Purchaser.

The Purchaser and the Parent have given certain specific and customary warranties to the Sellers.

Indemnity by the Sellers:

The Sellers, jointly (in accordance with their respective Pro Rata Shares and to the extent provided in the Agreement), and not solidarily, shall indemnify the Purchaser and the Corporations and, to the extent named or involved in any third party action or claim, their respective employees, shareholders, directors, officers, representatives and related persons (collectively, the "**Purchaser Indemnified Persons**") from and against, and shall pay to the Purchaser, the Corporations and the Purchaser Indemnified Persons, on demand, the amount of, any loss or damages (collectively, "**Damages**"), suffered by the Purchaser, the Corporations or any of the Purchaser Indemnified Persons, in respect of:

- (a) any inaccuracy or breach of any representation or warranty made by the Target in the Agreement;
- (b) any breach or non-fulfilment by the Target of any covenant or obligation of the Target contained in the Agreement;

- (c) any taxes of any Corporations with respect to pre-closing tax periods (unless otherwise already taken into account in the final determination of the Consideration); provided however that, with respect to any claims for indemnification relating to taxes of any Corporation for any taxable period ending on or prior to 26 April, 2013, none of the Excepted Indemnifiers will have any liability for indemnification under this paragraph (c), and the Pro Rata Shares of all other Sellers, for purposes of such indemnification, will be adjusted so as to be calculated without taking into account the number of Sale Shares held by the Excepted Indemnifiers;
- (d) any claim by any person in respect of any Indebtedness or any Transaction Expenses (unless already paid at Closing pursuant to “Payments” above or taken into account in the final determination of the Consideration) or any unpaid 2014 bonuses; provided however that, with respect to any claims for indemnification relating to Indebtedness of any Corporation existing prior to 26 April 2013, none of the Excepted Indemnifiers will have any liability for indemnification under this paragraph (d), and the Pro Rata Shares of all other Sellers, for purposes of such indemnification, will be adjusted so as to be calculated without taking into account the number of Sale Shares held by the Excepted Indemnifiers; and
- (e) any fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault committed by the Target.

Subject to the time limitations and the limitations on Damages set forth in the Agreement, the right to indemnification under paragraph (a) of “Indemnity by the Sellers” is a right that is separate and independent from any other right or remedy under the Agreement.

Indemnity by each Seller:

Each Seller shall indemnify the Purchaser and the Purchaser Indemnified Persons from and against, and shall pay to the Purchaser and the Purchaser Indemnified Persons, on demand, the amount of, any Damages suffered by the Purchaser or any Purchaser Indemnified Person in respect of any incorrectness or breach of any representation or warranty made by such Seller in the Agreement, any breach or non-fulfilment by such Seller of any covenant or obligation of such Seller contained in the Agreement or any fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault committed by such Seller.

Indemnity by the Purchaser:

The Purchaser shall indemnify the Sellers and, to the extent named or involved in any third party action or claim, its employees, shareholders, directors, officers, representatives and related persons (collectively, the "**Sellers Indemnified Persons**") from and against, and shall pay to the Sellers and the Sellers Indemnified Persons, on demand, the amount of any Damages suffered by the Sellers or any of the Sellers Indemnified Persons in respect of:

- (a) any inaccuracy or breach as of the date hereof or as of the Closing Date of any representation or warranty made by the Purchaser in the Agreement;
- (b) any breach or non-fulfilment by the Purchaser of any covenant or obligation of the Purchaser contained in the Agreement; or
- (c) any claim by any Person for brokerage or finder's fees, commissions or similar payments based upon any agreement or understanding made or alleged to have been made by such person with the Purchaser (or any person acting on its behalf) in connection with any of the transactions contemplated in the Agreement; and
- (d) any fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault committed by the Purchaser.

Limitation on liability:

Notwithstanding the foregoing indemnities,

- (a) under no circumstances will any party be liable for any consequential, indirect, special, punitive or incidental loss, liability, claim, damage, expense, fine or penalty of any nature or interest;

- (b) subject to (e) below, the Sellers shall have no liability pursuant to paragraph (a) of “Indemnity by the Sellers” above and no Damages may be recovered from the Sellers with respect thereto unless and until such claims of the Purchaser, each Corporation and any Purchaser Indemnified Person exceed in the aggregate, CAD\$1,000,000;
- (c) subject to (e) below, the liability of the Sellers in respect of claims of the Purchaser, any Corporation and any Purchaser Indemnified Person for Damages:
  - (i) for inaccuracy or breach of representations and warranties of the Target pursuant to paragraph (a) of “Indemnity by the Seller” above (other than the Target’s core representations) shall not exceed, in the aggregate, CAD\$31,800,000 (and, the liability of each Seller, therefor shall not exceed an amount equal to CAD\$31,800,000 multiplied by the amount of the Pro Rata Share of the Consideration paid to such Seller); or
  - (ii) for any breach or non-fulfilment of any covenant or obligation of the Target pursuant to paragraph (b) of “Indemnity by the Sellers” above shall not exceed, for each Seller, the amount of the Pro Rata Share of the Consideration paid to such Seller;
  - (iii) for claims for Damages pursuant to paragraph (c) of “Indemnity by the Sellers” shall not exceed, in the aggregate, CAD\$31,800,000 (and the liability of each Seller therefor shall not exceed an amount equal to CAD\$31,800,000 multiplied by the amount of the Pro Rata Share of the Consideration paid to such Seller);
- (d) the liability of a Seller in respect of claims of the Purchaser, any Corporation and any Purchaser Indemnified Person for Damages:
  - (i) for inaccuracy or breach of representations and warranties of such Seller (other than the Sellers’ core representations of such Seller) pursuant to “Indemnity by each Seller” shall not exceed, in the aggregate, an amount equal to CAD\$31,800,000 multiplied by the amount of the Pro Rata Share of the Consideration paid to such Seller;

- (ii) for any breach or non-fulfilment of any covenant or obligation of such Seller pursuant to “Indemnity by each Seller” shall not exceed the amount of the Pro Rata Share of the Consideration paid to such Seller; or
  - (iii) for inaccuracy or breach of the Sellers’ core representations of such Seller or with respect to any claim involving fraud, fraudulent or willful misconduct, or gross fault of such Seller in connection with any of the representations and warranties of such Seller under the Agreement shall not exceed the amount of the Pro Rata Share of the Consideration paid to such Seller and shall not be subject to the threshold amount set forth in (b) above;
- (e) the liability of each Seller to indemnify the Purchaser, the Corporations or any Purchaser Indemnified Person” for Damages;
- (i) under paragraph (a) of “Indemnity by the Sellers” above with respect to the Target’s core representations;
  - (ii) under paragraph (d) or “Indemnity by the Sellers”; or
  - (iii) with respect to any claim involving fraud, fraudulent or willful misconduct, or gross fault of the Target in connection with any of the representations and warranties of the Target under the Agreement;

shall not be subject to the threshold amount set forth in (b) above and shall not exceed, taking into account all claims for Damages against the Sellers under the Agreement, the amount of the Pro Rata Share of the Consideration paid to such Seller;

- (f) claims for indemnification (i) pursuant to paragraph (a) of “Indemnity by the Sellers” above (other than claims with respect to the Target’s core representations, and claims based on fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault of the Target) and (ii) pursuant to “Indemnity by each Seller” for breach or inaccuracy of representations and warranties (other than claims with respect to the Sellers’ core representations of a Seller and claims based on fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault of a Seller) shall, in each case, be payable solely out of the Indemnity Escrow Account pursuant to the terms of the Escrow Agreement;
- (g) claims for indemnification (A) pursuant to paragraph (a) of “Indemnity by the Sellers” above with respect to the Target’s core representations, (B) pursuant to “Indemnity by each Seller” with respect to the Sellers’ core representations, (C) pursuant to paragraphs (b), (c), (d) and (e) of “Indemnity by the Sellers” above and (D) claims for indemnification pursuant to paragraph (a) of “Indemnity by the Sellers” and “Indemnity by each Seller” above, as the case may be, based on breach or non-fulfilment of any covenant or obligation or based on fraud, fraudulent or wilful misconduct, intentional misrepresentation or gross fault of the Target or of a Seller, as the case may be, shall in each case be paid first out of the Indemnity Escrow Account pursuant to the terms of the Escrow Agreement and, to the extent the Indemnity Escrow Account is insufficient for such purposes, shall be paid by the Seller or the Sellers required to indemnify pursuant to the Agreement directly in accordance with their respective Pro Rata Shares; and
- (h) if Closing occurs and the Purchaser makes a claim against the Sellers for Damages, then the Sellers will not be entitled to, and waive any right to, make any claim against any of the Corporations in respect of any such Damages by contribution, warranty or otherwise, or require that the applicable Corporation be a party to the principal claim.

Any amounts payable under the indemnities shall be deemed to be adjustments to the Consideration.

Termination:

The Agreement may be terminated at any time on or prior to the Closing Date:

- (a) by either the Purchaser or the Seller's Representative if any of the conditions to Closing have not been satisfied in full on or before the Outside Date (or it becomes reasonably apparent that any of such conditions cannot be fulfilled or performed before such date) and the other party has not waived such conditions; provided that the other party shall not be entitled to so terminate the Agreement if the failure or impossibility of fulfilment of such condition results from a breach by the other party of its obligations under the Agreement;
- (b) by the Purchaser if there has been a violation or breach by the Target or the Sellers of any covenant, representation and warranty or other agreement contained in the Agreement such that any conditions to Closing would be incapable of being satisfied by the Closing Date, and such violation or breach is not waived by the Purchaser or, if curable, cured by the Target or the Sellers, as the case may be, within 10 days following notice of breach by the Purchaser;
- (c) by the Sellers' Representative, if there has been a violation or breach by the Purchaser of any covenant, representation and warranty or other agreement contained in the Agreement such that any condition precedent of the Closing would be incapable of being satisfied by the Closing Date, and such violation or breach is not waived by the Sellers' Representative or, if curable, cured by the Purchaser within 10 days following notice of breach by the Sellers' Representative;

- (d) by the Company, with respect to itself only, upon written notice to the Purchaser given on or before the 50th day after the Company Execution Date (failing which notice the Company shall be irrevocably deemed to have waived the condition specified in paragraph (k) of “Conditions precedent” above if the condition specified in paragraph (k) of “Conditions precedent” above has not been satisfied in full by the 45th day following the Company Execution Date (or it becomes reasonably apparent that such condition cannot be fulfilled or performed by such date), and the Company has not waived such condition; provided that the Company shall not be entitled to so terminate the Agreement if the failure or impossibility of fulfilment of the condition set forth at paragraph (k) of “Conditions precedent” above results from a breach by the Company of its obligations under the Agreement or a breach by Tongfang, Resuccess and Dragon Point Limited of their respective obligations under the Voting Undertakings;
- (e) by written agreement of all parties to the Agreement;
- (f) by the Purchaser upon written notice to the Sellers’ Representative, in the event of a material adverse effect, or in the event of a termination by the Company pursuant to (d) above; or
- (g) by the Purchaser, if the Samsung Execution Date has not occurred by the 5<sup>th</sup> day following the date of the Agreement.

## **EFFECTS OF THE AGREEMENT**

The completion of the Agreement is subject to the shareholders’ approval at the EGM. Upon completion of the Agreement, the Company will cease to have any interests in the Target and the Target will cease to be a subsidiary of the Group.

It is expected that the Group will record a profit before tax of approximately CAD\$122 million (based on the 43.98% of shareholding in the Target held by the Company as at the date of the Agreement) or approximately CAD\$118 million (based on the 42.80% of shareholding in the Target as of Closing in the event that all outstanding share options of the Target are exercised in full) from the Disposal, which is calculated with reference to the difference between the consideration before any adjustments to be received by the Company and the Group’s share of the net assets in the Target. The actual gain as a result of the Disposal to be recorded by the Group is subject to audit, the Company’s shareholding percentage in the Target as of Closing and any further adjustments on consideration, and will be assessed after completion of the Disposal.

## **REASONS FOR AND BENEFITS OF THE AGREEMENT**

The Target is principally engaged in the product design, manufacturing, sales and marketing business of integrated building automation systems. After the acquisition of the Target in 2008, the Group has carried out the strategic planning and alignment of its business, which has led to the Target's continuous and steady growth in recent years. Thus, the value of the Target has grown quickly and greatly since it was acquired by the Group. However, the proportion of the profit contributed by the Target to the total profit of the Group has been at a steady but decreasing rate in recent years, with the rapid development of the Chinese market. The Board believes that the Disposal, which fully reflects the value of the Target in terms of the favourable consideration and earnings multiples, represents a good opportunity for the Company to realize a gain. It is also in favor of the Group to strategically focus on and reallocate its internal resources for its long term development. Subsequent to the Disposal, the Group would still maintain a strategic cooperative relationship with the Target and continue to transact and cooperate in overseas business.

The traditional building automation business currently steps into a mature stage around the globe. The energy saving and environmental protection industry, on the other hand, is an emerging industry with a vast room of development and growth potential. The Chinese government has put efforts on implementing energy efficiency enhancement plans in recent years. It formulated and issued various policies and regulations to implement energy saving priority strategy. The Board believes that energy saving industry in China will be benefited from the favourable policies. Through the Disposal, the Group should seize this great opportunity to integrate resources and concentrate more on the Chinese market, in addition to facilitate the rapid development of the Group's core business in the field of urban integrated energy saving and seek out acquisition opportunities with growth potential in order to enable its higher profits and faster growth in the future.

The proceeds from the Disposal will be used for the Group's business expansion, including but not limited to strategic mergers and acquisitions, which would expand the business scale and broaden the presence of the Group, expanding the sales teams and improving the market coverage, strengthening the research and development capabilities to provide more energy saving products and solutions to customers, and as the general working capital for the Group's business operations.

The Directors are of the view that the terms and conditions of the Agreement are on normal commercial terms, which are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ABOUT THE TARGET**

The Target is principally engaged in the design, manufacturing, sales and marketing of energy management systems and integrated building automation systems.

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

### **For the year ended 31 December 2013**

Net profits (before tax): CAD\$8,190,000

Net profits (after tax): CAD\$5,693,000

### **For the year ended 31 December 2014**

Net profits (before tax): CAD\$11,111,000

Net profits (after tax): CAD\$7,437,000

The unaudited total assets, total liabilities and total net assets of the Target were approximately CAD\$71,617,000, CAD\$59,487,000 and CAD\$12,130,000, respectively, as of 31 December 2014.

## **INFORMATION ABOUT THE PURCHASER AND THE PURCHASER'S PARENT**

Acuity Brands, Inc. is the parent company of the Purchaser, the Purchaser's Parent and other subsidiaries (collectively "**Acuity**"). Acuity is a NYSE listed company and one of the world's leading providers of lighting solutions for commercial, institutional, industrial, infrastructure, and residential applications throughout North America and select international markets. Acuity's lighting solutions include devices such as luminaires, lighting controls, lighting components, power supplies, prismatic skylights, light-emitting diode lamps, and integrated lighting systems for indoor and outdoor applications utilizing a combination of light sources, including daylight, and other devices controlled by software that monitors and manages light levels while optimizing energy consumption.

## **INFORMATION ABOUT OTHER SELLERS**

### **(a) Information about Mr. Veilleux**

Mr. Veilleux is a director and chief executive officer of the Target.

### **(b) Information about 9109-2759 Québec Inc.**

9109-2759 Québec Inc. is a company incorporated under the laws of Québec, Canada and controlled by Mr. Veilleux. It is a trust established for the benefit of Mr. Veilleux and members of his family whereby Mr. Veilleux holds approximately 90.91% of the voting shares of 9109-2759 Québec Inc. as at the date of this announcement.

**(c) Information about Caisse de Dépôt et Placement du Québec**

Caisse de Dépôt et Placement du Québec is an institutional fund manager that manages funds primarily for public and private pension and insurance plans. As at 31 December 2013, it held CAD\$200.1 billion in net assets. Caisse de Dépôt et Placement du Québec invests in major financial markets, private equity and real estate.

**(d) Information about EnerTech Capital Partners IV L.P.**

EnerTech Capital Partners IV L.P. is a private investment firm focused on innovation in the energy and power industries. It has managed approximately CAD\$500 million and has delivered over 30 exits (December 2014). EnerTech Capital Partners IV L.P. is currently investing out of its fourth fund and has offices in Philadelphia, Toronto, Montreal and Calgary and Menlo Park.

**(e) Information about Export Development Canada**

Export Development Canada is an export credit agency in Canada, offering commercial solutions to help Canadian exporters and investors expand their international business. Export Development Canada's knowledge and partnerships are used by more than 7,200 Canadian companies and their global customers in up to 200 markets worldwide each year.

**(f) Information about Fonds de solidarité des travailleurs du Québec (F.T.Q.)**

Fonds de solidarité des travailleurs du Québec (F.T.Q.) is a development capital investment fund with net assets of CAD\$10.48 billion as at 30 November 2014. It is a partner, either directly or through its network members, of 2,467 companies and has 613,958 owner-shareholders.

**(g) Information about Fonds de solidarité FTQ investissements croissance I s.e.c.**

Fonds de solidarité FTQ investissements croissance I s.e.c. is a limited partnership created under the laws of the Province of Quebec in 2012. Its initial partner is Fonds de solidarité des travailleurs du Québec (F.T.Q.) and its general partner is Gestion FSIT Inc. created under the Business Corporations Act (Quebec). Fonds de solidarité des travailleurs du Québec (F.T.Q.) has been created in order to co-invest with Investissements W2 Inc. in businesses located in the Province of Quebec acting in information technologies, communications, digital technologies and environmental technologies.

**(h) Information about Investissements W2 Inc.**

Investissements W2 Inc. is a Canadian investment firm targeting technology and media related profitable companies with a proven track record and strong potential for growth.

**INFORMATION ABOUT THE GROUP**

The Group is principally engaged in the business of provision of building energy management and solution services.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratio in respect of the Disposal under the Agreement is more than 25% but less than 75%, the Disposal under the Agreement constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

**EGM**

The Company will hold the EGM to approve the Disposal and the transactions under the Agreement. A circular containing, among other things, further details of the Agreement and a notice convening the EGM, is expected to be despatched to the Shareholders on or before 30 March 2015.

**VOTING UNDERTAKINGS**

Tongfang, Resuccess and Dragon Point Limited, which were the registered holders of an aggregate of 51.78% of the issued share capital of the Company as at the date of this announcement, have given the Voting Undertakings to the Company and the Purchaser to vote in favour of the resolution to be proposed to the Shareholders at the EGM to approve the Disposal.

**RESUMPTION OF TRADING**

Pending the release of this announcement, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 9 March 2015 at the request of the Company. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 10 March 2015.

## **DEFINITIONS**

“Acquired Subsidiaries”	9313-3510 Québec Inc., Distech Controls USA Inc., Distech Energy Holding Inc., Distech Controls LLC, Distech Controls Energy Services, Inc., Distech Controls Energy Services (Canada) Inc., Distech Controls Facility Solutions Inc. and the French Acquired Subsidiaries
“Acquisition Agreements”	collectively, the Escrow Agreement, the Non-Competition Agreement, the Employment Agreement and the RSU Agreements
“Actual Indebtedness”	the amount of Indebtedness, to the extent not already taken into account in the calculation of the Closing Cash Payment
“Adjustment Escrow Amount”	CAD\$3,500,000, together with all interest
“Agreement”	a share purchase agreement dated 8 March 2015 entered into among by the Purchaser, the Purchaser’s Parent, the Target and the Sellers for the disposal of the Sale Shares by the Sellers to the Purchaser
“ASPE”	the Canadian Accounting Standards for Private Enterprises, as in force at a given date, as well as the policies, procedures and methodology thereunder, all as amended from time to time
“Available Cash”	as of 11:59 pm. (Montreal Time) on the day immediately preceding the Closing Date: (a) the fair market value (expressed in Canadian dollars) of all cash and cash equivalents of any kind of the Corporations on hand or on deposit as shown in the Corporations’ accounting records, less (b) any escrowed cash or other restricted cash balances and less the amounts of any bank overdrafts and any unpaid cheques, drafts, and wire transfers issued on or prior to the Closing (to the extent not theretofore deducted from the cash on hand), determined in accordance with ASPE consistently applied
“Board”	the board of directors of the Company
“Business Day”	any day, other than a Saturday, Sunday or statutory or civic holiday in Montreal, Quebec or Atlanta, Georgia
“CAD\$”	Canadian dollars, the lawful currency of Canada
“Circular”	a circular to be issued by the Company in relation to the Agreement

“Class A Common Share(s)”	Class A common share(s) of the Target
“Class B Common Share(s)”	Class B common share(s) of the Target
“Class A Preferred Share(s)”	Class A preferred share(s) of the Target
“Class B Preferred Share(s)”	Class B preferred share(s) of the Target
“Closing”	completion of the transaction for the purchase and sale contemplated in the Agreement
“Closing Cash Payment”	the sum of CAD\$318,000,000, plus the estimated Available Cash, less the estimated Indebtedness, less the Adjustment Escrow Amount and the Indemnity Escrow Amount, less the Sellers’ Representative Expense Amount and less the estimated Net Working Capital Deficiency or plus the estimated Net Working Capital Surplus, as applicable
“Closing Date”	the second Business Day (Montreal Time) after the conditions to Closing have been satisfied or waived or at such other date as may be agreed upon in writing by the Purchaser and the Sellers’ Representative
“Closing Date Statement”	a statement to be delivered by the Sellers’ Representative to the Purchaser as soon as practicable but in no event later than 60 days following the Closing Date
“Common Shares”	collectively, Class A Common Shares and Class B Common Shares, and each a “Common Share”
“Company”	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
“Company Execution Date”	the date on which the Company executes the Agreement and becomes a party thereto, being 8 March 2015 (Montreal Time)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	total consideration for the Sale Shares payable by the Purchaser under the Agreement
“Corporations”	collectively, the Target and the Acquired Subsidiaries
“Director(s)”	the director(s) of the Company

“Disposal”	disposal of 18,122,053 Class A Common Shares, being all shares of the Target held by the Company, by the Company to the Purchaser
“EGM”	an extraordinary general meeting of Company to be convened to approve the transactions under the Agreement
“Employment Agreement”	the employment agreement to be entered into at Closing by and between Mr. Veilleux and the Target
“Escrow Agent”	JP Morgan Chase Bank, National Association
“Escrow Agreement”	the escrow agreement to be entered into at Closing by and among the Purchaser, the Sellers and the Escrow Agent
“Excepted Indemnifiers”	each of Caisse de dépôt et placement du Québec, Fonds de solidarité des travailleurs du Québec (F.T.Q.), Fonds de solidarité FTQ investissements croissance I s.e.c., EnerTech Capital Partners IV L.P., Export Development Canada, Samsung, Investissements W2 Inc. and any person whose name may be added to the list of the names and shareholdings of all the Sellers on or prior to the Closing Date pursuant to the terms of the Agreement and becomes a Seller under the Agreement
“Fiducie Veilor”	a family trust for which, amongst others, Mr. Veilleux and his wife are the beneficiaries. Fiducie Veilor is a shareholder of 9109-2759 Québec Inc. and is controlled by Mr. Veilleux. As at the date of this announcement, Fiducie Veilor holds approximately 9.09% of the voting shares of 9109-2759 Québec Inc.
“French Acquired Subsidiaries”	Distech France Holding SAS (Registration No. 520433723 RCS Lyon), Distech Controls SAS (Registration No. 397739426 RCS Lyon) and Distech Controls Solutions SAS (Registration No. 404054645 RCS Lyon)
“Group”	the Company and its subsidiaries (as defined in the Listing Rules) from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Indebtedness”	as at 11:59 pm (Montreal Time) on the day immediately preceding the Closing Date: the aggregate amount of (a) all principal of unpaid fees or expenses and other monetary obligations in respect of, (i) any indebtedness of the Corporations for borrowed money (including any related interest rate swap contracts), (ii) any indebtedness of the Corporations by any note, bond, debenture or other debt security or instrument, (b) all obligations of the Corporations issued or assumed as the deferred purchase price of property or assets, all conditional sale or earn-out obligations of the Corporations and all obligations of the Corporations under any title retention agreement (but excluding trade accounts payable and other accrued current liabilities arising in the ordinary course), (c) any obligations of the Corporations for bonus accruals for the 2015 calendar year, (d) all obligations of the Corporations for the reimbursement of any obligor on any letter of credit, banker’s acceptance or similar credit transaction, (e) any obligations of the Corporations for overdrawn bank accounts of the Corporations, (f) any obligations of the Corporations for overpayments received from customers and any other credits to the reported liabilities set forth in the audited financial statements and the interim financial statements, (g) deferred lease liabilities as calculated in accordance with ASPE, (h) any amounts owed to former shareholders of the Corporation, and (i) current income tax liabilities (net of current income tax assets to the extent reasonably expected to be received within 60 days after Closing) of the Corporations for all pre-closing tax periods
“Indemnity Escrow Account”	a separate interest bearing account, set up pursuant to the Escrow Agreement, where the Indemnity Escrow Amount is held for disbursement by the Escrow Agent
“Indemnity Escrow Amount”	an amount equal to CAD\$31,800,000
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Mr. Veilleux”	Étienne Antoine Veilleux, a shareholder, director and chief executive officer of the Target as at the date of this announcement

“Net Working Capital”	as of 11:59 pm (Montreal Time) on the day immediately preceding the Closing Date: (a) all current assets (excluding Available Cash and any current income tax assets), determined in accordance with ASPE (except for the exclusion of Available Cash and any current income tax assets), minus (b) all current liabilities (excluding Indebtedness, all liabilities relating to compensation of employees of the Corporations, foreign exchange contracts, and current income tax liabilities), determined in accordance with ASPE (except for the exclusion of all liabilities relating to compensation of employees of the Corporations, foreign exchange contracts, current income tax liabilities and Indebtedness)
“Net Working Capital Deficiency”	the excess, if any, of Target Net Working Capital over Net Working Capital
“Net Working Capital Surplus”	the excess, if any, of Net Working Capital over Target Net Working Capital
“Non-Competition Agreement”	the non-competition agreement to be entered into at Closing by and among the Purchaser, Mr. Veilleux, 9109-2759 Quebec Inc. and the Corporations
“Other Sellers”	the Sellers, excluding the Company
“Outside Date”	30 June 2015, or such later date as may be agreed in writing by the Purchaser and the Sellers’ Representative
“PRC”	People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Preferred Shares”	collectively, Class A Preferred Shares and Class B Preferred Shares, and each a “Preferred Share”
“Pro Rata Share”	with respect to each Seller, the pro rata shareholding of the Target that such Seller holds on the Closing Date
“Purchaser”	1028665 B.C. Ltd., a company, which was incorporated under the laws of British Columbia , Canada
“Purchaser’s Parent”	Acuity Brands Lightings, Inc., a Delaware corporation and the sole shareholder, directly or indirectly, of the Purchaser

“Resuccess”	Resuccess Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and a substantial shareholder of the Company
“RSU Agreements”	the special restricted stock unit notification and award agreements to be entered into between the Parent and certain members of senior management of the Corporations on or about the Closing Date
“Sale Shares”	all of the issued and outstanding shares in the capital of the Target that the Sellers held as at the date of the Agreement (including 18,122,053 Class A Common Shares held by the Company), together with any other shares (or rights or options with respect to shares) in the capital of the Target that are issued and outstanding as of the Closing Date
“Samsung”	SVIC No. 25 New Technology Business Investment L.L.P., the venture capital arm of the Samsung Group, a South Korean multinational conglomerate company headquartered in Samsung Town, Seoul. It has offices in Seoul, Silicon Valley, London, Israel and Tokyo.
“Samsung Execution Date”	the date on which Samsung executes the Agreement and becomes a party thereto
“Sellers”	collectively, all shareholders of the Target (other than Samsung) as at the date of the Agreement, namely: Mr. Veilleux, 9109-2759 Québec Inc., Caisse de Dépôt et Placement du Québec, EnerTech Capital Partners IV L.P., Export Development Canada, Fonds de solidarité des travailleurs du Québec (F.T.Q.), Fonds de solidarité des travailleurs du Québec (F.T.Q.), Investissements W2 Inc., and the Company, and each a “Seller”
“Sellers’ Representative”	Mr. Veilleux, being appointed to act, upon the instructions of a majority of the Sellers (which majority must at all times include Caisse de dépôt et placement du Québec, Fonds de solidarité des travailleurs du Québec (F.T.Q.), the Company and Mr. Veilleux) on behalf of the Sellers with respect to the transfer of the Sale Shares to the Purchaser in accordance with the terms and provisions of the Agreement
“Sellers’ Representative Expense Amount”	an amount to be agreed upon among the Sellers and to be used for anticipated professional fees and expense for the benefit of the Sellers pursuant to the Agreement

“Shareholder(s)”	holder(s) of the ordinary share(s) in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as defined in the Listing Rules
“Target” or “Distech Controls”	Distech Contrôles Inc. (Distech Controls Inc.), which is an operating subsidiary of the Company, was incorporated under the laws of Québec, Canada on 5 January 1995 and owned as to approximately 43.98% by the Company as at the date of the Agreement
“Target Net Working Capital”	CAD\$10,690,562
“Tongfang”	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 substantial shareholder of the Company
“Transaction Documents”	collectively, the Acquisition Agreements and all other agreements, certificates and other instruments or documents delivered or given pursuant to the Agreement
“Transaction Expenses”	as at 11:59 pm (Montreal Time) on the day immediately preceding the Closing Date: (a) all fees and disbursements of professional advisors which have been incurred by any of the Corporations (or by the Sellers, to the extent paid or payable by any of the Corporations) in connection with the preparation, execution and consummation of the Agreement; (b) any fees and expenses incurred by the Corporations in connection with obtaining waivers, consents or approvals of any governmental authority or third parties on behalf of the Corporations in connection with the consummation of the transactions contemplated; (c) all broker fees; (d) all sale, change of control, “stay-around”, retention or similar bonuses or payments to current or former directors, officers, employees and consultants paid or payable as a result of the Closing; and (e) without duplication of any Indebtedness, all refinancing fees and premiums and other fees and expenses incurred in connection with the repayment of the Indebtedness and obtaining releases of encumbrances in respect of such Indebtedness

“True-Up Payment”

the sum of (a) the Actual Indebtedness, (b) plus the adjusted Net Working Capital Deficiency or minus the adjusted Net Working Capital Surplus, as applicable, (c) plus the deficiency, if any, of the Available Cash from the estimated Available Cash or minus the excess, if any, of the Available Cash over the estimated Available Cash, as applicable

“Voting Undertakings”

irrevocable undertakings by each of Tongfang, Resuccess and Dragon Point Limited in favour of the Company and the Purchaser

“%”

per cent.

*If there is any inconsistency between the Chinese names of entities or enterprises established in China and their English translations, the Chinese names shall prevail. The English translation of company names in Chinese or another language which are marked with “\*” and the Chinese translation of company names in English which are marked with “\*” is for identification purpose only.*

By order of the Board of  
**Technovator International Limited**  
**Lu Zhicheng**  
*Chairman*

Hong Kong, 9 March 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.*