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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Technovator International Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

CONNECTED TRANSACTION TRUST LOAN AGREEMENT AND

NOTICE OF 2026 SECOND EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



A letter from the Board is set out on pages 5 to 18 of this circular. A letter from the Independent Board Committee containing its recommendation to the Shareholders is set out on page 19 of this circular. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Shareholders, is set out on pages 20 to 35 of this circular.

A notice convening the 2026 Second EGM to be held at Level 17, Silvercord Tower 2, 30 Canton Road, Tsim Sha Tsui, Hong Kong on Wednesday, 28 January 2026 at 2:30 p.m. is set out on pages 43 to 44 of this circular. A form of proxy for use by the Shareholders at the 2026 Second EGM is enclosed herein.

Whether or not you are able to attend the 2026 Second EGM, you are requested to complete the accompanying form of proxy for use at the 2026 Second EGM in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the 2026 Second EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2026 Second EGM or any adjourned meeting thereof should you so wish.

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DEFINITIONS

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

“2026 Second EGM”	the 2026 second extraordinary general meeting of the Company to be convened for the purpose of, among other matters, considering and, if appropriate, approving the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder
“Announcement”	the announcement of the Company dated 17 September 2025 in relation to, among other matters, the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CNCC”	China National Nuclear Corporation (中國核工業集團有限公司, previously known as “中國核工業集團公司”), a company established under the laws of the PRC on 29 June 1999, the controlling Shareholder
“CNNC Factoring”	CNNC Commercial Factoring Co., Ltd. (中核商業保理有限公司), a company established under the laws of the PRC on 17 July 2020 and controlled by CNNC
“Company”	Technovator International Limited, a company incorporated in Singapore with limited liability, and the Shares of which are listed on the Stock Exchange (Stock Code: 1206)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the directors of the Company
“Drawdown Date”	the date on which the Trust Loan is drawn down and transferred to the bank account designated by Tongfang Energy Saving

DEFINITIONS

“FOTIC”	中國對外經濟貿易信託有限公司 (China Foreign Economy and Trade Trust Co., Ltd.*), a Chinese asset management company (as trust company) established on 30 September 1987
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Board comprising all of the independent non-executive Directors, namely Dr. Li Xuejin, Mr. Chia Yew Boon and Ms. Lu Yao, to advise the Independent Shareholders in respect of the Trust Loan Agreement and the IP Pledge Agreement
“Independent Financial Adviser”	Somerley Capital Limited, a corporation licensed by the Securities and Futures Commission of Hong Kong to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Trust Loan Agreement and the IP Pledge Agreement
“Independent Shareholders”	has the meaning ascribed thereto under the Listing Rule
“Independent Third Party(ies)”	third party/ies and their ultimate beneficial owner(s) which is/are independent of the Company and their respective connected persons
“IP Pledge Agreement”	the intellectual property pledge agreement to be entered into between FOTIC and Tongfang Energy Saving
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Latest Practicable Date”	7 January 2026, being the latest practicable date for ascertaining certain information in this circular

DEFINITIONS

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as amended from time to time
“PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Single Fund Trust”	the trust to be set up pursuant to the Single Fund Trust Agreement, and FOTIC acts as the trustee and CNNC Factoring acts as the beneficiary
“Single Fund Trust Agreement”	the single fund trust agreement to be entered into between FOTIC and CNNC Factoring in order to set up the Single Fund Trust
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“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)
“Tongfang Energy Saving”	同方節能工程技術有限公司 (Tongfang Energy Saving Engineering Technology Co., Ltd.*), a wholly foreign-owned enterprise established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“Trust Loan”	the loan to be granted to the Company by FOTIC in a principal amount of not more than RMB100 million to Technovator Energy Saving
“Trust Loan Agreement”	the trust loan agreement entered into between FOTIC and Tongfang Energy Saving on 17 September 2025
“%”	per cent.

* *for identification purpose only*

LETTER FROM THE BOARD



TECHNOVATOR INTERNATIONAL LIMITED

同方泰德國際科技有限公司*

(incorporated in Singapore with limited liability)

(Stock Code: 1206)

Executive Directors:

Mr. ZHAO Xiaobo (*Chief Executive Officer and
Authorised Representative*)

Mr. QIN Bing

Non-executive Directors:

Mr. LI Chengfu

(*Chairman and Authorised Representative*)

Mr. ZENG Xuejie

Ms. ZHANG Yanhua

Independent non-executive Directors:

Mr. CHIA Yew Boon

Mr. LI Xuejin

Ms. LU Yao

Registered office:

66 Tannery Lane

#04-10/A

Sindo Industrial Building

Singapore 347805

*Head office and principal place of
business in Singapore:*

66 Tannery Lane

#04-10/A

Sindo Industrial Building

Singapore 347805

*Principal place of business in
Hong Kong:*

Level 17

Silvercord Tower 2

30 Canton Road

Tsim Sha Tsui, Hong Kong

12 January 2026

To the Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION TRUST LOAN AGREEMENT

INTRODUCTION

Reference is made to the Announcement in relation to the Trust Loan Agreement, the IP Pledge Agreement and the transaction contemplated thereunder.

* For identification purpose only

LETTER FROM THE BOARD

The Board is pleased to announce that on 17 September 2025 (after trading hours), Tongfang Energy Saving and FOTIC entered into the Trust Loan Agreement, pursuant to which FOTIC agreed to provide the Trust Loan of not more than RMB100 million to Tongfang Energy Saving for a term commencing from the Drawdown Date and expiring 36 months after the Drawdown Date. The Trust Loan Agreement is secured by the IP Pledge Agreement granted by Tongfang Energy Saving in favour of the FOTIC in securing the repayment obligation under the Trust Loan Agreement.

To facilitate Tongfang Energy Saving's financing, CNNC Factoring, as the trust settlor of the Single Fund Trust, will arrange the issuance of asset-backed securities ("ABS") subject to approval(s) from competent authority(ies). After the relevant approval(s) being granted by competent authority(ies), FOTIC and Tongfang Energy Saving will enter into the IP Pledge Agreement and FOTIC and CNNC Factoring will enter into the Single Fund Trust Agreement, which are conditions precedent for the Tongfang Energy Saving's draw-down of the financing amount and shall, in any event, be within one year from the effective date of the Trust Loan Agreement. For further details of the issuance procedure of ABS by CNNC Factoring, please refer to the section headed "PROCEDURES FOR THE TRUST LOAN" in this circular.

The purpose of this circular is to provide you with information which includes, among other things, (i) details in respect of the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder; (ii) the letter of recommendation from the Independent Board Committee and the recommendation from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders with regards to the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated; and (iii) the notice of 2026 Second EGM.

TRUST LOAN AGREEMENT

On 17 September 2025 (after trading hours), Tongfang Energy Saving (as borrower) entered into a Trust Loan Agreement with FOTIC (as lender), pursuant to which FOTIC agreed to provide the Trust Loan of not more than RMB100 million to Tongfang Energy Saving for a term commencing from the Drawdown Date and expiring 36 months after the Drawdown Date.

The principal terms of the Trust Loan Agreement are summarized as follows:

Date:	17 September 2025 (after trading hours)
Parties:	(1) FOTIC (as the lender); and (2) Tongfang Energy Saving (as the borrower)
Principal amount:	Not more than RMB100 million

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Interest rate: 3.5% per annum, which shall be payable annually according to the interest repayment schedule to be provided by FOTIC within one year after the effective date of the Trust Loan Agreement. In no event will the interest be calculated before the actual Drawdown Date.

The interest rate under the Trust Loan Agreement was determined based on the parties' arm's length negotiation with reference to the available loan interest rates offered to Tongfang Energy Saving by financial institutions in PRC.

Term: Commencing from the Drawdown Date and expiring 36 months after the Drawdown Date.

Usage: The Trust Loan is designated for (i) supplementing working capital of Tongfang Energy Saving; and (ii) repayment of outstanding loans owed to financial institutions.

Conditions precedent: The draw-down of the Trust Loan is conditional upon the following conditions having been fulfilled or waived by FOTIC:

- (1) Tongfang Energy Saving having obtained all necessary authorizations, approvals and consents in relation to the signing and the transaction contemplated under the Trust Loan Agreement and the IP Pledge Agreement, including but not limited to authorities, approvals and consents from the relevant government and regulatory authorities or other third parties, and passing relevant internal resolutions. Such authorizations, approvals or consents shall remain fully effective;
- (2) Tongfang Energy Saving having provided the approvals from competent authorities, financial statements (if necessary) and other related documents as requested by FOTIC;

LETTER FROM THE BOARD

- (3) CNNC Factoring having obtained all necessary authorizations, approvals and consents in relation to the signing of the Single Fund Trust Agreement and the transaction contemplated under the Trust Loan Agreement, including but not limited to authorizations, approvals and consents from the relevant government and regulatory authorities or other third parties, and passing relevant internal resolutions. Such authorizations, approvals or consents shall remain fully effective;
- (4) Tongfang Energy Saving having provided signed and sealed authorization letter for entities credit business (企業徵信業務授權書);
- (5) Tongfang Energy Saving having opened bank account(s) for receiving and repaying the Trust Loan;
- (6) there having been no material adverse change to the operation and financial situation of Tongfang Energy Saving;
- (7) each of the representations and warranties of Tongfang Energy Saving made under the Trust Loan Agreement and the IP Pledge Agreement being and remaining true and valid, and there is no material change to such representations and warranties as of the Drawdown Date which would affect the repayment ability and performance ability of Tongfang Energy Saving;
- (8) no provision of any applicable laws, national policies or regulatory requirements shall prohibit the grant of the Trust Loan by FOTIC;
- (9) no substantial obstacle having occurred for the consummation of the Single Fund Trust Agreement and the Trust Loan Agreement as of the Drawdown Date;

LETTER FROM THE BOARD

- (10) Tongfang Energy Saving having paid all payables under the Trust Loan Agreement (if any), including a refundable amount equaling to 1% of the drawdown amount as stipulated by Measures for the Management of the Trust Industry Protection Fund (信託業保障基金管理辦法) issued by China Banking Regulatory Commission and the Ministry of Finance of the People's Republic of China in 2014; and
- (11) all other conditions requested by FOTIC having been fulfilled, including (i) the Single Fund Trust Agreement and the IP Pledge Agreement having been duly signed and (ii) the issuance of ABS being approved by relevant competent authority(ies).

As at the Latest Practicable Date, (i) conditions precedent (5) set out above have been fulfilled; (ii) no material adverse change has occurred in terms of the conditions precedent (6) and (7); (iii) the grant of the Trust Loan by FOTIC is not been prohibited by any provision of any applicable laws, national policies or regulatory requirements in terms of the condition precedent (8); and (iv) no substantial obstacle has occurred for the consummation of the Single Fund Trust Agreement and the Trust Loan Agreement in terms of the condition precedent (9). The conditions precedent (6), (7) and (11) are waivable by FOTIC.

Each of the Single Fund Trust Agreement, the Trust Loan Agreement and the IP Pledge Agreement is inter-conditional.

Repayment arrangement: The principal amount of the Trust Loan shall be repaid in one lump sum on the last interest repayment date.

Early repayment: Tongfang Energy Saving can repay all or part of the Trust Loan at any time before the planned repayment dates set out in the repayment schedule, provided that Tongfang Energy Saving shall obtain the written consent of CNNC Factoring and provide a written notice of no less than one month in advance to FOTIC.

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Security: Tongfang Energy Saving will enter into an IP Pledge Agreement with FOTIC within one year from the effective date of the Trust Loan Agreement. Pursuant to the IP Pledge Agreement, Tongfang Energy Saving shall pledge certain of its intellectual property rights in favour of FOTIC over the pledge period so as to provide guarantee for the fulfillment of its repayment obligations under the Trust Loan Agreement.

Save for the Trust Loan Agreement, as at the Latest Practicable Date, the security was free from other encumbrances.

IP PLEDGE AGREEMENT

Pursuant to the Trust Loan Agreement, the IP Pledge Agreement shall be entered into by the parties to the Trust Loan Agreement within one year from the effective date of the Trust Loan Agreement.

The principal terms of the IP Pledge Agreement are summarised below. It is expected that no substantial change will be made to such terms in the execution version of the IP Pledge Agreement. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

Date: Within one year from the effective date of the Trust Loan Agreement

Parties: (1) FOTIC (as the chargee); and
(2) Tongfang Energy Saving (as chargor)

Subject: Tongfang Energy Saving shall pledge certain of its intellectual property rights (the “**Pledged Patents**”), as detailed in the IP Pledge Agreement, in favour of FOTIC over the pledge period so as to provide guarantee for the fulfillment of its repayment obligations under the Trust Loan Agreement. Please refer to Appendix II to this circular for details of the patents to be pledged under the IP Pledge Agreement.

LETTER FROM THE BOARD

During the pledge period, if the value of the Pledged Patents decreases due to any action of Tongfang Energy Saving, FOTIC shall have the right to request Tongfang Energy Saving to stop such actions; if the value of the Pledged Patents decreases due to any action of a third party, FOTIC shall have the right to request Tongfang Energy Saving to resume the value or to provide new security. It is expected that the new security will be other intellectual property rights owned by Tongfang Energy Saving. The value and scope of the new security will be further negotiated between FOTIC and Tongfang Energy Saving on an arm's length basis in the case that the value of the Pledged Patents decrease.

Pledge period:

The pledge period shall only be confirmed and specified in the IP Pledge Agreement, and shall cover the period from the Drawdown Date up to the date on which Tongfang Energy Saving fulfills its repayment obligations under the Trust Loan Agreement.

Valuation

The intellectual property rights to be pledged under the IP Pledge Agreement will be 20 patents which are being used by Tongfang Energy Saving in its ordinary and usual course of business and a preliminary appraised value of approximately RMB103.7 million as of 30 August 2025 based on the preliminary draft of a valuation report prepared by an independent valuer in September 2025. The final valuation report will only be issued prior to the signing date of the IP Pledge Agreement.

Tongfang Energy Saving and FOTIC will confirm the actual drawdown amount under the Trust Loan Agreement based on the final valuation amount of the Pledged Patents. In the case that the final valuation amount of the Pledged Patents is lower than RMB100 million, Tongfang Energy Saving and FOTIC will negotiate on whether to lower the actual drawdown amount based on the decrease degree of the valuation of the Pledged Patents. In the case that the final valuation amount of the Pledged Patents is higher than RMB103.7 million, the actual drawdown amount will be fixed at RMB100 million, but Tongfang Energy Saving will further negotiate with FOTIC to narrow the scope of the Pledged Patents in order to have a final appraised value of the security to be around RMB100 million.

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PROCEDURES FOR THE TRUST LOAN

To facilitate Tongfang Energy Saving's financing, CNNC Factoring, as the trust settlor of the Single Fund Trust, will arrange the issuance of ABS. The ABS will be issued by CNNC Factoring and backed by the beneficiary rights under the Single Fund Trust held by CNNC Factoring (the "ABS Project"). The key steps involved are set out as follows:

1. **Valuation of Pledged Patents:** an independent valuer will, after reviewing patent documentation and assessing market comparables, finalize the valuation of the Pledged Patents and issue a formal valuation report.
2. **Legal Due Diligence:** an independent legal team will conduct due diligence on the Pledged Patents, project arrangements and participants and issue legal opinions, which requires extensive verification of patent ownership and validity, review of contractual arrangements, and assessment of compliance with applicable laws and regulations.
3. **Securities Rating:** a licensed credit rating agency will issue a credit rating report on the ABS structure. The report will include the rating result, methodology and key assumptions, as well as any potential downgrade risks and their implications for the ABS Project.
4. **Internal Approval:** CNNC Factoring, as a state-owned company, will complete its internal approval process for the ABS issuance, which may involve multiple rounds of discussions and reviews where applicable.
5. **Credit Enhancement:** a credit enhancement institution will provide guarantee to improve the credit rating of the ABS Project. Negotiation and execution of guarantee agreements, verification of the guarantor's qualifications, and assessment of the guarantee's impact on the ABS structure will require significant time and coordination among parties.
6. **External Approvals:** prior to executing the Single Fund Trust Agreement and the IP Pledge Agreement by relevant parties, necessary approval(s) from competent authority(ies) regarding the finalization and execution of the transaction documents relating to the ABS Project shall be obtained, which may involve multiple rounds of enquiries and comments from the relevant authority(ies), requiring comprehensive responses until their satisfaction is achieved.

Leveraging its strong market reputation and robust asset base, CNNC Factoring issues ABS to monetize its beneficiary rights in the Single Fund Trust and achieve cost-efficient financing. This structure not only enables CNNC Factoring to enhance overall capital efficiency, but also enables Tongfang Energy Saving to meet its operational requirements and financing needs.

LETTER FROM THE BOARD

Although certain preparatory work (including valuation and legal due diligence) has commenced in order to save time, the Company considers that, given (i) the complexity and uncertainties involved in the process of the ABS Project (ii) no other financing options currently available to Tongfang Energy Saving are more favorable than the terms under the Trust Loan Agreement, and (iii) Tongfang Energy Saving keeps the right not to proceed the draw-down of the Trust Loan if the terms under the Trust Loan Agreement are no more favorable than other available loans at the time of signing date of the IP Pledge Agreement, an interval of up to one year between the execution of the Trust Loan Agreement and the IP Pledge Agreement is fair and reasonable, and current signing arrangement of the Trust Loan Agreement and the IP Pledge Agreement is in the interest of the Company and its Shareholders as a whole.

Tongfang Energy Saving will not sell or dispose any of its assets (including intellectual property rights) to either FOTIC or CNNC Factoring under the Trust Loan Agreement, IP Pledge Agreement or ABS Project, unless FOTIC enforces its rights on the Pledged Patents in the event that the Company fails to perform its obligations in accordance with the relevant agreement(s).

REASON FOR AND BENEFITS OF ENTERING INTO THE TRUST LOAN AGREEMENT AND THE IP PLEDGE AGREEMENT

The Directors consider that the entering into of the Trust Loan Agreement will enable Tongfang Energy Saving to repay its outstanding loans owed to financial institutions and to supplement working capital for its general operations purpose.

Terms of the Trust Loan Agreement

The terms of the Trust Loan Agreement including the applicable interest rates, are entered into after arm's length negotiations between the parties and taking into account, among others, the prevailing market loan interest rates and practices. In particular, the Directors compared the interest rate of 4.49% for the existing long-term loan of the Group and noted that the interest stipulated under the Trust Loan Agreement is more favourable, and the terms under the Trust Loan Agreement are more favourable than the best terms of available loans offered to the Company by financial institutions in the PRC at the material time. After conducting overall assessment of the Group, the banks and financial institutions are unwilling to offer loans with same three-year term unless the Group can provide extra security other than the Pledged Patents. The Directors are therefore of the view that the cost of borrowing for the Company would be lower if FOTIC provided the Trust Loan to the Company. Accordingly, the Directors considered that the terms under the Trust Loan Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

It is expected that, among the loan principal, (i) approximately RMB20 million will be used to repay the outstanding loans owed to financial institutions, no matter whether the actual drawdown amount is less than RMB100 million; and (ii) the rest of the Trust Loan will be used to supplement the working capital of Tongfang Energy Saving.

Terms of the IP Pledge Agreement

Entering into the IP Pledge Agreement offers an alternative financing channel to support Tongfang Energy Saving's ongoing projects while managing risk through legal

LETTER FROM THE BOARD

protections and valuation mechanisms. The Pledged Patents are patents being used in Tongfang Energy Saving's environmental protection projects and in the view of the Directors, are of substantial value given their environmental friendly nature. By using such patents as collateral, Tongfang Energy Saving can unlock liquidity without selling or creating encumbrance over its equity or physical assets. As Tongfang Energy Saving does not own any real estate or other property which can be used as security, it did not consider other alternatives to be pledged.

Based on the implementation progress of its existing projects, the Company believes that it will have sufficient fund to make the repayment of the Trust Loan upon the expiry of the term of the Trust Loan Agreement. In the case that the Company failed to make full repayment and FOTIC enforced its rights on the Pledged Patents, the progress of the relevant environmental protection projects of the Company will be delayed to certain extent as the production equipment which were based on the Pledged Patents cannot be used any more. However, given the intellectual property rights of the Company are undergoing continuous updates and iterations, the Company has maintained strong research and development capability to use other newly registered patents to replace the Pledged Patents in its ongoing projects, which is expected to take approximately one month. Given that the Company's projects typically have a life cycle of five to eight years, the Company is of the view that any potential impact on the overall project would be limited.

In view of the above reasons and benefits, although the transactions contemplated under the Trust Loan Agreement and the IP Pledge Agreement are not in the ordinary and usual course of business of the Company, they are on normal commercial terms or better, the Board (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee) are of the view that the terms of the Trust Loan Agreement and the IP Pledge Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interests in the transactions contemplated under the Trust Loan Agreement and the IP Pledge Agreement and no Director is required to abstain from voting on the Board resolutions approving them.

IMPLICATION UNDER THE LISTING RULES

As at the Latest Practicable Date, THTF directly and indirectly owns a total of 286,330,142 Shares, representing approximately 36.6% of the issued Shares of the Company. CNNC is, directly and indirectly, interested in approximately 31.66% of the shares of THTF, and is therefore a controlling shareholder of the Company. CNNC Factoring is indirectly wholly owned by CNNC. FOTIC is an associate of CNNC by virtue of its acting as the trustee of the Single Fund Trust of which CNNC Factoring is a beneficiary, and is therefore a connected person of the Company pursuant to Rule 14A.13(2) of the Listing Rules. As one or more percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions contemplated under the Trust Loan Agreement and the IP Pledge Agreement are greater than 5%, they are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

An Independent Board Committee has been established to advise the Independent Shareholders on the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder. The Company has appointed Somerley Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The Company will seek the Independent Shareholders' approval for the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder at the 2026 Second EGM.

In accordance with the Listing Rules, any Shareholder with a material interest in the Trust Loan Agreement and the IP Pledge Agreement, and its close associate(s) must abstain from voting on the relevant resolution(s) at the 2026 Second EGM. Accordingly, THTF, the controlling Shareholder of the Company, and its associates will abstain from voting on the resolution in respect of the Trust Loan Agreement and the IP Pledge Agreement to be put forward at the 2026 Second EGM. Save as the aforesaid, as at the Latest Practicable Date, the Directors are not aware of any other Shareholders who are required to abstain from voting on the resolution(s) in respect of the Trust Loan Agreement to be put forward at the 2026 Second EGM.

GENERAL INFORMATION

1. Information of the Group

The Group is a leading integrated urban energy saving services provider, which concentrated on three major business segments, namely smart transportation, smart building and complex and smart energy, to drive the development of the urban integrated energy saving business capitalized on information and intelligence. It provides customers with smart energy management products, solutions and services throughout their full life cycle. The Company was incorporated in Singapore in 2005, whose shares are listed on the main board of the Stock Exchange since 27 October 2011.

2. Information of Tongfang Energy Saving

Tongfang Energy Saving is a wholly-owned subsidiary of the Company and is established in the PRC with limited liability. Tongfang Energy Saving is principally engaged in energy management services and marketing of heating power equipment.

3. Information of CNNC

CNNC was established on 29 June 1999 and is principally engaged in research and development, construction, production and operation in the fields of nuclear power, nuclear fuel cycle, nuclear technology applications, and nuclear environmental protection engineering, as well as foreign economic cooperation and import and export business. CNNC is ultimately and beneficially owned by the State-owned Assets Supervision and Administration Commission of the State Council* (國務院國有資產監督管理委員會).

LETTER FROM THE BOARD

4. Information of CNNC Factoring

CNNC Factoring was established on 17 July 2020, and is a wholly owned subsidiary of CNNC Capital Holdings Limited (中國核工業集團資本控股有限公司) which is in turn wholly owned by CNNC. Its business scope includes factoring financing; sales account (classification) management; collection business related to the transfer of accounts receivable; non-commercial bad debt guarantee; customer credit investigation and evaluation; consulting services related to commercial factoring; other businesses approved and recognized by relevant state departments.

5. Information of FOTIC

FOTIC is established on 30 September 1987. It has a business layout including service trust, investment trust, industrial finance, inclusive finance, wealth management, etc. FOTIC has the qualifications of national inter-bank bond trading, asset securitization special purpose trust trustee institution, block trading system qualified investor, inter-bank lending market interbank lending business, equity investment business with inherent assets, stock index futures trading business, entrusted overseas wealth management business (QDII), non-financial enterprise debt financing instrument underwriting qualification, private investment fund manager, and fund industry association observer member.

2026 SECOND EGM

The 2026 Second EGM will be held at Level 17, Silvercord Tower 2, 30 Canton Road, Tsim Sha Tsui, Hong Kong on Wednesday, 28 January 2026 at 2:30 p.m., during which an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder by way of poll, the results of which will be announced after the 2026 Second EGM.

A notice convening the 2026 Second EGM is set out on pages 43 to 44 of this circular. The 2026 Second EGM will be convened for the purpose of considering and, if thought fit, passing the ordinary resolutions to approve the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules.

Although each of Mr. Li Chengfu and Mr. Zeng Xuejie is an employee of THTF or its subsidiary, none of them is involved in the decision making of THTF that might be relevant to the connected transactions between THTF and the Group. Therefore, the Board has made the assessment that none of the Directors has a material interest in the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder and therefore no Director has abstained from voting on the board resolutions of the Company to approve the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

Pursuant to Rule 14A.36 of the Listing Rules, at the 2026 Second EGM, THTF, the controlling Shareholder of the Company, and its associates (who as at the Latest Practicable Date own a total of 286,330,142 Shares, representing approximately 36.6% of the issued Shares of the Company) are required to abstain from voting on the ordinary resolutions approving the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder. In view of the interests of THTF, THTF and its associates will abstain from voting on the ordinary resolutions approving the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder.

Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, there are no other Shareholders who have a material interest in the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder and are required to abstain from voting on the resolutions to approve the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder at the 2026 Second EGM.

A form of proxy for use at the 2026 Second EGM is sent to the Shareholders together with this circular. Whether or not the Shareholders are able to attend the 2026 Second EGM, the Shareholders are requested to complete and return the accompanying form of proxy to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding of the 2026 Second EGM or adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the 2026 Second EGM or any adjourned meeting thereof should the Shareholders so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the 2026 Second EGM must be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

BAD WEATHER ARRANGEMENTS

Where gale warning (orange typhoon warning or above), rainstorm warning (orange rainstorm warning or above), extreme weather conditions or other similar event is or are in force at 8:00 a.m. on the date of the 2026 Second EGM, the 2026 Second EGM will be postponed. The Company will post an announcement on its website (www.technovator.com.sg) and on the website of the Stock Exchange (www.hkexnews.hk) to notify the Shareholders of the date, time and place of the postponed meeting.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the terms of the Trust Loan Agreement and the IP Pledge Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and accordingly recommend the Independent Shareholders to vote in favour of the relevant resolution(s) proposed at the 2026 Second EGM.

An Independent Board Committee has been formed to consider the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Somerley Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Trust Loan Agreement and the IP Pledge Agreement. The text of the letter of advice from the Independent Financial Adviser containing its recommendation in respect of the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder is set out on pages 20 to 35 of this circular.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 19 of this circular, the letter of advice from the Independent Financial Adviser set out on pages 20 to 35 of this circular and the information set out in the appendix of this circular.

Yours faithfully,
By order of the Board
Technovator International Limited
Li Chengfu
Chairman



TECHNOVATOR INTERNATIONAL LIMITED

同方泰德國際科技有限公司*

(incorporated in Singapore with limited liability)

(Stock Code: 1206)

12 January 2026

To the Independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
TRUST LOAN AGREEMENT**

We refer to the circular of the Company dated 12 January 2026 (the “**Circular**”) to the Shareholders, of which this letter forms part. Terms defined in the Circular bear the same meanings in this letter unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to consider and advise the Shareholders in respect of the whether, in our opinion, terms of the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder, details of which are set out in the Circular, are fair and reasonable so far as the Independent Shareholders are concerned.

We wish to draw your attention to the letter from the Board and the letter of advice from the Independent Financial Adviser set out on pages 5 to 18 and pages 20 to 35 of the Circular respectively.

Having taken into account the advice (together with the principal factors and reasons considered in arriving at such advice) of Somerley Capital Limited, the Independent Financial Adviser, we consider that the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder, although are not in the ordinary and usual course of business of the Group, are entered into on normal commercial terms or better, are fair and reasonable, and are in the interests of the Company and its Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the 2026 Second EGM in respect of the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder.

Yours faithfully,

Mr. CHIA Yew Boon, Mr. LI Xuejin and Ms. LU Yao

Independent Board Committee

* For identification purpose only

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter of advice from Somerley Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



SOMERLEY CAPITAL LIMITED
20th Floor
China Building
29 Queen's Road Central
Hong Kong

12 January 2026

To: the Independent Board Committee and the Independent Shareholders

Dear Sirs,

CONNECTED TRANSACTION TRUST LOAN AGREEMENT

INTRODUCTION

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in relation to Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 12 January 2026 (the "**Circular**"), of which this letter forms a part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in the Circular.

On 17 September 2025 (after trading hours), Tongfang Energy Saving (as borrower) entered into a Trust Loan Agreement with FOTIC (as lender), pursuant to which FOTIC agreed to provide the Trust Loan of not more than RMB100 million to Tongfang Energy Saving for a term commencing from the Drawdown Date and expiring 36 months after the Drawdown Date. The Trust Loan Agreement is secured by the IP Pledge Agreement granted by Tongfang Energy Saving in favour of the FOTIC in securing the repayment obligation under the Trust Loan Agreement.

To facilitate Tongfang Energy Saving's financing, CNNC Factoring, as the trust settlor of the Single Fund Trust, will arrange the issuance of asset-backed securities ("**ABS**") subject to approval(s) from competent authority(ies). After the relevant approval(s) being granted by competent authority(ies), FOTIC and Tongfang Energy Saving will enter into the IP Pledge Agreement and FOTIC and CNNC Factoring will enter into the Single Fund Trust Agreement, which are conditions precedent for the Tongfang Energy Saving's draw-down of the financing amount and shall, in any event, be within one year from the effective date of the Trust Loan Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, THTF directly and indirectly owns a total of 286,330,142 Shares, representing approximately 36.6% of the issued Shares of the Company. CNNC is, directly and indirectly, interested in approximately 31.66% of the shares of THTF, and is therefore a controlling shareholder of the Company. CNNC Factoring is indirectly wholly owned by CNNC. FOTIC is an associate of CNNC by virtue of its acting as the trustee of the Single Fund Trust of which CNNC Factoring is a beneficiary, and is therefore a connected person of the Company pursuant to Rule 14A.13(2) of the Listing Rules. As one or more percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions contemplated under the Trust Loan Agreement and the IP Pledge Agreement are greater than 5%, they are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The 2026 Second EGM will be convened to seek the approval of the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder by the Independent Shareholders. Pursuant to Rule 14A.36 of the Listing Rules, at the 2026 Second EGM, THTF, the controlling Shareholder of the Company, and its associates are required to abstain from voting on the ordinary resolutions approving the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder.

The Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Lu Yao, Mr. Chia Yew Boon and Mr. Li Xuejin, has been established to advise the Independent Shareholders in relation to the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder. We, Somerley Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

We are not associated or connected with the Company, FOTIC or their respective associates, close associates or core connected persons and, accordingly, are considered eligible to give independent advice on the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder. In the last two years, saved for our engagement as the independent financial adviser to the independent board committee of the Company in relation to the 2025 Agreements as disclosed and defined in the circular of the Company dated 12 January 2026, there was no engagement between the Group and us. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, FOTIC or their respective core associates, close associates or core connected persons.

In formulating our advice and recommendation, we have reviewed, among others, (i) announcement of the Company dated 17 September 2025 in relation to, among others, the Trust Loan Agreement and IP Pledge Agreement, (ii) the annual reports of the Company for the year ended 31 December 2023 (the "**2023 Annual Report**") and 2024 (the "**2024 Annual Report**") and interim report for the six months ended 30 June 2025 (the "**2025 Interim Report**"), and (iii) other information contained in the Circular. In addition, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and management of the Company (collectively, the "**Management**") and the respective professional advisers of the Company and have assumed that they are true,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

accurate and complete in all material aspects and in relation to any opinions to be honestly held at the time they were made and will remain, in relation to the facts to be true, accurate and complete in all material aspects and in relation to any opinions to be honestly held, up to the date of the 2026 Second EGM. We have also sought and received confirmation from the Group that no material facts have been omitted from the information supplied by them and that their opinions expressed to us are not misleading in any material respect. We consider that the information we have received is sufficient for us to formulate our opinion and recommendation as set out in this letter and have no reason to believe that any material information has been omitted or withheld, nor to doubt the truth or accuracy of the information provided to us. We have, however, not conducted any independent investigation into the businesses and affairs of the Group, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation on the Trust Loan Agreement, the IP Pledge Agreement and the transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

1. Background information of the Group and the FOTIC

The Group

The Group is a leading integrated urban energy saving services provider, which concentrated on three major business segments, namely smart transportation, smart building and complex and smart energy, to drive the development of the urban integrated energy saving business capitalised on information and intelligence. It provides customers with smart energy management products, solutions and services throughout their full life cycle. The Company was incorporated in Singapore in 2005, whose shares are listed on the main board of the Stock Exchange since 27 October 2011.

Tongfang Energy Saving is a wholly-owned subsidiary of the Company and is established in the PRC with limited liability. Tongfang Energy Saving is principally engaged in energy management services and marketing of heating power equipment.

FOTIC

FOTIC is established on 30 September 1987. It has a business layout including service trust, investment trust, industrial finance, inclusive finance, wealth management, etc. FOTIC has the qualifications of national inter-bank bond trading, asset securitization special purpose trust trustee institution, block trading system qualified investor, inter-bank lending market interbank lending business, equity investment business with inherent assets, stock index futures trading business, entrusted overseas wealth management business (QDII), non-financial enterprise debt financing instrument underwriting qualification, private investment fund manager, and fund industry association observer member. FOTIC is an associate of CNNC by virtue of its acting as the trustee of the Single Fund Trust of which CNNC Factoring is a beneficiary.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

CNNC Factoring

CNNC Factoring was established on 17 July 2020, and is a wholly owned subsidiary of CNNC Capital Holdings Limited (中國核工業集團資本控股有限公司) which is in turn wholly owned by CNNC. Its business scope includes factoring financing; sales account (classification) management; collection business related to the transfer of accounts receivable; non-commercial bad debt guarantee; customer credit investigation and evaluation; consulting services related to commercial factoring; other businesses approved and recognized by relevant state departments.

CNNC

CNNC was established on 29 June 1999 and is principally engaged in research and development, construction, production and operation in the fields of nuclear power, nuclear fuel cycle, nuclear technology applications, and nuclear environmental protection engineering, as well as foreign economic cooperation and import and export business. CNNC is ultimately and beneficially owned by the State-owned Assets Supervision and Administration Commission of the State Council* (國務院國有資產監督管理委員會).

Financial performance of the Group

Set out below is the summary of the financial information of the Group for the years ended 31 December 2023 and 2024, and for the six months ended 30 June 2024 and 2025 as extracted from the 2024 Annual Report and the 2025 Interim Report:

	For the year ended		For the six months ended	
	31 December		30 June	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Revenue				
– Revenue from smart transportation business	467,056	435,196	93,261	93,397
– Revenue from smart building and complex business	822,510	720,259	220,216	246,297
– Revenue from smart energy business	548,444	673,778	199,095	325,779
	1,838,010	1,829,233	512,572	665,473
Gross profit	169,323	145,193	56,085	121,080
Loss from operations	(91,222)	(286,240)	(75,247)	(5,725)
Loss for the year/period attributable to equity shareholders of the Company	(100,964)	(265,908)	(69,557)	(6,492)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the six months ended 30 June 2024 and 2025

The Group's revenue increased by approximately 29.8% from approximately RMB512.6 million for the six months ended 30 June 2024 to approximately RMB665.5 million for the six months ended 30 June 2025. As disclosed in the 2025 Interim Report, the smart energy business recorded revenue of approximately RMB325.8 million for the six months ended 30 June 2025, representing an increase of 63.6% from approximately RMB199.1 million for the six months ended 30 June 2024. The significant revenue growth in this business was primarily attributable to the Group's strategic arrangements and efficient project implementation in the smart energy business. In overall, driven by the continuous introduction of favorable policies and capital investment, demand in the target markets demonstrated a development trend featuring in-depth integration of "greenisation" and "intelligentisation", opening up new room for the industry's growth.

The Group's gross profit increased by approximately 115.9% from approximately RMB56.1 million for the first six months of 2024 to approximately RMB121.1 million for the first six months of 2025. Gross profit margin has also increased by 7.3 percentage points to 18.2% for the six months ended 30 June 2025, mainly due to the higher gross profit margin of contractual energy management projects, which improved the overall gross margin.

For the six months ended 30 June 2025, the Group recorded a loss attributable to equity shareholders of the Company of approximately RMB6.5 million, representing a decrease of approximately 90.7%. As disclosed in the 2025 Interim Report, such decrease in losses were mainly attributable to the factors of (i) the increase of revenue and gross profit as mentioned above; (ii) the decrease of selling and distributions costs; and (iii) the decrease of impairment loss on trade and other receivables and contract assets, and partially offset by the increase of administrative and other operating expenses.

For the two years ended 31 December 2023 and 2024

The Group's revenue decreased by approximately 0.5% from approximately RMB1,838.0 million for the year ended 31 December 2023 to approximately RMB1,829.2 million for the year ended 31 December 2024. As disclosed in the 2024 Annual Report, the smart energy business recorded revenue of approximately RMB673.8 million for the year ended 31 December 2024, representing an increase of 22.9% from approximately RMB548.4 million for the year ended 31 December 2023. The significant revenue growth in this business was mainly attributable to the Group's technological innovation and market expansion in the heating supply sector. The smart transportation business achieved a revenue of approximately RMB435.2 million in 2024, representing a decrease of 6.8% from approximately RMB467.1 million for the year ended 31 December 2023, mainly affected by the rescheduling of the tendering process and the delayed commencement of works by some owners. The smart building and complex business recorded a revenue of approximately RMB720.3 million for the year ended 31 December 2024, representing a decrease of 12.4% from approximately RMB822.5 million in 2023, mainly

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

attributable to the challenge brought about by the prolonged contraction in investment in its target markets.

The Group's gross profit decreased by approximately 14.2% from approximately RMB169.3 million for the year ended 31 December 2023 to approximately RMB145.2 million for the year ended 31 December 2024. Gross profit margin has also decreased by 1.3 percentage points to 7.9% in 2024, mainly due to the backdrop of intensifying industry competition, the Group has optimised its market strategy and layout to enhance its long-term competitive edges in the market to ensure its long-term development goal, which resulted in a certain degree of decline in the overall gross profit margin.

For the year ended 31 December 2024, the Group recorded a loss attributable to equity shareholders of the Company of approximately RMB265.9 million, representing an increase of approximately 163.4% as compared to that for the year ended 31 December 2023. Such increase in losses were mainly attributable to the factors of (i) the decrease of revenue and gross profit as mentioned above; and (ii) the increase of impairment loss on trade and other receivables and contract assets.

Financial position of the Group

Set out below is the summary of the financial position of the Group as at 31 December 2023 and 2024, and 30 June 2025 as extracted from the 2024 Annual Report and 2025 Interim Report:

	As at 30 June 2025	As at 31 December	
	2024	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)	(Audited)
Total assets	5,297,373	5,568,922	5,548,326
Total liabilities	2,672,160	2,935,956	2,649,793
Total equity attributable to equity shareholders of the Company	2,607,178	2,613,760	2,880,190

As at 30 June 2025, the Group's total assets amounted to approximately RMB5,297.4 million, mainly comprised of (i) trade and other receivables of approximately RMB1,595.2 million; (ii) inventories of approximately RMB1,365.1 million; (iii) contract assets of approximately RMB937.7 million; (iv) intangible assets of approximately RMB538.4 million; and (v) financial assets measured at amortised cost of approximately RMB500.3 million.

As at 30 June 2025, the Group's total liabilities amounted to approximately RMB2,672.2 million, mainly comprised of (i) trade and other payables of approximately RMB2,144.3 million; and (ii) loans and borrowings of approximately RMB306.4 million; and (iii) contract liabilities of approximately RMB126.7 million.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 30 June 2025 and 31 December 2024, the Group's total equity attributable to equity shareholders of the Company amounted to approximately RMB2,607.2 million and RMB2,613.8 million, respectively, remained relatively steady. In our view, based on the above analysis, the Group has retained a satisfactory financial position.

2. Trust Loan Agreement and IP Pledge Agreement

2.1 *Reasons and benefits of entering into the Trust Loan Agreement and the IP Pledge Agreement*

As disclosed in the Circular, the terms of the Trust Loan Agreement including the applicable interest rates, are entered into after arm's length negotiations between the parties and taking into account, among others, the prevailing market loan interest rates and practices. In particular, the Directors compared the interest rate of 4.49% for the existing long-term loan of the Group and noted that the interest stipulated under the Trust Loan Agreement is more favourable, and the terms under the Trust Loan Agreement are more favourable than the best terms of available loans offered to the Company by financial institutions in the PRC at the material time. After conducting overall assessment of the Group, the banks and financial institutions are unwilling to offer loans with same three-year term unless the Group can provide extra security other than the Pledged Patents. The Directors are therefore of the view that the cost of borrowing for the Company would be lower if FOTIC provided the Trust Loan to the Company. Besides, as CNNC Factoring will need to obtain relevant regulatory authorities' approvals for the source of the Trust Loan, which is expected to be quite time-consuming, the Company is of the view that the maximum interval of one year between the Trust Loan Agreement and the IP Pledge Agreement is fair and reasonable.

As disclosed in the 2024 Annual Report, the Group's indebtedness, primarily denominated in RMB, consisted of long term bank loans with an interest rate of 3.80% per annum and secured borrowings with an interest rate of 4.74% per annum, which is higher than the interest rate of 3.5% per annum provided by the Trust Loan Agreement. We have further reviewed the liquidity position of the Group. As at 30 June 2025, the Group had cash and cash equivalents of approximately RMB101.7 million, represented a substantial decrease of approximately RMB242.9 million or 70.5% as compared to that as at 31 December 2024. As disclosed in the 2025 Interim Report, such decreased in the Group's cash and cash equivalents was mainly attributable to the net cash used in operating activities. In addition, the Group has current loans and borrowings amounted to approximately RMB269.4 million as at 30 June 2025. Therefore, it indicates there exists a genuine and timely funding need to supplement the working capital and repayment of outstanding short-term loans owed to financial institutions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As such, we concur with the Directors of the view that the cost of borrowing for the Company would be lower if FOTIC provided the Trust Loan to the Company.

It is expected that, among the loan principal, (i) approximately RMB20 million will be used to repay the outstanding short-term loans owed to financial institutions, no matter whether the actual drawdown amount is less than RMB100 million; and (ii) the rest of the Trust Loan will be used to supplement the working capital of Tongfang Energy Saving.

In addition, entering into the IP Pledge Agreement offers an alternative financing channel to support Tongfang Energy Saving's ongoing projects while managing risk through legal protections and valuation mechanisms. The Pledged Patents are patents being used in Tongfang Energy Saving's environmental protection projects and in the view of the Directors, are of substantial value given their environmental friendly nature. By using such patents as collateral, Tongfang Energy Saving can unlock liquidity without selling or creating encumbrance over its equity or physical assets. As Tongfang Energy Saving does not own any real estate or other property which can be used as security, it did not consider other alternatives to be pledged.

Based on the implementation progress of its existing projects, the Company believes that it will have sufficient fund to make the repayment of the Trust Loan upon the expiry of the term of the Trust Loan Agreement. In the case that the Company failed to make full repayment and FOTIC enforced its rights on the Pledged Patents, the progress of the relevant environmental protection projects of the Company will be delayed to certain extent as the production equipment which were based on the Pledged Patents cannot be used any more. However, given the intellectual property rights of the Company are undergoing continuous updates and iterations, the Company has maintained strong research and development capability to use other newly registered patents to replace the Pledged Patents in its ongoing projects which is expected to take approximately one month. Given that the Company's projects typically have a life cycle of five to eight years, the Company is of the view that any potential impact on the overall project would be limited.

Having considered the above, in particular that the Company was unable to obtain loan facility on terms more favourable to the Group than those of the Trust Loan Agreement from other financial institutions, we consider entering into the Trust Loan Agreement and the IP Pledge Agreement are in the interests of the Group and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2.2 *Principal terms of the Trust Loan Agreement and the IP Pledge Agreement*

Set out below are the principal terms of the Trust Loan Agreement, details of which are set out under the section headed "Trust Loan Agreement" of the Letter from the Board in the Circular:

Date:	17 September 2025 (after trading hours)
Parties:	(1) FOTIC (as the lender); and (2) Tongfang Energy Saving (as the borrower)
Principal amount:	Not more than RMB100 million
Interest rate:	3.5% per annum, which shall be payable annually according to the interest repayment schedule to be provided by FOTIC within one year after the effective date of the Trust Loan Agreement. In no event will the interest be calculated before the actual Drawdown Date. The interest rate under the Trust Loan Agreement was determined based on the parties' arm's length negotiation with reference to the available loan interest rates offered to Tongfang Energy Saving by financial institutions in PRC.
Term:	Commencing from the Drawdown Date and expiring 36 months after the Drawdown Date.
Usage:	The Trust Loan is designated for (i) supplementing working capital of Tongfang Energy Saving; and (ii) repayment of outstanding loans owed to financial institutions.
Repayment arrangement:	The principal amount of the Trust Loan shall be repaid in one lump sum on the last interest repayment date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Security: Tongfang Energy Saving will enter into an IP Pledge Agreement with FOTIC within one year from the effective date of the Trust Loan Agreement. Pursuant to the IP Pledge Agreement, Tongfang Energy Saving shall pledge certain of its intellectual property rights in favour of FOTIC over the pledge period so as to provide guarantee for the fulfillment of its repayment obligations under the Trust Loan Agreement.

Save for the Trust Loan Agreement, as at the Latest Practicable Date, the security was free from other encumbrances.

Set out below are the principal terms of the IP Pledge Agreement, details of which are set out under the section headed “IP Pledge Agreement” of the Letter from the Board in the Circular:

Date: Within one year from the effective date of the Trust Loan Agreement

Parties: (1) FOTIC (as the chargee); and
(2) Tongfang Energy Saving (as the chargor)

Subject: Tongfang Energy Saving shall pledge Pledged Patents, as detailed in the IP Pledge Agreement, in favour of FOTIC over the pledge period so as to provide guarantee for the fulfillment of its repayment obligations under the Trust Loan Agreement.

During the pledge period, if the value of the Pledged Patents decreases due to any action of Tongfang Energy Saving, FOTIC shall have the right to request Tongfang Energy Saving to stop such actions; if the value of the Pledged Patents decreases due to any action of a third party, FOTIC shall have the right to request Tongfang Energy Saving to resume the value or to provide new security. It is expected that the new security will be other intellectual property rights owned by Tongfang Energy Saving. The value and scope of the new security will be further negotiated between FOTIC and Tongfang Energy Saving on an arm’s length basis in the case that the value of the Pledged Patents decrease.

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Pledge period: The pledge period shall only be confirmed and specified in the IP Pledge Agreement, and shall cover the period from the Drawdown Date up to the date on which Tongfang Energy Saving fulfills its repayment obligations under the Trust Loan Agreement.

Valuation: A preliminary appraised value of approximately RMB103.7 million as of 30 August 2025 based on the preliminary draft of a valuation report prepared by an independent valuer in September 2025.

As disclosed in the Letter from the Board in the Circular, the intellectual property rights to be pledged under the IP Pledge Agreement will be 20 patents which are being used by Tongfang Energy Saving in its ordinary and usual course of business and a preliminary appraised value of approximately RMB103.7 million as of 30 August 2025 based on the preliminary draft of a valuation report prepared by an independent valuer in September 2025. The final valuation report will only be issued prior to the signing date of the IP Pledge Agreement. We have reviewed the valuation details, including the valuation approach, methodology, underlying assumptions and inputs. As discussed with the Company's management, these details remain subject to further amendments. Accordingly, the Company will issue a further announcement, together with the finalised valuation details, in accordance with the Listing Rules as and when appropriate upon signing of the IP Pledge Agreement.

Tongfang Energy Saving and FOTIC will confirm the actual drawdown amount under the Trust Loan Agreement based on the final valuation amount of the Pledged Patents. In the case that the final valuation amount of the Pledged Patents is lower than RMB100 million, Tongfang Energy Saving and FOTIC will negotiate on whether to lower the actual drawdown amount based on the decrease degree of the valuation of the Pledged Patents. In the case that the final valuation amount of the Pledged Patents is higher than RMB103.7 million, the actual drawdown amount will be fixed at RMB100 million, but Tongfang Energy Saving will further negotiate with FOTIC to narrow the scope of the Pledged Patents in order to have a final appraised value of the security to be around RMB100 million.

Procedures for the Trust Loan

To facilitate Tongfang Energy Saving's financing, CNNC Factoring, as the trust settlor of the Single Fund Trust, will arrange the issuance of asset-backed securities ("ABS"). The ABS will be issued by CNNC Factoring and backed by the beneficiary rights under the Single Fund Trust held by CNNC Factoring (the "ABS Project"). The key steps involved are set out as follows:

1. **Valuation of Pledged Patents:** an independent valuer will, after reviewing patent documentation and assessing market comparables, finalize the valuation of the Pledged Patents and issue a formal valuation report.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. **Legal Due Diligence:** an independent legal team will conduct due diligence on the Pledged Patents, project arrangements and participants and issue legal opinions, which requires extensive verification of patent ownership and validity, review of contractual arrangements, and assessment of compliance with applicable laws and regulations.
3. **Securities Rating:** a licensed credit rating agency will issue a credit rating report on the ABS structure. The report will include the rating result, methodology and key assumptions, as well as any potential downgrade risks and their implications for the ABS Project.
4. **Internal Approval:** CNNC Factoring, as a state-owned company, will complete its internal approval process for the ABS issuance, which may involve multiple rounds of discussions and reviews where applicable.
5. **Credit Enhancement:** a credit enhancement institution will provide guarantee to improve the credit rating of the ABS Project. Negotiation and execution of guarantee agreements, verification of the guarantor's qualifications, and assessment of the guarantee's impact on the ABS structure will require significant time and coordination among parties.
6. **External Approvals:** prior to executing the Single Fund Trust Agreement and the IP Pledge Agreement by relevant parties, necessary approval(s) from competent authority(ies) regarding the finalization and execution of the transaction documents relating to the ABS Project shall be obtained, which may involve multiple rounds of enquiries and comments from the relevant authority(ies), requiring comprehensive responses until their satisfaction is achieved.

Leveraging its strong market reputation and robust asset base, CNNC Factoring issues ABS to monetize its beneficiary rights in the Single Fund Trust and achieve cost-efficient financing. This structure not only enables CNNC Factoring to enhance overall capital efficiency, but also enables Tongfang Energy Saving to meet its operational requirements and financing needs.

Although certain preparatory work (including valuation and legal due diligence) has commenced in order to save time, the Company considers that, given (i) the complexity and uncertainties involved in the process of the ABS Project, (ii) no other financing options currently available to Tongfang Energy Saving are more favorable than the terms under the Trust Loan Agreement, and (iii) Tongfang Energy Saving keeps the right not to proceed the draw-down of the Trust Loan if the terms under the Trust Loan Agreement are no more favorable than other available loans at the time of signing date of the IP Pledge Agreement, an interval of up to one year between the execution of the Trust Loan Agreement and the IP Pledge Agreement is fair and reasonable, and current signing arrangement of the Trust Loan Agreement and the IP Pledge Agreement is in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Tongfang Energy Saving will not sell or dispose any of its assets (including intellectual property rights) to either FOTIC or CNNC Factoring under the Trust Loan Agreement, IP Pledge Agreement or ABS Project, unless FOTIC enforces its rights on the Pledged Patents in the event that the Company fails to perform its obligations in accordance with the relevant agreement(s).

Assessment on the Trust Loan Agreement

As stated in the letter from the Board of the Circular, the terms of the Trust Loan Agreement, including the interests rate of 3.5% per annum, are entered into after arm's length negotiation between the parties and taking into account, among others, the prevailing market loan interest rates and practices.

As disclosed in the 2024 Annual Report, the Group's indebtedness, primarily denominated in RMB, consisted of long term bank loans with an interest rate of 3.80% per annum and secured borrowings with an interest rate of 4.74% per annum, which is higher than the interest rate of 3.5% per annum provided by the Trust Loan Agreement. Furthermore, we have reviewed the latest LPR announced by the National Interbank Funding Center of the PRC on 20 August 2025 and noted that the current one-year LPR is 3.0% and the over-five-year LPR is 3.5%, which is in line with the interest rate in the Trust Loan Agreement.

We have also searched for connected transactions in relation to the provision of secured loan (excluding convertible loans) by connected persons to Hong Kong listed companies and/or its subsidiaries ("**Comparable Transactions**"), announced by the Hong Kong listed companies from 18 September 2024 up to and including the date of Trust Loan Agreement (i.e. 17 September 2025). To our best effort and as far as we are aware of, we identified 7 Comparable Transactions which met the said criteria and they are exhaustive. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the underlying companies of the Comparable Transactions.

Date of announcement	Company name (Stock Code)	Principal amount of loan/facility	Interest rate	Maturity	Security
30/7/2025	China Vanke Co., Ltd. (2202)	RMB869,000,000	LPR – 66 basis points	3 years	Certain investment properties and fixed assets with loan-to-value ratio of 70% and equity interests in unlisted subsidiaries with loan-to-value ratio of 50%
3/7/2025	China Vanke Co., Ltd. (2202)	RMB1,552,000,000	LPR – 76 basis points	3 years	Share charge of Onewo Inc. (Stock Code: 2602) at a 70% loan-to-value ratio
21/5/2025	China Vanke Co., Ltd. (2202)	RMB4,200,000,000	LPR – 76 basis points	3 years	Share charge of Onewo Inc. (Stock Code: 2602) at a 70% loan-to-value ratio

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of announcement	Company name (Stock Code)	Principal amount of loan/facility	Interest rate	Maturity	Security
10/2/2025	China Vanke Co., Ltd. (2202)	RMB2,800,000,000	LPR – 76 basis points	3 years	Share charge of Onewo Inc. (Stock Code: 2602) at a 70% loan-to-value ratio
14/10/2025	BII Railway Transportation Technology Holdings Company Limited (1522)	HK\$255,000,000	1 month HIBOR (Hong Kong Interbank Offered Rate) + 70 basis points. Maximum: 6.5%	3 years	Share charge of Great Legend Development Limited and undertakes the audited book value shall not be less than 120% of the principal amount of the loan on the drawdown date (i.e. loan-to-value ratio of approximately 83.3%)
8/10/2024	Yunnan Water Investment Co., Limited (6839)	1st loan: RMB1,243,057,976.21 2nd loan: RMB130,000,000	2.7%	1st loan: 5 years 2nd loan: 3.75 years	Share charge of 161,850,891 shares of Zhejiang Qianjiang Biochemical Co., Ltd., a company listed on the Shanghai Stock Exchange with market value of approximately RMB787 million as stated in the announcement (i.e. loan-to-value ratio of approximately 175%)
30/9/2024	Seazen Group Limited (1030)	RMB120,000,000	The higher of (i) over-one year and less than five years LPR; and (ii) 6.05% per annum (i.e. 6.05% based on the then prevailing LPR)	3 years	A property with value not less than the loan-to-value ratio of 60% of the loan
17/9/2025	The Company	Not more than RMB100,000,000	3.5% per annum	3 years	20 patents to be pledged with a preliminary appraised value of approximately RMB103.7 million as of 30 August 2025. (i.e. loan-to-value ratio of approximately 96%)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As noted from the above table, the interest rates of the Comparable Transactions were determined on various basis, including fixed rate or LPR or HIBOR. In accordance to the People's Bank of China, the current LPR is 3.00% per annum, which indicates that the interest rate of the Comparable Transactions for loans denominated in RMB ranged from 2.24% to 6.05%. The interest rate of 3.5% per annum in the Trust Loan Agreement is higher than the average of the Comparable Transactions, but still within the range of that of the Comparable Transactions. Nevertheless, the companies involved in the Comparable Transaction may have different principal activities, operational scale, and capital structure, all of which may directly influence the interest rate offered. As such, the analysis in this section should not be considered on an isolated basis but should be taken into account in totality with other factors when considering the fairness of the Trust Loan Agreement.

Having considered (i) the current interest rate of long term bank loans and secured borrowings of the Group is higher than 3.5% per annum; (ii) the timely funding need as mentioned in the section headed "Reasons and benefits entering into the Trust Loan Agreement and the IP Pledge Agreement"; (iii) the interest rate of 3.5% per annum in the Trust Loan Agreement is within the range of that of the Comparable Transactions; and (iv) and the fact that the Company was unable to obtain loan facility on terms more favourable to the Group than those of the Trust Loan Agreement from other financial institutions as set out in the section headed "Reasons and benefits entering into the Trust Loan Agreement and the IP Pledge Agreement" above, we are of the view that terms, including the interest rate, of the Trust Loan Agreement is fair and reasonable.

Assessment on the IP Pledge Agreement

As disclosed in the Letter from the Board of the Circular, the IP Pledge Agreement shall be entered into by the parties within one year from the effective date of the Trust Loan Agreement. Tongfang Energy Saving shall pledge certain of its intellectual property rights (i.e. 20 patents which are being used by Tongfang Energy Saving in its ordinary and usual course of business), in favour of FOTIC over the pledge period so as to provide guarantee for the fulfillment of its repayment obligations under the Trust Loan Agreement. The pledge period will cover the period from the Drawdown Date up to the date on which Tongfang Energy Saving fulfills its repayment obligations under the Trust Loan Agreement.

According to the Company, the preliminary appraised value of the Pledged Patents amounted to approximately RMB103.7 million as of 30 August 2025, which indicates that the loan-to-value ratio of approximately 96%, calculated by dividing the loan amount by the value of the pledged assets. A higher loan-to-value ratio is considered as more favourable to the borrower, assuming all other terms being identical. As depicted from the above Comparable Transactions table, the loan-to-value ratio of the Comparable Transactions are ranging from 50% to 175%. Given that the Pledged Patents charged with loan-to-value ratio of approximately 96% is at the upper quartile and within the range of the Comparable Transaction, which is considered fair and reasonable so far as the Independent Shareholders are concerned.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition, the carrying valuation will be determined by an independent valuer adopting income approach and the primary valuation report will only be issued prior to the signing date of the IP Pledge Agreement. Tongfang Energy Saving and FOTIC will confirm the actual drawdown amount under the Trust Loan Agreement based on the final valuation amount of the pledged intellectual property rights.

Having considered above, we are of the opinion that the terms of the Trust Loan Agreement and IP Pledge Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

Having considered the above principal factors and reasons, we consider that the transactions contemplated under Trust Loan Agreement and IP Pledge Agreement, though not in the ordinary and usual course of business of the Group, is considered in the interests of the Company and the Shareholders as a whole, and that the terms of the Loan Agreement and IP Pledge Agreement are on normal commercial terms and fair and reasonable as far as the Independent Shareholders are concerned. We therefore advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to approve the relevant resolutions to be proposed at the 2026 Second EGM.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
Calvin Leung
Director

Mr. Calvin Leung is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Somerley Capital Limited, which is licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. He has over 20 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTEREST BY DIRECTORS

As at the Latest Practicable Date, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 2, 3, 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Name	Capacity/ Nature of interest	Number of Ordinary Share as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date
Mr. Zhao Xiaobo	Beneficial owner	8,728,000	1.12%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short position in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Other than the fact that each of Mr. Li Chengfu and Mr. Zeng Xuejie is an employee of THTF or its subsidiary, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

As at the Latest Practicable Date, none of the Directors had direct or indirect material interest in any assets which have been, since 31 December 2024 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group.

There is no contract or arrangement subsisting at the date of this circular in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

3. SUBSTANTIAL SHAREHOLDERS

So far as it is known to the Directors, as at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name	Capacity/ Nature of interest	Number of Ordinary Share as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date
THTF	Beneficial owner	92,000,000	11.76%
	Interest in a controlled corporation ⁽¹⁾	194,330,142	24.84%
Resuccess Investments Limited	Beneficial owner	194,330,142	24.84%

Notes:

- (1) THTF is the sole shareholder of Resuccess Investments Limited and hence is deemed to be interested in all the Shares held by Resuccess Investments Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had any personal interests in companies engaged in businesses, which compete or may compete with the Group.

7. EXPERT AND CONSENT

The following are the qualifications of the expert who has been named in this circular or have given opinion or letter contained in this circular:

Name	Qualifications
Somerley Capital Limited	a corporation licensed by the Securities and Futures Commission of Hong Kong to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Somerley Capital Limited has given and have not withdrawn its written consent to the issue of this circular with the inclusion therein of their letters and references to their names, in the form and context in which they are included.

As at the Latest Practicable date, Somerley Capital Limited did not have any shareholding in any member of the Group and did not have the right to subscribe for or to nominate persons to subscribe for shares in any members of the Group.

As at the Latest Practicable Date, Somerley Capital Limited did not have any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

8. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated accounts of the Group were made up.

9. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.technovator.com.sg) for a period of 14 days from the date of this circular (both days inclusive):

- (i) the Trust Loan Agreement;
- (ii) the IP Pledge Agreement;
- (iii) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (iv) the letter from Somerley Capital Limited, the Independent Financial Adviser, the text of which is set out in this circular; and
- (v) the written consent from Somerley Capital Limited.

No.	Patent	Patent type	Patent number	Registration date
1.	Area noise reduction method, device, equipment, system and storage medium (空間局域降噪音方法、裝置、設備、系統、儲存介質)	Invention Patent	ZL202311000984.9	12 January 2024
2.	Type of HVAC system control method, device, equipment and storage medium (一種通風空調系統控制方法、裝置、設備和儲存介質)	Invention Patent	ZL202310952957.5	31 October 2023
3.	Operating device for a type of direct contact type condenser (一種接觸式凝汽器的運行裝置)	Utility Patent	ZL202320807222.9	8 December 2023
4.	Type of waste-heat recovery driven desalination device (一種餘熱回收型海水淡化裝置)	Utility Patent	ZL202320744888.4	3 November 2023
5.	Device used in solid-state baijiu distillation for increasing carbon reduction (一種用於固態白酒釀甌工藝的減碳增效裝置)	Utility Patent	ZL202320649168.X	19 December 2023
6.	Type of long-distance heat supply device accounting for the large temperature difference in industrial heat usage (一種兼顧工業用熱的大溫差長輸供熱裝置)	Utility Patent	ZL202320603673.0	29 August 2023
7.	Absorption type heat exchanger unit using exhaust gas waste-heat (煙氣餘熱深度回收利用的吸收式換熱機組)	Utility Patent	ZL202122709896.9	7 June 2022

No.	Patent	Patent type	Patent number	Registration date
8.	Type of waste-heat recovery with high-temperature hot water and steam turbine unit (一種餘熱回收型高溫熱水—蒸汽機組)	Utility Patent	ZL202121945317.4	5 April 2022
9.	Plate-type temperature raising absorption heat pump unit (板式升溫型吸收式熱泵機組)	Utility Patent	ZL20202140291.3	26 January 2021
10.	Heat-pipe type temperature raising absorption heat exchange unit (熱管式升溫型吸收式換熱機組)	Utility Patent	ZL202021438813.6	9 February 2021
11.	Temperature raising absorption type large temperature difference heat exchange unit (升溫型吸收式大溫差換熱機組)	Utility Patent	ZL202021441180.4	26 January 2021
12.	New type of large temperature difference absorption heat exchange unit (一種新型吸收式大溫差換熱機組)	Invention Patent	ZL201910810937.8	28 May 2024
13.	Low-temperature hot water powered large temperature difference absorption heat exchange unit (低溫熱水驅動的吸收式大溫差換熱機組)	Utility Patent	ZL201921424236.2	9 June 2020
14.	New type of large temperature difference absorption heat exchange unit (新型吸收式大溫差換熱機組)	Utility Patent	ZL201921424232.4	9 June 2020
15.	Heat-pipe type absorption heat exchange unit (熱管式吸收式換熱機組)	Utility Patent	ZL201921424175.X	26 June 2020
16.	Type of cold temperature water absorption unit (一種吸收式冷溫水機組)	Invention Patent	ZL201910810923.6	12 April 2024

No.	Patent	Patent type	Patent number	Registration date
17.	Type of large temperature difference absorption heat exchange unit (一種吸收式大溫差換熱機組)	Invention Patent	ZL201810520491.0	9 April 2024
18.	Large temperature difference absorption heat exchange unit (吸收式大溫差換熱機組)	Utility Patent	ZL201820798666.X	5 March 2019
19.	Type of energy conservation control device applicable to railway air conditioning (一種適用於地鐵通風空調的節能控制裝置)	Utility Patent	ZL201720517263.9	15 December 2017
20.	Type of indirect cold storage water thermal air conditioning system (一種間接蓄冷的水蓄冷空調系統)	Invention Patent	ZL201010246838.0	25 December 2013

NOTICE OF 2026 SECOND EGM



TECHNOVATOR INTERNATIONAL LIMITED

同方泰德國際科技有限公司*

(incorporated in Singapore with limited liability)

(Stock Code: 1206)

NOTICE IS HEREBY GIVEN THAT the 2026 second extraordinary general meeting (the “2026 Second EGM”) of Technovator International Limited (the “Company”) will be held at Level 17, Silvercord Tower 2, 30 Canton Road, Tsim Sha Tsui, Hong Kong on Wednesday, 28 January 2026 at 2:30 p.m., to transact the following businesses:

ORDINARY RESOLUTION

1. “THAT:

- (a) the trust loan agreement dated 17 September 2025 (the “Trust Loan Agreement”) (attaching the intellectual property pledge agreement to be entered into (the “IP Pledge Agreement”) as appendix thereto) (a copy of the Trust Loan Agreement has been produced at the meeting marked “A” and signed by the chairman of the meeting for identification purpose), the terms and conditions thereof and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any director of the Company be and is hereby authorised to do all such acts and things and to sign and execute all such other documents or instrument for and on behalf of the Company (including the affixation of the common seal of the Company where required) as he may consider necessary, appropriate, expedient or desirable in connection with, or to give effect to, the Trust Loan Agreement and the IP Pledge Agreement and to implement the transactions contemplated thereunder and to agree to such variations, amendments or waivers of matters relating thereto that are of administrative nature and ancillary to the implementation of the Trust Loan Agreement and the IP Pledge Agreement and any other transactions contemplated under or incidental to the Trust Loan Agreement and the IP Pledge Agreement. “

By Order of the Board
Technovator International Limited
Li Chengfu
Chairman

Hong Kong, 12 January 2026

* For identification purpose only

NOTICE OF 2026 SECOND EGM

Registered office:

66 Tannery Lane
#04-10/A
Sindo Industrial Building
Singapore 347805

Principal place of business in

Hong Kong:

Level 17
Silvercord Tower 2
30 Canton Road
Tsim Sha Tsui, Hong Kong

As at the date of this notice, the executive Directors of the Company are Mr. ZHAO Xiaobo and Mr. QIN Bing; non-executive Directors are Mr. LI Chengfu, Mr. ZENG Xuejie and Ms. ZHANG Yanhua; the independent non-executive Directors are Mr. CHIA Yew Boon, Mr. LI Xuejin and Ms. LU Yao.

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the offices of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the above meeting or any adjournment thereof.
3. In order to be eligible to attend and vote at the meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 22 January 2026.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the above resolution will be decided by way of poll, except where the chairman, in good faith, decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands.