

With considerable gain on disposal of overseas business to be realized
Technovator to reinforce its strategic focus on domestic energy saving business

Technovator International Ltd. (“Technovator” or “the Group”, HKEx: 1206), announces that on 8 March 2015 (Montreal Time), the Group, altogether with other shareholders, entered into the agreement for the disposal of the shares of Distech Controls Inc. to 1028665 B.C. Ltd., a subsidiary of Acuity Brands, Inc., at the aggregate consideration before adjustment of CAD\$318,000,000. (Equivalent to 42.8 times PE, based on Distech Controls FYE2014 unaudited profit after tax of CAD\$7,437,000). Based on the 43.98% of shareholding in Distech Controls currently held by the Group, it is expected that the Group will record a profit before tax of approximately CAD\$122 million from the Disposal.

Registered in Quebec, Canada, Distech Controls is principally engaged in the product design, manufacturing, sales and marketing of integrated building automation. After the acquisition of Distech Controls in 2008 at a lower cost when Europe and America were in economic downturn, the Group has carried out a series of strategic planning and alignment of its businesses. And riding on its competitive edges in respect of technology, cost and sales channel, the Group has successfully cultivated Distech Controls and enhanced its technology and marketing capabilities. It marks a significant milestone in the Group’s internationalization plan. Meanwhile, through the integration at different layers, the Group has rapidly enhanced its capability of product design, manufacturing and technology R&D to international advanced level. The value of Distech Controls has grown quickly and considerable in the past seven years. Based on the aggregate consideration before adjustments of CAD\$318,000,000 for this disposal, total value of Distech Controls has grown over 10 times since it was acquired by the Group in 2008. The disposal would generate a considerable investment return for the Group.

The successful investment fully reflects the capability of Technovator in respect of acquisition targeting and execution as well as subsequent integration, cultivation and incubation. Meanwhile, as the major energy saving business arm and overseas capital platform of its parent company, Tsinghua Tongfang (stock code: 600100.SH), the Group has inherited from Tsinghua Tongfang the social responsibility as a high-tech industry incubator, and has been continuously seeking out acquisition opportunities with huge growth potential.

However, 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 Distech Controls in terms of the favourable consideration and earnings multiples, represents a good

opportunity for the Group 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 Distech Controls 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.

Technovator International Ltd.

Technovator International Ltd. ("Technovator", stock code: 01206.HK) is a leading provider of integrated energy-saving services, a subsidiary of Tsinghua Tongfang Co., Ltd. (SSE: 600100). Inherited the leading-edge technology and experience in the energy saving industry from Tsinghua Tongfang, Technovator has developed strong R&D capabilities and technology competencies, and is dedicated to provide integrated energy saving products, solutions and services; develop energy monitoring and management solution which could be applied to building, industrial, heating supply, transportation energy saving field. Founded in Singapore in 2005, Technovator International Ltd. listed on the Main Board of the HKSE on 27 Oct 2011.