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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **EVOC Intelligent Technology Company Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker 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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**研祥智能科技股份有限公司**

**EVOC Intelligent Technology Company Limited\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2308)**

**MAJOR TRANSACTION:**

**ACQUISITION OF LAND USE RIGHTS IN KUNSHAN, THE PRC**

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\* *For identification purpose only*

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## DEFINITIONS

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

“Acquisition”	the acquisition of the Land
“Articles of Association”	the articles of association of the Company as amended from time to time
“Associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	EVOC Intelligent Technology Company Limited, a joint stock limited company incorporated in the PRC with limited liability and the H shares of which are listed on Stock Exchange
“Connected Person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party/Parties”	a person or persons which is or are independent of, and not connected with, any directors, chief executive or substantial shareholders (within the meaning under the Listing Rules) of the Company or any of its subsidiaries or any of their respective associate(s) (within the meaning under the Listing Rules)
“Kunshan”	Kunshan City (昆山市)
“Kunshan Bureau”	Kunshan Land and Resources Bureau* (昆山市國土資源局)
“Kunshan EVOC”	Kunshan EVOC Intelligent Technology Company Limited* (昆山研祥智能科技有限公司), an indirect wholly owned subsidiary of the Company
“Land”	the parcel of land with a total site area of 222,384.66 sq. m. situated on the south of Shuangyong Road, near the east side of Dianshan Lake in Dianshan Lake town, Kunshan, Jiangsu Province, the PRC (中國江蘇省昆山市淀山湖鎮雙永路南側、淀山湖東側地塊)
“Land Grant Contract”	the land grant contract signed by the Kunshan Bureau and Kunshan EVOC in relation to the Acquisition

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## DEFINITIONS

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“Latest Practicable Date”	10 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the required standards of dealings regarding securities transactions by Directors or the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules
“Percentage Ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Law”	has the meaning ascribed to it under Rule 19A.04 of the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	the shares of the Company
“SFO”	the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Shareholders”	the shareholders of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“sq. m.”	square metres
“Wuxi Company”	無錫深港國際服務外包產業發展有限公司 (Wuxi SHIOC International Outsourcing Industry Development Company Limited*) (formerly known as 無錫市江南大世界投資發展有限公司 (Wuxi Jiang Nan Da Shi Jie Investment Development Company Limited*), a wholly owned subsidiary of the Company

*In this circular, the English names of the PRC entities are translations of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*



研祥智能科技股份有限公司  
**EVOC Intelligent Technology Company Limited\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2308)**

*Executive Directors:*

Mr. Chen Zhi Lie (*Chairman*)  
Mr. Tso Cheng Shun  
Mr. Zhu Jun

*Independent Non-Executive Directors:*

Mr. Ling Chun Kwok  
Ms. Dai Lin Ying  
Mr. Wang Zhao Hui  
Mr. An Jian

*Registered Office and*

*Principal Place of Business:*  
20/F., EVOC Technology Building  
No. 31 Gaoxinzongsi Avenue  
Nanshan District  
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People's Republic of China

*Liaison office in Hong Kong:*

Unit No. 1619  
16th Floor, Star House  
3 Salisbury Road  
Tsimshatsui  
Kowloon, Hong Kong

12 April 2013

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION:**

**ACQUISITION OF LAND USE RIGHTS IN KUNSHAN, THE PRC**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 21 March 2013, in relation to the Acquisition. The Company and the Kunshan Bureau had on 13 March 2013 and 21 March 2013 respectively signed the Land Grant Contract in relation to the Acquisition. The purpose of this circular is to provide you with, among other things (i) further information on the Acquisition; and (ii) the property valuation report.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable Percentage Ratios as defined in the Listing Rules exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules and hence is subject to reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules. accordingly.

As (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition and (ii) the Company has obtained written approval for the Acquisition in accordance with Rule 14.44 of the Listing Rules from Mr. Chen Zhi Lie, a Director and substantial shareholder holding 924,792,000 out of 1,233,144,000 issued shares of the Company, representing approximately 75% of the issued share capital of the Company and hence is more than 50% in nominal value of the securities giving the right to attend and vote at that general meeting to approve the Acquisition, the written Shareholder's approval given by Mr. Chen Zhi Lie will be accepted in lieu of holding a general meeting of the Company to approve the Acquisition. Accordingly, no special general meeting will be convened for the purpose of approving the Acquisition as permitted under Rule 14.44 of the Listing Rules.

### THE LAND GRANT CONTRACT

The principal terms of the Land Grant Contract are provided as follows:

Date:	13 March 2013
The Vendor:	Kunshan Bureau
The Purchaser:	Kunshan EVOC
Location of the Land:	The parcel of land situated on the south of Shuangyong Road, near the east side of Dianshan Lake in Dianshan Lake Town, Kunshan, the PRC (昆山市淀山湖鎮雙永路南側、淀山湖東側地塊)
Total Site Area:	Approximately 222,384.66 sq. m.
Usage:	Commercial, business and residential
Term of the Land Use Rights:	70 years for residential use and 40 years for commercial and business uses
Consideration:	RMB244,623,126 (approximately HK\$304,873,802)

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## LETTER FROM THE BOARD

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Payment Terms: The Consideration shall be paid by the Company in the following manner:

- (a) RMB122,311,563 (being 50% of the Consideration) shall be paid within one calendar month after the date of the Land Grant Contract; and
- (b) the balance of the Consideration in the sum of RMB122,311,563 shall be paid within two calendar months after the date of the Land Grant Contract, and the deposit paid by the Company in the sum of RMB47,500,000 shall be treated as part payment of the Consideration and be set off against the second payment.

The Company intends to finance the Consideration by its internal resources.

As at the Latest Practicable Date, the Company has in compliance with the Land Grant Contract paid a sum of RMB47,500,000 as part payment of the Consideration. The outstanding balance of RMB197,123,126 shall be settled by two installments of RMB122,311,563 and RMB74,811,563 respectively within one and two calendar months after the date of the Land Grant Contract.

### INFORMATION OF THE KUNSHAN BUREAU

The Kunshan Bureau is a PRC governmental authority and the seller of the Land.

To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Kunshan Bureau and its ultimate beneficial owners (if any) are Independent Third Parties.

### INFORMATION OF THE LAND

Apart from the information set out above, the Land shall have a plot ratio of not less than 0.6 and not more than 1.0. Building density of the Land shall be not more than 35% and greenery ratio shall be not less than 30%.

Pursuant to the Land Grant Contract, delivery of the Land to the Company by the Kunshan Bureau shall take place no later than 13 May 2013. The Company shall build and construct new buildings, structures and ancillary facilities thereon and the construction shall commence before 13 November 2013 and complete before 13 May 2016, unless approval for extension shall be granted by the Kunshan Bureau.

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## LETTER FROM THE BOARD

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The Land is purported to be used for commercial, business and residential developments and service facilities and the Company shall build a hotel with gross floor area of not less than 30,000 sq. m..

### **BASIS OF THE CONSIDERATION**

The Consideration was arrived at as a result of successful bidding of the Land by the Company through sealed bidding, after taking into account the minimum bid price, current market conditions, location of the Land and land price in the surrounding area.

Apart from the aforesaid, the Company had consulted a professional valuer about the value of land in the vicinity of the Land before entering the bid and the Company has taken such information into account in determining the Consideration.

The Directors consider that the Consideration is fair and reasonable having taken into account the location and potential value of the Land and the preliminary valuation of the Land of RMB247,000,000 as at 28 February 2013 as assessed by an independent property valuer appointed by the Company. Full text of the valuation report of the Land is set out in Appendix II to this circular.

### **REASONS FOR THE ACQUISITION**

The Land is situated in a prime location not far from Shanghai and is permitted for commercial, office and residential uses. The Company will construct new buildings, structures and ancillary facilities thereon, including low density residential buildings, shopping mall and a hotel with gross floor area of not less than 30,000 sq. m..

The Board believes that the future development for economic areas surrounding Shanghai is promising and the demands for quality low density residential buildings, shopping mall and hotel remain strong. Therefore, the Board believes that upon completion of such project, it will enjoy a strong income inflow from the project. In view of the above, the Board is of the view that the Acquisition represents a rare and unique investment opportunity for the Group.

Based on the above, the Board considers that the terms of the Acquisition are normal commercial terms, fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

### **FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The Company principally engages in the research and development, manufacture and distribution of Advanced Process Automation (“APA”) products since 1993, trading of electronic accessories and development of properties in the PRC. The Company’s shares were listed on the Growth Enterprise Market of the Stock Exchange on 10 October 2003. The Company transferred from the Growth Enterprise Market to the Main Board of the Stock Exchange on 12 July 2010, and is the only listed company of the industry in the PRC.

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## LETTER FROM THE BOARD

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The main tasks of the Group in the future will be the enhancement of the Company's core business in order to improve its competitiveness and profitability. The Group will stick to its core value of "self-innovation" when enhancing its competitiveness, and at the same time enlarge its sale network and seek other business opportunities to further increase the Group's overall profit.

The Directors believe that after the Acquisition, the Group will be able to generate more income by way of sale of the residential premises and some of the commercial premises and also to generate a stable inflow of income by way of renting out of some of the commercial premises. In brief, the Acquisition will generate future earnings of the Group.

### **FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP**

The Acquisition would increase the total assets of the Group. The Consideration for the Acquisition will be funded by the Group's internal resources. It is expected that the Acquisition will not have any immediate material effect on the earnings and liabilities of the Group.

### **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in Appendices to this circular.

Yours faithfully,  
for and on behalf of  
**EVOC Intelligent Technology Company Limited**  
**Chen Zhi Lie**  
*Chairman*

## 1. FINANCIAL INFORMATION

By way of reference, the financial information of the Group for the three years ended 31 December 2010, 2011 and 2012 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.evoc.com>):

- The Annual Report 2010 (pages 27 to 82);
- The Annual Report 2011 (pages 27 to 82); and
- The Annual Report 2012 (pages 30 to 89).

## 2. INDEBTEDNESS

At the close of business on 28 February 2013, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group was as follows:

### (i) Bank overdrafts and borrowings

At 28 February 2013, the secured bank borrowings and general banking facilities of the Group and the Company with carrying amount of RMB1,554,011,000 are secured by way of charge over certain assets, including building, investment properties, leasehold land under operating leases and construction in progress, together with the personal guarantees given by an executive director of the Company and related parties, including a spouse of an executive director and ultimate holding company. The remaining secured bank borrowings of the Group and the Company are secured by way of personal guarantees given by an executive director of the Company and ultimate holding company.

### (ii) Contingent liabilities

The Group has no significant contingent liabilities at 28 February 2013.

### (iii) Disclaimer

Save as otherwise disclosed above and apart from intra-group liabilities, at the close of business on 28 February 2013, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had no other outstanding mortgage, charge, debenture or other loan capital or bank overdraft or loan or other similar indebtedness, finance lease or hire purchase commitment, liability under acceptance or acceptance credit, debt security, guarantee or other material contingent liability. To the best knowledge of the Directors, having made all reasonable enquiries, there has been no material change in indebtedness or contingent liabilities of the Group up to the Latest Practicable Date since 28 February 2013 save as otherwise mentioned herein.

**3. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the present financial resources, the banking facilities presently available to the Group and the effect of the Acquisition, in the absence of unforeseen circumstances, the Group will have sufficient working capital to meet its requirements for at least 12 months from the date of this circular.

**4. MATERIAL ADVERSE CHANGE**

Up to the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 December 2012, the date to which the latest audited consolidated financial statements of the Group were made up.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the years ended 31 December 2010, 2011 and 2012*

	<b>Year ended 31 December</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	1,161,761	1,111,049	1,277,182
Cost of sales	<u>(970,965)</u>	<u>(883,191)</u>	<u>(1,057,915)</u>
Gross profit	190,796	227,858	219,267
Other income	95,325	68,607	63,398
Selling and distribution costs	(48,534)	(50,502)	(42,138)
Administrative expenses	(43,966)	(47,859)	(75,833)
Other operating expenses	(53,797)	(62,640)	(61,244)
Other gains and losses	5,026	12,062	(12,173)
Finance costs	<u>(49,477)</u>	<u>(32,830)</u>	<u>(56,912)</u>
Profit before income tax	95,373	114,696	34,365
Income tax (expense)/credit	<u>(675)</u>	<u>(26,303)</u>	<u>4,136</u>
<b>Profit for the year</b>	<u>94,698</u>	<u>88,393</u>	<u>38,501</u>

	Year ended 31 December		
	2012	2011	2010
	RMB'000	RMB'000	RMB'000
<b>Other comprehensive income, after tax</b>			
Surplus on revaluation of buildings	29,874	15,896	6,849
Exchange difference on translating foreign operations	—	369	166
	<u>29,874</u>	<u>16,265</u>	<u>7,015</u>
Other comprehensive income for the year, net of tax	<u>29,874</u>	<u>16,265</u>	<u>7,015</u>
Total comprehensive income for the year	<u>124,572</u>	<u>104,658</u>	<u>45,516</u>
<b>Profit attributable to:</b>			
— Owners of the Company	93,453	93,535	57,429
— Non-controlling interests	1,245	(5,142)	(18,928)
	<u>94,698</u>	<u>88,393</u>	<u>38,501</u>
<b>Total comprehensive income attributable to:</b>			
— Owners of the Company	110,468	109,800	64,444
— Non-controlling interests	14,104	(5,142)	(18,928)
	<u>124,572</u>	<u>104,658</u>	<u>45,516</u>
Earnings per share — Basic and diluted ( <i>RMB</i> )	<u>0.076</u>	<u>0.076</u>	<u>0.047</u>

**For the year ended 31 December 2010***Results Summary*

The Group recorded a turnover of approximately RMB1,277.2 million and a profit for the year of approximately RMB38.5 million for the year ended 31 December 2010. The Group's core business and production were stable with a decrease in its profit margin as compared with that of last year due to increase in auxiliary business with a comparatively lower margin. The Group's profit attributable to owners of the Company was approximately RMB57.4 million. The decrease was mainly attribute from impairment loss in lease prepayment and impairment of goodwill on Wuxi project. The Group has continued focusing on research and development on new products. The management believes the new products will have good contribution to the Group in the coming future.

*Business Review*

During the period under review, the Group continued to engage in the research and development, manufacture and distribution of APA products in China, and worked unswervingly to upgrade and transform Chinese traditional industries to facilitate their fast development by using information technology, artificial intelligence, digitalization and automation. As the sole member of INTEL ICA among APA manufacturers in Mainland China, and having established a strategic cooperative relationship with the Institute of Computing Technology of the Chinese Academy of Sciences on application of embedded technology, the Group has good command of the latest development in the chip technology and dominance in deciding the formulation of standards for the Chinese APA industry, reflecting more clearly its overall competitive strength.

During the period, major economies worldwide have shown different degrees of recovery and growth after global financial tsunami. China's economy is set to sustain its recovery, particularly after the ultra-high surge in investment driven by the 4-trillion stimulation plan in 2009. In 2010, the overall investment in China will return to the normal track of growth, while the growth pace of IT industry will continue to rebound. In particular, investment in infrastructure focusing on energy (safety control of coal mines), transportation (railway transportation control), environmental protection (pollution sources monitoring), as well as the market size for 100-billion level terminal replacement brought by 3G mobile communication also maintain rapid growth, thereby providing the Group with a more extensive market and development opportunity. The Group has enhanced its market competitiveness via re-integration of internal management structure and structural adjustment, thereby achieving relatively satisfactory operating results during the period under review.

In 2007, the Group engaged in the construction and operation of service subcontracting base project via the investment in Wuxi Company. During the period under review, the land planning for the service sub-contracting base project of Wuxi Company was changed by the Wuxi Land Resources Administration Bureau to include the construction of a runway across the middle of the land of width of more than 80 meters. Such construction has an adverse effect on the development of the land as it cuts the land into more segments which will affect the optimal usage of the land by the Wuxi Company.

As a result, the Wuxi Company has been in negotiation with the Wuxi Land Resources Administration Bureau on the modification of the site area of the land from approximately 518,564 square meters to 215,221.1 square meters (i.e. decrease by approximately 303,342.9 square meters), and thus the total land premium payable by Wuxi Company to Wuxi Land Resources Administration Bureau for the land was changed from RMB362,000,000 to RMB150,220,000. Accordingly, the total contribution of the Group to Wuxi Company was changed from RMB717,898,100 to RMB396,205,100. The existing equity interest of the Group in the Wuxi Company will not be affected by the said reduction, and that such reduction will provide a saving of RMB321,693,000 to the Group, and the Group will have more working capital and cash flow for the development of its core business and other business. Upon considering the above factors, the Board is of the view that the above changes are in the interest of the Group and the shareholders as a whole.

#### *Liquidity, Financial Resources and Gearing Ratio*

The Group generally finances its operation with internal resources and external banking facilities from bankers in the PRC. As at 31 December 2010, the Group's gearing ratio were 52.7% (calculated on the basis of the Group's total liabilities over total assets) which was at similar level as previous year. At the year end date, the Group's total bank borrowings amounted to approximately RMB942 million (2009: RMB1,022 million). The Group's cash and bank balances as at 31 December 2010 decreased to approximately RMB1,280 million (2009: RMB1,317 million). The current ratio (calculated on the basis of the Group's current assets over current liabilities) decreased to 1.77 as at 31 December 2010 (2009: 1.94).

#### *Foreign Exchange Risks*

Since most of the transactions of the Group were denominated in Renminbi, the Group did not experience any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year under review.

#### *Contingent Liabilities*

The Group has no contingent liabilities at 31 December 2010.

#### *Employee Information*

As at 31 December 2010, the Group had total workforce of 1,706 (2009: 1,932). Employee benefits during the year were RMB64.2 million. The Group recognizes the importance of high caliber and competent staff and has a strict recruitment policy and performance appraisal scheme.

The Group provides ongoing training programs for employees to keep them abreast of the latest market trends and new internet technologies as well as to enhance their knowledge of national quality standards. The Group also provides different training programs to its senior management to ensure the highest management skills and techniques.

The Group has adopted the PRC government's social security system that comprises retirement fund and medical insurance. The Group also provides Mandatory Provident Fund benefits for its employees in Hong Kong.

#### *Material Acquisitions and Disposals*

The Group had no material acquisitions or disposals during the year ended 31 December 2010.

#### **For the year ended 31 December 2011**

#### *Results Summary*

The Group recorded a turnover of RMB1,111.0 million and a profit for the year of RMB88.4 million for the year ended 31 December 2011. The Group's core business and production were stable with an increase in its profit margin as compared with that of last year due to effective cost control measures implemented. The Group's profit attributable to owners of the Company was RMB93.5 million. The increase was mainly attributable to the decrease in amortisation of land lease prepayments and gains on revaluation of investment properties. The Group has continued focusing on research and development on new products. The management believes the new products will have good contribution to the Group in the coming future.

#### *Business Review*

During the period under review, the Company continued to engage in the research and development, manufacture and distribution of Advanced Process Automation ("APA") products, trading of electronic accessories and development of properties in China, and worked unswervingly to upgrade and transform Chinese traditional industries to facilitate their development by using information technology, artificial intelligence, digitalisation and automation. As the sole member of INTEL ICA among APA manufacturers in Mainland China, and being the world first premium partner with Microsoft in the embedded technology field since the end of 2011, the Company possesses the qualification of simultaneous research and development and production of chip products, and thus manages to rapidly provide innovative solutions to foster market development. With the establishment of a strategic cooperative relationship with the Institute of Computing Technology of the Chinese Academy of Sciences on the application of embedded technology, the Company has the dominance in deciding the formulation of national standards for the Chinese APA industry. The "EVOC" trademark of the Company was identified as "Famous Trademark of China" by the State Administration for Trade and Industry, which is also the first famous trademark obtained by APA enterprise in China. The trademark enhanced the international influence for the "EVOC" trademark of the Company, and the effective protection of its proprietary intellectual property rights and trademark brands, thereby significantly enhancing its overall competitive edges.

During the period, amidst the international environment with substantial fluctuations and lower-than-expected growth of the global economy, China has maintained a steady yet relatively fast development. The growth pace of the production of information industry

continued to rebound, while investment in infrastructure focusing on energy (safety control of coal mines), transportation (railway transportation control), environmental protection (pollution sources monitoring), as well as the market size for 100-billion level terminal replacement brought by 3G mobile communication also maintain rapid growth, thereby providing the Company with a more extensive market and development opportunity. The Company has enhanced its market competitiveness via re-integration of internal management structure and structural adjustment, thereby achieving relatively satisfactory operating results during the period under review.

The Company engaged in the construction and operation of service sub-contracting base project via the investment in 無錫深港國際服務外包產業發展有限公司 (formerly known as “Wuxi Jiang Nan Da Shi Jie Investment Development Company Limited”, hereunder “Wuxi Company”). During the period under review, the service sub-contracting base project of Wuxi Company has achieved smooth progress, and the Prime New Plaza has now been completed with pre-sales commenced, bringing a steady cash flow to the Company. The service sub-contracting project is the expansion and extension of the Company’s existing business, which will take an active role in fostering the development of the existing business and adding a new profit growth point.

#### *Liquidity, Financial Resources and Gearing Ratio*

The Group generally finances its operation with internally resourced and banking facilities generally by bankers in the PRC. As at 31 December 2011, the Group’s gearing ratio had increased to 54.4% (calculated on the basis of the Group’s total liabilities over total assets) from 52.7% as at 31 December 2010. At the year end date the Group’s total bank borrowings amounted to RMB1,012 million (2010: RMB942 million). The Group’s cash and bank balances as at 31 December 2011 has decreased to RMB1,160 million (2010: RMB1,280 million). The current ratio (calculated on the basis of the Group’s current assets over current liabilities) has increased to 2.18 times as at 31 December 2011 (2010: 1.77 times).

#### *Foreign Exchange Risks*

Since most of the transactions of the Group were denominated in Renminbi, the Group did not experience any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year under review.

#### *Contingent Liabilities*

The Group has no contingent liabilities at 31 December 2011.

#### *Employee Information*

As at 31 December 2011, the Group had total workforce of 1,535 (2010: 1,706). Employee benefit during the year were RMB87.7 million. The Group recognises the importance of high caliber and competent staff and has a strict recruitment policy and performance appraisal scheme. Remuneration policies are mainly in line with industry practices, and are formulated on the basis of performance and experience and will be

reviewed regularly. The Group remunerates its employees based on performance, experience and prevailing industry practices. The Group also provides Mandatory Provident Fund benefits for its employees in Hong Kong and the Statutory Retirement Scheme for its employees in the PRC.

#### *Material Acquisitions and Disposals*

The Group had no material acquisitions or disposals during the year ended 31 December 2011.

#### **For the year ended 31 December 2012**

#### *Result Summary*

The Group recorded a turnover of RMB1,161.8 million and a profit for the year of RMB94.7 million for the year ended 31 December 2012. The Group's core business and production were stable with a decrease in its profit margin as compared with that of last year due to increase in auxiliary services business with a comparatively low margin. The Group's profit attributable to owners of the Company was RMB93.5 million. The slightly decrease was mainly due to finance costs increased. The Group has continued focusing on research and development on new products and the area of properties development in PRC. The management believes such multi business strategy will have good contribution to the Group in the coming future.

#### *Business Review*

During the period under review, the Company continued to engage in the research and development, manufacturing and distribution of Advanced Process Automation ("APA") products in China, and worked unswervingly to upgrade and transform Chinese traditional industries to facilitate their development by using information technology, artificial intelligence, digitalisation and automation.

As the sole member of INTEL ICA among APA manufacturers in Mainland China, and being the world first premium partner with Microsoft in the embedded technology field since the end of 2011, the Company possesses the qualification of simultaneous research and development and production of chip products, and thus manages to rapidly provide innovative solutions to foster market development. With the establishment of a strategic cooperative relationship with the Institute of Computing Technology of the Chinese Academy of Sciences on the application of embedded technology, the Company has the dominance in deciding the formulation of national standards for the Chinese APA industry. The "EVOC" trademark of the Company was identified as "Famous Trademark of China" by the State Administration for Industry and Commerce, which is also the first famous trademark obtained by APA enterprise in China. The trademark enhanced the international influence for the "EVOC" trademark of the Company, and the effective protection of its proprietary intellectual property rights and trademark brands, thereby significantly enhancing its overall competitive edges.

During the period, amidst the international environment with substantial fluctuations and lower-than-expected growth of the global economy, China has maintained a steady growth. The growth pace of the production of information industry continued to rebound, while investment in infrastructure focusing on energy (safety control of coal mines), transportation (railway transportation control), environmental protection (pollution sources monitoring), as well as the market size for 100-billion level terminal replacement brought by 3G mobile communication also maintained rapid growth, thereby providing the Company with a more extensive market and development opportunity. The Company has enhanced its market competitiveness via re-integration of its internal management system and structural adjustment, thereby achieving relatively satisfactory operating results during the period under review.

During the period, the Company agreed to acquire 49% of equity interests in Wuxi SHIOC International Outsourcing Industry Development Company Limited (formerly known as 無錫市江南大世界投資發展有限公司 (Wuxi Jiang Nan Da Shi Jie Investment Development Company Limited), hereunder “Wuxi Company”) at a consideration of RMB319 million. Upon the completion of the acquisition on 30 January 2013, the Company holds all issued share capital of Wuxi Company, which becomes the wholly owned subsidiary of the Company. Wuxi Company engages in the construction and operation of service sub-contracting base projects. Currently, some property development projects have been completed, and pre-sale has commenced. The relevant amount will be recognized as revenue when the Company receives the building ownership certificate in the year of 2013.

Upon the completion of the service sub-contracting base project of Wuxi Company, the Company will utilise some properties for its high technology research and development, manufacturing and software outsourcing business. Such act will actively foster the development of the Company’s existing business and add new profit growth points, which is in line with its long-term development strategy. Besides, the remaining properties could be used for sales and leasing, which will bring along stable cash flow to the Company for the next few years and boost its overall revenue.

#### *Liquidity, Financial Resources and Gearing Ratio*

The Group generally finances its operation with internally resourced and banking facilities generally by bankers in the PRC. As at 31 December 2012, the Group’s gearing ratio had increased to 62.3% (calculated on the basis of the Group’s total liabilities over total assets) from 54.4% as at 31 December 2011. At the year end date the Group’s total bank borrowings amounted to RMB1,595 million (2011:RMB1,012 million). The Group’s cash and bank balances as at 31 December 2012 has increased to RMB1,550 million (2011: RMB1,160 million). The current ratio (calculated on the basis of the Group’s current assets over current liabilities) has decrease to 1.80 as at 31 December 2012 (2011: 2.18).

#### *Foreign Exchange Risks*

Since most of the transactions of the Group were denominated in RMB, the Group did not experience any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year under review.

*Contingent Liabilities*

The Group has no contingent liabilities at 31 December 2012.

*Employee Information*

As at 31 December 2012, the Group had total workforce of 1,308 (2011: 1,535). Employee benefit during the year were RMB87.9 million.

The Group recognizes the importance of high caliber and competent staff and has a strict recruitment policy and performance appraisal scheme. Remuneration policies are mainly in line with industry practices, and are formulated on the basis of performance and experience and will be reviewed regularly. The Group remunerates its employees based on performance, experience and prevailing industry practices. The Group also provides Mandatory Provident Fund benefits for its employees in Hong Kong and the Statutory Retirement Scheme for its employees in the PRC.

*Material Acquisitions and Disposals*

The Group acquired 49% equity interest in 無錫深港國際服務外包產業發展有限公司 (Wuxi SHIOC International Outsourcing Industry Development Company Limited) at a consideration of RMB319 million and had no material disposal during the year ended 31 December 2012.

*The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from American Appraisal China Limited, an independent professional valuer, in connection with the valuation of the property as at 28 February 2013.*

American Appraisal China Limited  
1506 Dah Sing Financial Centre  
108 Gloucester Road / Wanchai / Hong Kong  
美國評值有限公司  
香港灣仔告士打道108號大新金融中心1506室  
Tel +852 2511 5200 / Fax +852 2511 9626

Leading / Thinking / Performing



10 April 2013

The Directors  
EVOC Intelligent Technology Co., Ltd.  
20/F, EVOC Technology Building  
No. 31 Gaoxinhongsi Road  
Nanshan District  
Shenzhen  
The PRC

Dear Sirs,

In accordance with the instructions of EVOC Intelligent Technology Co., Ltd. (referred to as the “Company”) to value the property interests owned by the Company and/or its subsidiaries (together referred to as the “Group”) located in Kunshan City, Jiangsu Province, the People’s Republic of China (the “PRC”) (the “Property”), we confirm that we have inspected the Property, made relevant enquiries and obtained such further information as we consider necessary to provide the market value of such property interests as at 28 February 2013 (referred to as the “date of valuation”).

This letter which forms part of our valuation report explains the basis and methodology of valuation, and clarifies our assumptions made on the ownership of Property and the limiting conditions.

## **BASIS OF VALUATION**

Our valuation is our opinion of the *Market Value* which is defined in accordance with the HKIS Valuation Standards of the Hong Kong Institute of Surveyors to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

*Market Value* is understood as the value of an asset and liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

This estimate specifically excludes an estimated price inflated or deflated by special considerations or concessions granted by anyone associated with the sale, or any element of special value.

### **VALUATION METHODOLOGY**

In the course of our valuation, the property has been valued by Direct Comparison Method where comparison based on prices realized on actual sales or asking price information of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property interest in order to arrive at a fair comparison.

### **TITLE INVESTIGATION**

We have been provided with copies of documents in relation to the title of the property interests. However, due to the current registration system of the PRC, no investigation has been made for the legal title or any liabilities attached to the Property. We have also not scrutinized the original documents to verify ownership or to verify any amendments which may not appear on the copies handed to us. We have relied to a considerable extent on the information provided by the Group regarding the title of the Property.

All legal documents disclosed in this letter and valuation certificate is for reference only and no responsibility is assumed for any legal matters concerning the legal title to the property interests set out in this letter and valuation certificate.

### **ASSUMPTIONS**

Our valuation has been made on the assumption that the owner(s) sell the property interests on the market without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the property interests.

We have assumed that the owner(s) of the property interests has free and uninterrupted rights to use, lease, sell or mortgage the property interests for the whole of the unexpired term of its respective land use rights.

We have also assumed that the property interests are freely disposable and transferable in the market to both local and overseas purchasers for the whole of the respective unexpired terms as granted without any fees or charge incurred unless otherwise stated.

It is assumed that all applicable zoning, land use regulations and other restrictions have been complied with unless non-conformity has been stated, defined and considered in the valuation certificate. Further, it is assumed that the utilization of the Property is within the boundaries of the property interests described and that no encroachment or trespass exists unless noted in the valuation certificate.

Other special assumptions of the Property, if any, have been stated in the footnotes of the valuation certificate.

**LIMITING CONDITIONS**

We have relied to a considerable extent on the information provided by the Group and have accepted advice given to us by the Group on such matters as statutory notices, easements, tenure, occupancy, planning approvals, site area and all other relevant matters. Dimensions and areas included in the valuation certificate are based on information contained in the documents provided to us and are only approximations.

We have no reason to doubt the truth and accuracy of the information as provided to us by the Group. We were also advised by the Group that no material facts have been omitted from the information so supplied. We consider we have been provided with sufficient information to reach an informed view. Our Leo Liang has inspected the Property in April 2013.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the interests are free of encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

**REMARKS**

In valuing the property interests, we have complied with all the requirements contained in Paragraph 34(2), (3) of Schedule 3 of the Companies Ordinance (Cap. 32), Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards (2012 Edition) published by the Hong Kong Institute of Surveyors.

We hereby certify that we have neither present nor a prospective interest in the property interest or the value reported.

We enclose herewith the summary of valuation and the valuation certificates.

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi.

Yours faithfully,  
For and on behalf of  
**AMERICAN APPRAISAL CHINA LIMITED**  
**Eric M. H. Poon**  
*MHKIS, MRICS, RPS(GP), CIREA, CFA*  
*Assistant Vice President*

*Note:* Mr. Eric Poon, who is a Chartered Valuation Surveyor, has over 12 years experience in valuation of properties in Hong Kong, the PRC and the overseas.

Mr. Leo Liang has over 3 years experience in valuation of properties in the PRC and has bachelor degree major in Real Estate Project Management.

## SUMMARY OF VALUATION

## Group I — Property interests held for future development

Property	Capital Value as at 28 February 2013 (RMB)
A land parcel (Lot No. 2013 Zhao 1) located on the south side of Shuangyong Road, east side of Dianshan Lake, Dianshan Lake Town, Kunshan City, Jiangsu Province, the PRC	247,000,000
中國江蘇省昆山市淀山湖鎮雙永路南側、淀山湖東側的一塊土地 (宗地編號: 2013招1)	
<b>Total:</b>	<u>247,000,000</u>

## VALUATION CERTIFICATE

## Group I — Property interests held for future development

Property	Description and Tenure	Particulars of Occupancy	Capital Value as at 28 February 2013 (RMB)
A land parcel (Lot No. 2013 Zhao 1) located on the south side of Shuangyong Road, east side of Dianshan Lake Dianshan Lake Town, Kunshan City, Jiangsu Province, the PRC 中國江蘇省昆山市 淀山湖鎮雙永路南側、 淀山湖東側的一塊土地 (宗地編號: 2013招1)	The Property is a land parcel with a site area of approximately 222,384.66 square metres.  It is located in a residential area, on the east side of Dianshan Lake and southern part of Kunshan City.  The land use rights of the Property have been granted with terms of 40 years for commercial and business uses and 70 years for residential use.	The Property was vacant as at the date of valuation.	247,000,000

## Notes:

- Pursuant to the State-owned Land Use Rights Grant Contract (國有土地使用權出讓合同), No. 3205832013CR0063, entered into between Kunshan Land and Resources Bureau (昆山市國土資源局) ("Kunshan Bureau" or the "Grantor") and Kunshan EVOC Intelligent Technology Company Limited (昆山研祥智能科技有限公司) ("Kunshan EVOC" or the "Grantee") dated 13 March 2013, the land parcel of the Property with a site area of 222,384.66 square metres has been granted to Kunshan EVOC at a consideration of RMB244,623,126 with terms of 40 years for commercial and business uses and 70 years for residential use. The condition of the subject land parcel has to reach "San Tong Yi Ping" (三通一平) upon delivery to Kunshan EVOC. Some of the key development criteria are set out as follows:

Site Area	:	About 222,384.66 square metres
Plot Ratio	:	≥0.6 and ≤1.0
Building Density	:	≤35%
Greenery Ratio	:	≥30%
- In the course of valuation, we have made the following assumptions:
  - Kunshan EVOC has obtained proper title of the Property with all premium and related cost or fee fully settled with relevant authority and is entitled to freely transfer the Property in the market as at the date of valuation.
  - The land parcel of the Property has been delivered to Kunshan EVOC with land condition reaching "San Tong Yi Ping" (三通一平) as at the date of valuation.
- Kunshan City is a satellite city in the greater Suzhou region with a total area of about 930 square kilometers and a total population of about 1.7 million. It is a county-level city within the prefecture-level of Suzhou and consists of 9 towns. They are Bacheng, Diansha Lake, Huaqiao, Jinxi, Lujia, Qiandeng, Yushan, Zhoushi, Zhouzhuang. The Property is located in a residential area along the north shore of Dianshan Lake and southern part of Kunshan City. As for the land market in the PRC, the general land price is on the rising trend. Among the commercial, residential and industrial land uses, the commercial land price has achieved slightly higher growth than both residential and industrial land uses, followed by industrial land use in the year 2012, according to the publication of Land Resources Bureau.
- As advised by the Company Kunshan EVOC is a wholly-owned subsidiary of the Company.

5. The PRC legal opinion states, inter alia, that:
- a) Kunshan EVOC has successfully bid for the subject land use rights of the Property through the tender process and entered into the State-owned Land Use Rights Grant Contract stated in Note 1, which comply with law and regulations.
  - b) Pursuant to the State-owned Land Use Rights Grant Contract stated in Note 1, Kunshan EVOC should settle the first payment of the land premium on or before 13 April 2013 and the second payment of the land premium on or before 13 May 2013. After the full settlement of the land premium in accordance to the said payment schedule, Kunshan EVOC can proceed to apply for the registration of the State-owned land use rights, which represents the possession of the State-owned land use rights.

**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.

**DISCLOSURE OF INTERESTS****(a) Interests of Directors and chief executives of the Company**

As at the Latest Practicable Date, the interests or short positions of the Directors, supervisors or chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short position which any such Director, supervisors or chief executive was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange were as follows:

Directors	Type of interests	Number of shares	Class of shares	Approximate percentage of holding of the relevant class of shares of the Company	Approximate percentage of holding of the total share capital of the Company
Chen Zhi Lie (陳志列)	Interest of a controlled corporation	878,552,400 (Note 1)	Domestic Shares	95.00%	71.25%
Chen Zhi Lie (陳志列)	Interest of a controlled corporation	46,239,600 (Note 2)	Domestic Shares	5.00%	3.75%

*Notes:*

- These Domestic Shares are held by EVOC Hi-Tech. Holding Group Co., Ltd. (formerly known as Shenzhen Yanxiang Wangke Industry Co., Ltd.) which is owned as to 70.5% by Mr. Chen Zhi Lie (陳志列) (“Mr. Chen”) and 29.5% by Ms. Wang Rong (王蓉), spouse of Mr. Chen. By virtue of Mr. Chen’s holding of more than one-third interest in EVOC Hi-Tech. Holding Group Co., Ltd., Mr. Chen is deemed to be interested in all the Domestic Shares held by EVOC Hi-Tech. Holding Group Co., Ltd. in the Company pursuant to Part XV of the SFO.
- These Domestic Shares are held by Shenzhen Haoxuntong Industry Co. Ltd. which is owned as to 100% by Mr. Chen. By virtue of Mr. Chen holding the entire interest in Shenzhen Haoxuntong Industry Co. Ltd., Mr. Chen is deemed to be interested in all the Domestic Shares held by Shenzhen Haoxuntong Industry Co. Ltd. in the Company pursuant to Part XV of the SFO.

**(b) Long position — interests in associated corporations**

Directors	Associated Corporation	Type of interests	Approximate percentage of holding of the total share capital of the associated corporation
Chen Zhi Lie (陳志列)	EVOC Hi-Tech. Holding Group Co., Ltd.	Beneficial owner	70.5%
		Interest of spouse	29.5%
Wang Rong (王蓉)	EVOC Hi-Tech. Holding Group Co., Ltd.	Beneficial owner	29.5%
		Interest of spouse	70.5%

*Note:* Ms. Wang Rong (王蓉) is the spouse of Mr. Chen and therefore Mr. Chen is deemed to be interested in the shares held by Ms. Wang Rong (王蓉) and Ms. Wang Rong (王蓉) is deemed to be interested in the shares held by Mr. Chen by virtue of Part XV of the SFO.

**(c) Interests of substantial Shareholders in other members of the Group**

As at the Latest Practicable Date, so far as the Directors are aware the persons who have an interest or short position in the 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 or be 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 of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company under section 336 of the SFO, are as follows.

*Long positions in Shares*

Name of shareholder of the Company	Nature and capacity in holding shareholding interest	Number of shares	Class of Shares	Percentage of the relevant class of shares	Percentage of total registered share capital
EVOC Hi-Tech. Holding Group Co., Ltd. (Note 1)	Registered and beneficial owner of the Domestic Shares	878,552,400	Domestic Shares	95.00%	71.25%
Chen Zhi Lie (陳志列) (Note 1)	Interest of a controlled corporation	878,552,400	Domestic Shares	95.00%	71.25%
Shenzhen Haoxuntong Industry Co., Ltd. (Note 2)	Registered and beneficial owner of the Domestic Shares	46,239,600	Domestic Shares	5.00%	3.75%
Chen Zhi Lie (陳志列) (Note 2)	Interest of a controlled corporation	46,239,600	Domestic Shares	5.00%	3.75%

*Notes:*

- Mr. Chen is the beneficial owner of 70.5% interests in EVOC Hi-Tech. Holding Group Co., Ltd. (formerly known as Shenzhen Yanxiang Wangke Industry Co., Ltd.) and is deemed to be interested in the Domestic Shares owned by EVOC Hi-Tech. Holding Group Co., Ltd. pursuant to Part XV of the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of EVOC Hi-Tech. Holding Group Co., Ltd..

2. These Domestic Shares are held by Shenzhen Haoxuntong Industry Co. Ltd. which is owned as to 100% by Mr. Chen, an executive Director. By virtue of Mr. Chen holding the entire interest in Shenzhen Haoxuntong Industry Co. Ltd., Mr. Chen is deemed to be interested in all the Domestic Shares held by Shenzhen Haoxuntong Industry Co. Ltd. in the Company pursuant to Part XV of the SFO.

Save as disclosed above:

- (i) As at the Latest Practicable Date, none of the Directors, supervisors or chief executives or their respective Associates has any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporation (if any) (within the meaning of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (including interest which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange; and
- (ii) As at the Latest Practicable Date, so far as is known to any Director or supervisor, there is no person (other than a Director or supervisor or chief executive of the Company) who, have an interest or short position in the shares or 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, or will be 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 the Company or any other substantial shareholders whose interest or short position were recorded in the register required to be kept by the Company under section 336 of the SFO.

**(d) Material interests**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have since 31 December 2012 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group.

**SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

**COMPETING INTERESTS**

To the best knowledge of the Directors, none of the Directors, or any of their respective Associates had any interests in any business which competes or is likely to compete with the business of the Group, as at the Latest Practicable Date.

**LITIGATION**

As at the Latest Practicable Date, so far as the Directors were aware, neither the Company nor any member of the Group was engaged in any litigation or claims of material importance or was known to the Directors to be pending or threatened against any member of the Group.

**MATERIAL CONTRACTS**

The following contract is contract that is or may be material, not being a contract entered into during the ordinary course of business, and have been entered into by any members of the Group within two years preceding the Latest Practicable Date:

- (a) the agreement dated 12 November 2012 (“the Wuxi Agreement”) entered into between the Group and Feng Shui Long, a company 100% owned by Ms. Wang Yong, the spouse of Mr. Chen Zhi Lie, a Director and hence a Connected Person of the Company under Chapter 14A of the listing Rules, for the acquisition of 49% of the equity interest in Wuxi Company at the consideration of RMB319,000,000, pursuant to which, upon completion, Wuxi Company became a wholly owned subsidiary of the Company.

Save as disclosed above, there are no other material contracts (not being contracts entered into in the ordinary course of business) entered into by any members of the Group within the two years immediately preceding the date of this circular and are or may be material.

**QUALIFICATION AND CONSENTS OF EXPERTS**

The following are the qualifications of the experts who have given opinion or advice which are contained in this circular:

<b>Name</b>	<b>Qualification</b>
BDO Limited	Certified Public Accountants
American Appraisal China Limited	Property Valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the expert’s statement included in the form and context in which it is included and the references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of the above experts did not have any shareholding, direct or indirect, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did they have any direct or indirect interest in any assets which had been, since 31 December 2012, being the date of the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

**MISCELLANEOUS**

- (a) The head office and the principal place of business of the Company is at EVOC Technology Building No. 31 Gaoxinhongsi Avenue, Nanshan District, Shenzhen, PRC.
- (b) The Company's H Share Registrar and transfer office is Tricor Abacus Limited, 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (c) The secretary and qualified accountant of the Company is Mr. Tsui Chun Kuen, aged 62, who is also the qualified accountant and the company secretary of the Group. He is an associate member of The Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of International Accountants.
- (d) The compliance officer of the Company is Mr. Zhu Jun.
- (e) The English text of this circular shall prevail over the Chinese text.

**DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the offices of Lily Fenn & Partners at Room D, 32/F., Lippo Center, Tower 1, 89 Queensway, Hong Kong during normal business hours on any Business Day, from the date of this circular up to 30 April 2013:

- (a) the Land Grant Contract;
- (b) the Wuxi Agreement;
- (c) the Articles of Association;
- (d) this circular;
- (e) the annual reports of the Company for the three years ended 31 December 2010, 2011 and 2012;
- (f) the consolidated audited accounts of the Group for the two years ended 31 December 2011 and 2012; and
- (g) the written consents referred to in the paragraph headed "Qualifications and Consents of Experts" in this appendix.