


TECHNOVATOR ANNOUNCES 2011 ANNUAL RESULTS
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS SURGES 48.2% TO US\$10.4M

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SEIZES ENERGY MANAGEMENT MARKET OPPORTUNITIES AS PART OF BUSINESS GROWTH STRATEGY

Financial Highlights

(US\$ million)	For the Year Ended 31 December		
	2011	2010	Change(%)
Revenue	97.5	74.1	+31.6%
Gross Profit	36.4	25.2	+44.4%
Net Profit	11.8	7.2	+63.9%
Gross Profit Margin	37.3%	34.0%	+3.3%ppt.
Net Profit Margin	12.1%	9.7%	+2.4%ppt.
Profit Attributable to Equity Holders	10.4	7.0	+48.2%
Basic Earnings per Share (US\$)	0.027	0.019	+42.1%
Diluted Earnings per Share (US\$)	0.026	0.019	+36.8%

(21 March 2012, Hong Kong) - Technovator International Limited ("Technovator" or "the Group", stock code: 1206), a leading provider of building energy management solutions and services, today announced its audited annual results for the year ended 31 December 2011. This is the first announced results of Technovator since its listing on 27 October 2011.

Benefitting from the growth in the global market for building energy management solutions, the Group's revenue was US\$97.5 million, a strong growth of 31.6% from 2010. Profit attributable to equity holders amounted to US\$10.4 million, up 48.2% against 2010. Gross profit margin increased from 34.0% in 2010 to 37.3% in 2011, while net profit margin increased from 9.7% in 2010 to 12.1% in 2011. These increases were mainly attributable to the Group dedicated to developing projects with sounds growth potential and contracts with a relatively higher margin were recognized in 2011. Basic earnings per share were US\$0.027.

Mr Zhao Xiaobo, Chief Executive Officer and Executive Director of Technovator, said, "I am pleased to see the Group's satisfactory performance in the first results announcement after listing. These results represent the best returns for our shareholders, and demonstrate our strength. We are capitalising on our prominent position and competitive advantages in building energy management, including a cost effective management structure, excellent R&D capability and an experienced management team. This has enabled us to become the largest player in the domestic energy management solution market. We will ride on this leading position to further promote our business growth."

Technovator operates, develops and delivers solutions based on its vertically-integrated global business model. It has R&D and production bases in Asia, North America and Europe and a global sales network with operating points in China, Canada, France, Singapore and the US. Its business is divided into four segments, including integrated building automation systems, energy management systems, control security systems and fire alarm systems. The Group mainly provides the design, manufacturing and distribution of integrated building automation and energy management systems under the "Techcon" and "Distech Controls" brands in China and overseas respectively.

As for revenue by business segment during the year, integrated building automation and energy management systems were the core business of the Group, contributing approximately 87.3% to the Group's total revenue, whereas the control security and fire alarm systems accounted for approximately 12.4% and 0.3% of the total revenue respectively.

In China, the awareness about energy conservation has been increasing at a time that energy and emission reduction and environmental protection are paramount concerns. During the first year of the 12th Five Year Plan, energy and emission reduction directives had been set in motion across different regions by respective Government authorities. Local governments are urging to save energy and reduce consumption. The energy efficiency and retrofit initiative has also become one of the major measures of the Government's building energy efficiency programme thus boosting the Group's domestic business growth. In Europe and the US markets, economic downturn has boosted the demand for energy conservation. With a cost-effective advantage over overseas players, the Group is well positioned for global market expansion.

As for revenue by geographical region during the year, China has remained as the Group's key market. Revenue contributed from China market rose up 27.2% to US\$58.2 million, and accounted for 59.7% of the Group's revenue. This increase was attributable to the continuing growth of property development, as well as renovation and building construction in China, increasing awareness of building energy-saving solution, and increasing recognition of the Group's brands and product's quality.

The Group has also actively expanded its distribution network in overseas markets such as North America (including the US and Canada) and Europe. In 2011, North America was the Group's second-largest market, which reported an increase of 25.7% to approximately US\$21.0 million in revenue, contributing 21.5% to the Group's revenue. The increase was mainly attributable to our strengthened sales and marketing in US market in order to focus more on mega-size contracts, develop and commercialise our energy saving solution for customer with number of branches. Revenue from Europe market increased 8.6% to approximately US\$10.6 million, accounting for 10.9% of the Group's revenue. The growth of the business from Europe market was attributable to our French subsidiary acquired in 2010 which made a significant contribution to the Group.

Integrated building automation and energy management systems are technology intensive industries that require high-end technicians and R&D teams. As at 31 December 2011, the Group had 63 engineers and staff engaged in R&D activities. They have developed more than 37 products and solutions and helped the Group obtain 6 patents. In 2011, the Group's total R&D investment amounted to US\$6.7 million, which represented 6.9% of the total revenue.

Looking ahead, **Mr Zhao** said, “It is estimated that the demand of energy management solution in China market is still very strong. To tap the emerging opportunities in the building energy management market generated by surging demand to save energy, the Group will strive for the acquisition of products and technology through partnership or acquisition and merger. We will continue to expand and strengthen our global sales and distribution network, enhance our R&D capabilities and brand recognition, as well as promote building energy serving concept in order to sustain business growth, enlarge market share, consolidate and further reinforce our leading presence.”

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About Technovator International Limited

Established in 2005, Technovator International Limited is one of the leading providers of building energy management systems and solutions services, with a scalable vertically-integrated global business model. The Group operates with a global footprint in five countries around the world including China, Canada, France, Singapore and the US, supported by a worldwide sales network, and ranked the largest domestic player in China market. Its largest shareholder is the Shanghai-listed Tsinghua Tongfang Co., Ltd. which was established under the umbrella of the world renowned Tsinghua University. The Group offers comprehensive energy-saving solutions for building environments around the world under two well-recognized brands: “Techcon” in China and “Distech Controls” in overseas markets, and has won many domestic and international awards and accreditations.

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