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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)

PLACING OF EXISTING SHARES AND SUBSCRIPTION OF NEW SHARES UNDER THE GENERAL MANDATE

Placing Agent



SUMMARY

On 28 April 2015, after trading hours, Resuccess, the Company and the Placing Agent entered into the Placing and Subscription Agreement. Pursuant to the Placing and Subscription Agreement, (i) the Placing Agent agreed to place, on a best efforts basis, 128,994,000 Placing Shares held by Resuccess to independent placees at the Placing Price of HK\$5.95 per Placing Share; and (ii) Resuccess conditionally agreed to subscribe, and the Company agreed to allot and issue to Resuccess, 128,994,000 Subscription Shares at the Subscription Price of HK\$5.95 per Subscription Share.

* For identification purpose only

The Subscription Shares represent (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

The Placing Price and the Subscription Price are the same at HK\$5.95 per Share, which represents (i) a discount of approximately 9.57% to the closing price of HK\$5.95 per Share quoted on the Stock Exchange on 28 April 2015, being the date of the Placing and Subscription Agreement; and (ii) a discount of approximately 7.78% to the average closing price of the Shares of approximately HK\$6.452 per Share as quoted on the Stock Exchange from 21 April 2015 to 27 April 2015, both dates inclusive, being the last five trading days immediately prior to the date of the Placing and Subscription Agreement.

The Placing Shares will be placed to not less than six (6) placees who are professional, institutional and/or other investors procured by the Placing Agent, including large insurance funds, leading mutual funds, and world class asset management groups.

Assuming 128,994,000 Shares are allotted and issued by the Company and subscribed for by Resuccess pursuant to the Subscription, the net proceeds to be received by the Company from the Subscription will amount to approximately HK\$750.4 million. The Company intends to apply the net proceeds for the Group's business expansion in the field of urban integrated energy saving in China, including but not limited to strategic mergers and acquisitions, expanding the sales teams, strengthening the research and development capabilities and as the general working capital for the Group's business operations.

The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors pursuant to a resolution passed by the Shareholders at the annual general meeting held on 28 April 2015.

The Company will apply to the Listing Committee of the Stock Exchange for the granting of listing of, and permission to deal in, the Subscription Shares.

Shareholders and potential investors should note that completion of the Placing and the Subscription are subject to the satisfaction of their respective conditions precedent in the Placing and Subscription Agreement. As the Placing and/or the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

I. PLACING AND SUBSCRIPTION AGREEMENT

Date

28 April 2015 (after trading hours)

Parties

- (i) Resuccess, a substantial shareholder of the Company and a wholly owned subsidiary of THTF;
- (ii) the Company; and
- (iii) the Placing Agent.

A. The Placing

The Placing and Number of Placing Shares

The Placing Agent has agreed to place, on a best effort basis, up to 128,994,000 existing Shares owned by Resuccess, representing (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

Placing Price

HK\$5.95 per Placing Share (exclusive of Hong Kong stamp duty, brokerage (if any), SFC transaction levy and Stock Exchange trading fee as may be payable by the placees) representing:

- (i) a discount of approximately 9.57% to the closing price of HK\$6.58 per Share quoted on the Stock Exchange on 28 April 2015, being the date of the Placing and Subscription Agreement; and
- (ii) a discount of approximately 7.78% to the average closing price of the Shares of approximately HK\$6.452 per Share as quoted on the Stock Exchange from 21 April 2015 to 27 April 2015, both dates inclusive, being the last five trading days immediately prior to the date of the Placing and Subscription Agreement.

The Placing Price has been determined after arm's length negotiations between the parties. The Directors are of the opinion that the Placing Price is fair and reasonable and is in the best interest of the Company and its Shareholders.

Placing Agent

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of and not connected with Resuccess. They are also independent of the Company and not connected persons (as defined in the Listing Rules) to the Company.

Placing commission

Subject to completion of the Placing, the Placing Agent will be entitled to a commission of approximately HK\$15.35 million payable by the Company pursuant to the Placing and Subscription Agreement. The placing commission was determined after arm's length negotiations between the Company and the Placing Agent with reference to the market rate.

The Placees

The Placing Shares will be placed to not less than six (6) placees who are professional, institutional and/or other investors procured by the Placing Agent, including large insurance funds, leading mutual funds, and world class asset management groups. The placees (and their beneficial owners) will be independent and not connected with Resuccess or any person acting in concert with it (as defined in the Takeovers Code), and will also be independent of the Company and its connected persons (as defined in the Listing Rules). It is expected that none of the placees will become a substantial shareholder of the Company as a result of the Placing.

Rights and Ranking of the Placing Shares

The Placing Shares will be sold free from all pledge, liens, charges, mortgages, security interests, adverse claims, encumbrances, and third party rights and ranking pari passu with existing Shares and together with all rights attaching to them as at the date of this announcement, including the right to receive all dividends or other distributions declared, made or paid on or after the date of this announcement.

Conditions of the Placing

Completion of the Placing is conditional upon the Company delivering to the Placing Agent on or before 10:00 a.m. on the Closing Date the certificates of officers of the Company confirming the accuracy of the relevant representations and warranties given by the Company in the Placing and Subscription Agreement at and as of the Closing Date and certified board resolutions of the Company approving the Placing and the Subscription and the entering into of the Placing and Subscription Agreement.

Completion of Placing

Subject to the Placing Agent's termination rights as set out in the sub-section titled "Termination" below, completion of the Placing shall take place on the Closing Date.

Termination

The Placing Agent is entitled to terminate the Placing and Subscription Agreement without liability to Resuccess and/or the Company by the Placing Agent giving notice in writing to Resuccess and the Company at any time prior to 10:00 a.m. (Hong Kong time) on the Closing Date, if

- (a) there develops, occurs or comes into force:
 - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations which in the sole judgement of the Placing Agent has or is likely to have a material adverse effect on the financial position of the Group as a whole or to the success of the Placing; or
 - (ii) any significant change (whether or not permanent) in local, national or international monetary, economic, financial, political or military conditions which in the sole judgement of the Placing Agent is or would be materially adverse to the success of the Placing; or
 - (iii) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or exchange controls which in the sole judgement of the Placing Agent is or would be materially adverse to the success of the Placing; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (iv) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; or
 - (v) a change or development involving a prospective change in taxation which has or is likely to have a material adverse effect on the Company, the Placing Shares or the transfer thereof; or
 - (vi) any outbreak or escalation of hostilities or act of terrorism involving Hong Kong or the declaration by the People's Republic of China, of a national emergency or war is or would be materially adverse to the success of the Placing; or

- (vii) any suspension of dealings in the Shares for any period whatsoever (other than as a result of the Placing); or
- (viii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or
- (b) any breach of any of the representations, warranties and undertakings by the Company and/or Resuccess set out in the Placing and Subscription Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Closing Date which if it had occurred or arisen before the date hereof would have rendered any of such representations, warranties and undertakings untrue or incorrect in any respect or there has been a breach of, or failure to perform, any other provision of the Placing and Subscription Agreement on the part of Resuccess and/or the Company; or
- (c) any such adverse change, or development involving a prospective adverse change in the general affairs, condition, results of operations or prospects, management, business, stockholders' equity or in the financial or trading position of the Group as a whole which in the opinion of the Placing Agent is materially adverse to the success of the Placing.

Resuccess and the Company undertake to inform the Placing Agent as soon as reasonably practicable of any of the abovementioned matter or circumstance which comes to the attention of either of them.

The Placing Agent is also entitled to, at any time by notice in writing to Resuccess and the Company, terminate the Placing and Subscription Agreement if any of the Placing Shares are not delivered by or on behalf of Resuccess in accordance with the terms of the Placing and Subscription Agreement.

In the event that the Placing Agent terminates the Placing and Subscription Agreement in accordance with the terms of the Placing and Subscription Agreement, all obligations of each of Resuccess, the Company and the Placing Agent under the Placing and Subscription Agreement shall cease and determine and no party to the Placing and Subscription Agreement shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing and Subscription Agreement except for any antecedent breach of any obligations under the Placing and Subscription Agreement, fees and expenses, and/or liabilities accrued under the indemnity provisions under the Placing and Subscription Agreement.

B. The Subscription

The Subscriber

Resuccess

Number of Subscription Shares

Such number up to 128,994,000 new Shares as may be equivalent to the number of Placing Shares actually placed under the Placing, representing not more than (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

Subscription Price

HK\$5.95 per Subscription Share, which is equivalent to the Placing Price. The total subscription monies payable by Resuccess to the Company will be the Subscription Price per Share (i.e. HK\$5.95) multiplied by the number of Subscription Shares. The Company agrees to pay the placing commission and all other fees and expenses incurred by Resuccess in relation to the Placing and the Subscription. The net subscription price, after deduction of fees and expenses, is approximately HK\$5.82 per Subscription Share.

Ranking

The Subscription Shares will, when fully paid, rank pari passu in all respects with the existing issued Shares of the Company upon issuance, including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

Conditions of the Subscription

Completion of the Subscription shall be conditional on:

- i. the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
- ii. completion of the Placing, which is agreed between Resuccess and the Placing Agent, having occurred pursuant to the terms of the Placing and Subscription Agreement;

- iii. no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Subscription void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Subscription (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Company and/or Resuccess to proceed with the Subscription);
- iv. the SFC granting the waiver to Resuccess and persons acting in concert with it from its obligation to make a general offer under Rule 26 of the Takeovers code;
- v. the Company shall, as soon as is reasonably practicable, apply to the Stock Exchange for the granting of listing of, and permission to deal in, the Subscription Shares and the Company shall use all reasonable endeavours to obtain the granting of such listing and permission to deal by the Listing Committee of the Stock Exchange. The Placing Agent shall provide the Company and Resuccess with such necessary assistance in connection with the fulfilment of the conditions, including promptly submitting to the Stock Exchange all details of places required by the Stock Exchange to facilitate the Company's application to list the Subscription Shares and in any event within 2 Business Days of the Closing Date;
- vi. Resuccess shall, as soon as is reasonably practicable, apply to the SFC for the granting of a waiver to waive the obligation of Resuccess to make a general offer under Rule 26 of the Takeovers Code; and
- vii. if the conditions are not fulfilled within 14 days after the date of the Placing and Subscription Agreement or such later date as may be agreed between the Company and Resuccess, the obligations and liabilities of Resuccess and the Company under the Subscription shall be null and void and neither the Company nor Resuccess shall have any claim against the other for costs, damages, compensation or otherwise provided that the Company shall reimburse Resuccess any legal fees and out-of-pocket expenses which Resuccess shall be obliged to pay in connection with the Placing.

Completion of the Subscription

Completion of the Subscription will take place on the second Business Day after the date upon which the last of the conditions of the Subscription to be satisfied has been so satisfied and in any event no later than 14 days after the date of the Placing and Subscription Agreement. Under Rule 14A.92(4) of the Listing Rules, no approval from Shareholders is required in connection with the Subscription if the Subscription is completed within 14 days from the date of the Placing and Subscription Agreement, that is, on or before 12 May 2015.

Mandate to issue new Shares

The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors pursuant to a resolution passed by the Shareholders at the annual general meeting held on 28 April 2015, which authorised the Directors to allot and issue up to 128,995,637 Shares (representing 20% of the issued share capital of the Company as at such date) (the “**General Mandate**”).

As at the date of this announcement, the General Mandate has not been utilized and no Shares have been allotted under the General Mandate.

II. EFFECT OF THE PLACING AND THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company immediately before and after the Placing and the Subscription, assuming that the maximum number of Placing Shares and the maximum number of Subscription Shares are placed and subscribed for, respectively, is summarised as follows:

	Immediately before completion of the Placing		Immediately after completion of the Placing but before the Subscription		After completion of the Placing and the Subscription	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Resuccess (<i>Note 1, 2</i>)	176,148,142	27.31	47,154,142	7.31	176,148,142	22.76
THTF (<i>Note 1, 2</i>)	92,000,000	14.26	92,000,000	14.26	92,000,000	11.89
Dragon Point Limited	65,436,320	10.15	65,436,320	10.15	65,436,320	8.45
Mr. Seah Han Leong (<i>Note 3</i>)	18,120,000	2.81	18,120,000	2.81	18,120,000	2.34
Mr. Zhao Xiaobo	5,120,000	0.79	5,120,000	0.79	5,120,000	0.66
Shares held by Public Shareholders						
Placing Shares	–	–	128,994,000	20.00	128,994,000	16.67
Others Shares	288,153,727	44.68	288,153,727	44.68	288,153,727	37.23
Total	<u>644,978,189</u>	<u>100.00</u>	<u>644,978,189</u>	<u>100.00</u>	<u>773,972,189</u>	<u>100.00</u>

Note:

- (1) Pursuant to the Takeovers Code, THTF, being the holding company of Resuccess, is presumed to be acting in concert with Resuccess.
- (2) As at the date of this announcement, Resuccess, which is 100% beneficially owned by THTF, held 176,148,142 Shares, and THTF held 92,000,000 Shares respectively. For the purposes of the SFO, THTF is deemed to be interested in all the Shares held by Resuccess.
- (3) Mr. Seah Han Leong is the sole shareholder of M2M Holdings Ltd. and hence is deemed to be interested in the 8,000,000 Shares held by M2M Holdings Ltd. Mr. Seah Han Leong is the beneficial owner of 10,120,000 Shares.

III. REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

The energy saving industry in China presents tremendous opportunity 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 favourable policies and regulations to implement energy saving priority strategy.

As a leading provider of integrated and comprehensive energy saving services, the Group has continuously focused on integrating its strategic resources internally and externally, robustly expanding its core businesses and scope of services in the field of urban integrated energy saving, in order to seize the unprecedented opportunity within the booming energy saving industry in China.

The Board believes that the Placing will allow the Company to raise the necessary funds to further fuel the rapid development of the Group's core business in the field of urban integrated energy saving and accelerate our strategic acquisitions to further enhance the profitability and prospect of the Group in the future. The Placing will at the same time broaden the shareholders base and enhance the profile of the Company by bringing in renowned institutional investors, including large insurance funds, leading mutual funds, and world class asset management groups.

The Board (including the independent non-executive Directors) considers the terms of the Placing and Subscription Agreement, which have been negotiated on an arm's length basis in accordance with normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The net proceeds from the Subscription is approximately HK\$750.4 million. The Company intends to apply the net proceeds for the Group's business expansion in the field of urban integrated energy saving in China, including but not limited to strategic mergers and acquisitions, expanding the sales teams, strengthening the research and development capabilities and as the general working capital for the Group's business operations.

IV. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

During the past twelve months from the date of this announcement, the Company has allotted and issued 3,850,000 Shares for a total consideration of approximately HK\$4,427,500 pursuant to exercise of options granted under its share options scheme, which has been utilised by the Group as general working capital.

Save as disclosed above, the Company has not conducted any equity fund raising activity in the past twelve month period immediately preceding this announcement.

V. APPLICATION FOR LISTING

Application(s) will be made to the Stock Exchange for the grant of listing of and permission to deal in the Subscription Shares.

VI. GENERAL INFORMATION OF THE GROUP

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

VII. IMPLICATION UNDER THE TAKEOVERS CODE

Each of THTF and Resuccess is a substantial shareholder of the Company. THTF is the sole shareholder of Resuccess and a party acting in concert with Resuccess under the Takeovers Code.

As a result of the Placing, the aggregate percentage shareholding of Resuccess and persons acting in concert with it, including THTF, will be reduced from approximately 41.57% to approximately 21.57% (a decrease of approximately 20.00%) and as a result of the Subscription, their aggregate percentage shareholding will be increased from approximately 21.57% to approximately 34.65% thereby triggering a general offer obligation under Rule 26 of the Takeovers Code. Resuccess will apply to the Securities and Futures Commission for the grant of a waiver to Resuccess and his concert parties from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the acquisition of the Subscription Shares.

VIII. DEFINITIONS

“Board”	means the board of Directors
“Business day”	means any day (excluding Saturdays, Sundays and public holidays) on which commercial banks generally are open for business in Hong Kong
“Closing Date”	4 May 2015, or such other date as Resuccess and the Placing Agent may agree in writing
“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
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Placing”	the placing of the Placing Shares by the Placing Agent pursuant to the Placing and Subscription Agreement
“Placing Agent”	Shenyin Wanguo Securities (H.K.) Limited
“Placing and Subscription Agreement”	the placing and subscription agreement dated 28 April 2015 entered into between Resuccess, the Company and the Placing Agent in relation to the Placing and the Subscription
“Placing Price”	HK\$5.95 per Placing Share
“Placing Shares”	up to 128,994,000 Shares to be placed under the Placing, which are currently held by Resuccess

“PRC”	the People’s Republic of China
“Resuccess”	Resuccess Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and a substantial shareholder of the Company and a wholly owned subsidiary of THTF
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by Resuccess at the Subscription Price pursuant to the Placing and Subscription Agreement
“Subscription Price”	HK\$5.95 per Subscription Share
“Subscription Shares”	up to 128,994,000 new Shares to be subscribed by Resuccess at the Subscription Price under the Placing and Subscription Agreement and which shall be the same as the number of Placing Shares actually placed under the Placing and Subscription Agreement
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases approved by the SFC as amended from time to time
“Taxation”	all forms of taxation whether of Hong Kong or elsewhere in the world whenever imposed and all statutory, governmental, state, provincial, local governmental or municipal impositions, duties and levies and all penalties, charges, costs and interests relating thereto

“THTF”	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
“trading day”	has the meaning ascribed to it in the Listing Rules
“%”	percent

By Order of the Board
Technovator International Limited
Lu Zhicheng
Chairman

Hong Kong, 28 April 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.

* For identification purpose only