THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 and the accompanying form of proxy and reply slip 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).

This circular does not constitute, or form part of, an offer or invitation, or solicitation or inducement of an offer, to subscribe for or purchase any shares or other securities of EVOC Intelligent Technology Company Limited, nor is this circular calculated to invite offers for any shares or other securities of EVOC Intelligent Technology Company Limited.

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 AND CONNECTED TRANSACTION: ACQUISITION OF 49% OF SHAREHOLDING INTEREST IN WUXI SHIOC INTERNATIONAL OUTSOURCING INDUSTRY DEVELOPMENT COMPANY LIMITED

INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS

時富金融
CFSG

A letter from the independent board committee of the Company and a letter from Celestial Capital containing their recommendation and advice are set out on pages 18 to 27 of this circular, respectively.

A notice convening an extraordinary general meeting to be held at 20/F, EVOC Technology Building, No. 31 Gaoxinzhongsi Avenue, Nanshan District, Shenzhen, the People's Republic of China on Wednesday, 30 January 2013 at 10:30 a.m. is set out on pages 95 to 96 of this circular. A set of forms of proxy is enclosed with this circular.

Whether or not you are able to attend the extraordinary general meeting, you are advised to read the relevant notice and to complete and return the enclosed relevant form of proxy, in accordance with the instructions printed thereon, to the head office and principal place of business of the Company, EVOC Technology Building, No. 31 Gaoxinzhongsi Avenue, Nanshan District, Shenzhen, the People's Republic of China (for the holders of Domestic Shares), or the office of the Company's H share registrar and transfer office, Tricor Abacus Limited, 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the extraordinary general meeting or any adjourned meeting. The completion and return of the relevant form of proxy will not preclude you from attending and voting at the extraordinary general meeting or any adjourned meeting in person if you so wish.

* *For identification purpose only*

11 December 2012

CONTENTS

Unless otherwise defined, the following expressions have the following meanings in this circular:

"Acquisition"	the acquisition of 49% equity interest in Wuxi Company;
"Agreement"	the agreement dated 12 November 2012 between the Company and Feng Shui Long;
"APA"	Advanced Process Automation;
"Associate"	has the meaning as defined in the Listing Rules;
"Board"	the board of Directors;
"Business Centre"	招商中心 (Business Centre*);
"Business Day"	a day (not being a Saturday or days on which a typhoon signal No. 8 or above or black rainstorm warning is hosted in Hong Kong at 10:00 a.m.) on which banks are generally open for general banking business in Hong Kong;
"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;
"Commercial Podium"	商業裙房 (Commercial Podium*);
"Completion Date"	the date when all the conditions precedent are fulfilled;
"Connected Person(s)"	has the meaning ascribed thereto under the Listing Rules;
"Consideration"	the consideration of RMB319,000,000 payable by the Company for the Sale Shares under the Agreement;
"Director(s)"	director(s) of the Company;
"EGM"	the extraordinary general meeting of the Shareholders to be convened and held for the purpose of approving, among other things, the Agreement;
"Enlarged Group"	the Group as enlarged by the addition of the remaining 49% equity interest of Wuxi Company after 股權變更登記證 (certificate of change in equity) is obtained from the Industry and Commercial Bureau regarding the Acquisition;
"Feng Shui Long"	拉薩市風水隆投資發展有限公司 (Lhasa Feng Shui Long Investment Development Company Limited*), which is a company incorporated in the PRC with limited liability;

"Group"	the Company and its subsidiaries;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"HKFRSs"	Hong Kong Financial Reporting Standards;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Board Committee"	the independent board committee of the Company formed by all the independent non-executive Directors to advise the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereby;
"Independent Financial Adviser" or "Celestial Capital"	Celestial Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Agreement and the transactions contemplated thereby;
"Independent Shareholders"	Shareholders other than Ms. Wang and her Associate(s);
"Land"	a parcel of land with area of approximately 215,221.1 square meters, located at South of Xihu Road, West of Fangtong Road, Wuxi City, Jiangsu Province, the PRC, owned by Wuxi Company;
"Latest Practicable Date"	6 December 2012, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Mr. Chen"	陳志列 (Mr. Chen Zhi Lie), a Director;
"Ms. Wang"	王蓉 (Ms. Wang Rong), the spouse of Mr. Chen;
"PRC"	the People's Republic of China, and for the purpose of this circular exclude Macau, Hong Kong and Taiwan;
"Prime New Plaza"	創新廣場 (Prime New Plaza*);

"Property"	Construction-in-Progress Works erected on land parcels (Lot Nos.: 6-007-009-001 and 6-007-009-002) located at southern side of Xihu Road, northern side of Xinfang Road, Wuxi Xin District, Wuxi City, Jiangsu Province, the PRC;
"RMB"	Renminbi, the lawful currency of the PRC;
"Sale Shares"	the 49% equity interest of Wuxi Company;
"SFO"	the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time;
"Shares"	the shares of the Company;
"Shareholder(s)"	the shareholder(s) of the Company;
"Small Size Office Building"	the 6 office buildings of sizes not more than 150 square meters to be built on Wuxi A1 land segment;
"Stock Exchange"	the Stock Exchange of Hong Kong Limited;
"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 company incorporated in the PRC, and a subsidiary owned as to 51% by the Company; and
"%"	percent.

In this circular, the English names of the PRC entities are translation of their Chinese names and 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 Gaoxinzhongsi Avenue
Nanshan District
Shenzhen
People's Republic of China

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

11 December 2012

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION: ACQUISITION OF 49% OF SHAREHOLDING INTEREST IN WUXI SHIOC INTERNATIONAL OUTSOURCING INDUSTRY DEVELOPMENT COMPANY LIMITED

INTRODUCTION

On 12 November 2012, the Company entered into the Agreement with Feng Shui Long, a company owned as to 100% by Ms. Wang, spouse of Mr. Chen, pursuant to which the Company conditionally agreed to acquire and Feng Shui Long conditionally agreed to sell 49% of the equity interest in Wuxi Company, at the Consideration of RMB319,000,000. Wuxi Company will become a wholly owned subsidiary of the Company immediately after

* *For identification purpose only*

obtaining 股權變更登記證 (certificate of change in equity) from the Industry and Commerce Bureau regarding the Acquisition. The principal asset of Wuxi Company is a piece of land in Wuxi with a total area of 215,221.1 square meters for property development and sales.

The purpose of this circular is to provide you with, among other things, (i) further information on the Acquisition; (ii) a letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter from the Independent Financial Adviser; (iv) a property valuation report on the Property; (v) a notice of the EGM; and (vi) all other information required by the Listing Rules.

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined in the Listing Rules exceed 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Moreover, Feng Shui Long is owned as to 100% by Ms. Wang, the spouse of Mr. Chen, a Director, therefore Feng Shui Long is a Connected Person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition also constitutes a connected transaction under the Listing Rules. The Agreement is subject to reporting and announcement requirements and Independent Shareholders' approval requirements at the EGM by way of poll under Chapter 14 and Chapter 14A of the Listing Rules. Any Shareholder with a material interest in the Acquisition and his Associates will be required to abstain from voting on the resolutions approving the Agreement at the EGM. Save as Ms. Wang and her Associates who shall include Mr. Chen, no other Shareholder is required to abstain from voting on the resolutions approving the Agreement at the EGM.

THE AGREEMENT

The principal terms of the Agreement are as follows:

Date

12 November 2012

Parties

(a) Vendor: Feng Shui Long. To the best knowledge of the Company, Feng Shui Long is owned as to 100% by Ms. Wang. Ms. Wang is the spouse of Mr. Chen, a Director. Feng Shui Long, being owned as to 100% by Ms. Wang, is a Connected Person of the Company under Chapter 14A of the Listing Rules. Save for investment in Wuxi Company, Feng Shui Long does not conduct any other business; and

(b) Purchaser: The Company

Subject matter of the Agreement

Pursuant to the Agreement, the Company conditionally agreed to acquire and Feng Shui Long conditionally agreed to sell the Sale Shares, being 49% of the equity interest in Wuxi Company.

Consideration

The Consideration in respect of the Acquisition shall be RMB319,000,000, payable in cash in the following manner:

(i) 30% of the Consideration shall be paid within 30 days from the Completion Date;

(ii) 30% of the Consideration shall be paid within 90 days from the Completion Date;

(iii) 40% of the Consideration shall be paid within 180 days from the Completion Date.

The Company shall use its internal resources to finance the Acquisition. The Consideration was determined after arm's length negotiations between the parties of the Agreement and with reference to (i) the unaudited net asset value of Wuxi Company which is approximately RMB483,293,000 as of 30 September 2012, and (ii) the valuation of the Property as valued by American Appraisal China Limited, an independent valuer, in the amount of RMB880,000,000 as of 30 September 2012.

Conditions Precedent

The Agreement is conditional upon, among other things, the following conditions precedent being satisfied:

(a) approval from the Independent Shareholders in respect of the Agreement and the transactions contemplated therein having been obtained in accordance with the provisions of the Listing Rules; and

(b) all consents and all other necessary approvals in respect of the Agreement having been obtained.

Change of Ownership of the Sale Shares

Immediately after obtaining 股權變更登記證 (certificate of change in equity) from the Industry and Commerce Bureau regarding the Acquisition, Wuxi Company will become wholly owned subsidiary of the Company.

Completion

If the Acquisition is not completed before 31 March 2013 or any other date agreed between the Company and Feng Shui Long, the Agreement shall terminate. Neither the Company nor Feng Shui Long shall have any rights or obligations towards each other under the Agreement, and neither the Company nor Feng Shui Long shall be liable for any damage to the other party.

INFORMATION OF WUXI COMPANY

Name:	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*))
Date of incorporation:	7 June 2004
Place of incorporation:	Fangqian Town, Wuxi New Area, Jiangsu Province, PRC
Duration of operation:	From 7 June 2004 to 6 June 2024
Scope of business:	Property development and sales
Registered capital:	RMB306,122,400
Ownership:	51% by the Company and 49% by Feng Shui Long
Board composition:	Mr. Chen, Ms. Wang and Zhu Jun (朱軍)

Wuxi Company recorded a profit before tax and extraordinary item and after tax and extraordinary item in the approximate amount of RMB20,856,000 and RMB22,452,000 respectively for the year ended 31 December 2010, and a loss before tax and extraordinary item and after tax and extraordinary item in the approximate amount of RMB10,493,000 and RMB8,265,000 respectively for the year ended 31 December 2011.

The unaudited net asset value of Wuxi Company as of 30 September 2012 is approximately RMB483,293,000. The valuation of the Property as valued by American Appraisal China Limited, an independent valuer, is in the amount of RMB880,000,000, and the cost of the Land is approximately RMB161,539,000. Shareholders are referred to the valuation report set out in Appendix IV for details of the method adopted by the valuer in the valuation of the Property. The Directors, after evaluation of the report, are of the view that the valuer's choice of comparable properties is fair and reasonable.

Management Discussion and Analysis of Wuxi Company

Business review for the year ended 31 December 2009

The properties of Wuxi Company were still under construction for the year ended 31 December 2009. Therefore, no turnover was recorded for the year ended 31 December 2009. The loss before and after tax of Wuxi Company for the year ended 31 December 2009 were approximately RMB12,190,000 and RMB10,531,000 respectively.

Overall operations review for the year ended 31 December 2009

(1) Liquidity and financial resources

As at 31 December 2009, Wuxi Company had total assets of approximately RMB476,638,000 and its current assets were approximately RMB116,462,000. As at that date, the current liabilities of Wuxi Company was approximately RMB227,083,000. Wuxi Company had total liabilities during the year of approximately RMB227,083,000 and shareholder's equity of approximately RMB249,555,000 and its gearing ratio was 47.6% as at 31 December 2009, which was represented by total liabilities over total assets of Wuxi Company.

(2) Capital structure

As at 31 December 2009, the registered capital of Wuxi Company was RMB306,122,400.

As at 31 December 2009, Wuxi Company had net assets of approximately RMB249,555,000. There is no non-current liabilities as at 31 December 2009.

(3) Segment information

Contributions to operating results and assets and liabilities by business segment and by geographical segment have not been presented as Wuxi Company's results and assets and liabilities were resulted from business activities that subject to similar risks and return and were within the PRC.

(4) Employees information

As at 31 December 2009, Wuxi Company employed a total of 10 employees. Wuxi Company recruits and promotes individuals based on merit and their development potentials for the positions offered. When formulating staff remuneration and benefit policies, primary considerations are given to their performance and prevailing salary levels in the market. Benefits provided to the employees by Wuxi Company include training, medical coverage and the Statutory Retirement Scheme.

(5) Future plans for significant investment

For the year ended 31 December 2009, the foundation of Wuxi A1 land segment had been constructing and the Business Centre was built in progress.

(6) Foreign exchange

For the year ended 31 December 2009, Wuxi Company was not subject to any significant exposure to foreign exchange rates risk.

(7) Assets pledged by Wuxi Company

As at 31 December 2009, Wuxi Company had no pledged assets.

(8) Contingent liabilities

As at 31 December 2009, Wuxi Company had no significant contingent liabilities and outstanding litigation.

(9) Capital commitments

The capital commitments outstanding as at 31 December 2009 were approximately RMB34,011,000.

(10) General

During the year, Wuxi Company has no significant investments held, no material acquisitions and disposals of subsidiaries and associated companies.

Business review for the year ended 31 December 2010

The properties of Wuxi Company were still under construction for the year ended 31 December 2010. Therefore, no turnover was recorded for the year ended 31 December 2010. The profit before and after tax of Wuxi Company for the year ended 31 December 2010 were approximately RMB20,856,000 and RMB22,452,000 respectively.

Overall operations review for the year ended 31 December 2010

(1) Liquidity and financial resources

As at 31 December 2010, Wuxi Company had total assets of approximately RMB410,237,000 and its current assets were approximately RMB153,050,000. As at that date, the current liabilities of Wuxi Company was approximately RMB38,230,000. Wuxi Company had total liabilities during the year of approximately RMB138,230,000 and shareholder's equity of approximately RMB272,007,000 and its gearing ratio was 33.7% as at 31 December 2010, which was represented by total liabilities over total assets of Wuxi Company.

(2) Capital structure

As at 31 December 2010, the registered capital of Wuxi Company was RMB306,122,400.

As at 31 December 2010, Wuxi Company had net assets of approximately RMB272,007,000. There is approximately RMB100,000,000 non-current liabilities as at 31 December 2010.

(3) Segment information

Contributions to operating results and assets and liabilities by business segment and by geographical segment have not been presented as Wuxi Company's results and assets and liabilities were resulted from business activities that subject to similar risks and return and were within the PRC.

(4) Employees information

As at 31 December 2010, Wuxi Company employed a total of 10 employees. Wuxi Company recruits and promotes individuals based on merit and their development potentials for the positions offered. When formulating staff remuneration and benefit policies, primary considerations are given to their performance and prevailing salary levels in the market. Benefits provided to the employees by Wuxi Company include training, medical coverage and the Statutory Retirement Scheme.

(5) Future plans for significant investment

For the year ended 31 December 2010, the Prime New Plaza was built in progress on Wuxi A1 land segment.

(6) Foreign exchange

For the year ended 31 December 2010, Wuxi Company was not subject to any significant exposure to foreign exchange rates risk.

(7) Assets pledged by Wuxi Company

As at 31 December 2010, Wuxi Company had pledged its land for the approximate amount of RMB65,415,000 to a bank.

(8) Contingent liabilities

As at 31 December 2010, Wuxi Company had no significant contingent liabilities and outstanding litigation.

(9) Capital commitments

The capital commitments outstanding as at 31 December 2010 were approximately RMB401,575,000.

(10) General

During the year, Wuxi Company has no significant investments held, no material acquisitions and disposals of subsidiaries and associated companies.

Business review for the year ended 31 December 2011

The properties of Wuxi Company were still under construction for the year ended 31 December 2011. Therefore, no turnover was recorded for the year ended 31 December 2011. The loss before and after tax of Wuxi Company for the year ended 31 December 2011 were approximately RMB10,493,000 and RMB8,265,000 respectively.

Overall operations review for the year ended 31 December 2011

(1) Liquidity and financial resources

As at 31 December 2011, Wuxi Company had total assets of approximately RMB664,532,000 and its current assets were approximately RMB651,607,000. As at that date, the current liabilities of Wuxi Company was approximately RMB135,469,000. Wuxi Company had total liabilities during the year of approximately RMB400,790,000 and shareholder's equity of approximately RMB263,742,000 and its gearing ratio was 60.3% as at 31 December 2011, which was represented by total liabilities over total assets of Wuxi Company.

(2) Capital structure

As at 31 December 2011, the registered capital of Wuxi Company was RMB306,122,400.

As at 31 December 2011, Wuxi Company had net assets of approximately RMB263,742,000. There is approximately RMB265,321,000 non-current liabilities as at 31 December 2011.

(3) Segment information

Contributions to operating results and assets and liabilities by business segment and by geographical segment have not been presented as Wuxi Company's results and assets and liabilities were resulted from business activities that subject to similar risks and return and were within the PRC.

(4) Employees information

As at 31 December 2011, Wuxi Company employed a total of 24 employees. Wuxi Company recruits and promotes individuals based on merit and their development potentials for the positions offered. When formulating staff remuneration and benefit policies, primary considerations are given to their performance and prevailing salary levels in the market. Benefits provided to the employees by Wuxi Company include training, medical coverage and the Statutory Retirement Scheme.

(5) Future plans for significant investment

For the year ended 31 December 2011, the Commercial Podium and the Small Size Office Building were built in progress on Wuxi A1 land segment.

(6) Foreign exchange

For the year ended 31 December 2011, Wuxi Company was not subject to any significant exposure to foreign exchange rates risk.

(7) Assets pledged by Wuxi Company

As at 31 December 2011, Wuxi Company had pledged its land for the approximate amount of RMB65,415,000 to a bank.

(8) Contingent liabilities

As at 31 December 2011, Wuxi Company had no significant contingent liabilities and outstanding litigation.

(9) Capital commitments

The capital commitments outstanding as at 31 December 2011 were approximately RMB542,926,000.

(10) General

During the year, Wuxi Company has no significant investments held, no material acquisitions and disposals of subsidiaries and associated companies.

Business review for the nine months ended 30 September 2012

Wuxi Company had commenced pre-sales of certain properties for the nine months ended 30 September 2012. Therefore, no turnover was recorded for the nine months ended 30 September 2012. Both loss before and after tax of Wuxi Company for the nine months ended 30 September 2012 were approximately RMB8,868,000 and RMB6,742,000 respectively.

Overall operations review for the nine months ended 30 September 2012

(1) Liquidity and financial resources

As at 30 September 2012, Wuxi Company had total assets of approximately RMB1,168,668,000 and its current assets were approximately RMB1,119,996,000. As at that date, the current liabilities of Wuxi Company was approximately RMB225,284,000. Wuxi Company had total liabilities during the year of approximately RMB671,585,000 and shareholder's equity of approximately RMB497,083,000 and its gearing ratio was 57.5% as at 30 September 2012, which was represented by total liabilities over total assets of Wuxi Company.

(2) Capital structure

As at 30 September 2012, the registered capital of Wuxi Company was RMB306,122,400.

As at 30 September 2012, Wuxi Company had net assets of approximately RMB497,083,000. There is approximately RMB446,301,000 non-current liabilities as at 30 September 2012.

(3) Segment information

Contributions to operating results and assets and liabilities by business segment and by geographical segment have not been presented as Wuxi Company's results and assets and liabilities were resulted from business activities that subject to similar risks and return and were within the PRC.

(4) Employees information

As at 30 September 2012, Wuxi Company employed a total of 32 employees. Wuxi Company recruits and promotes individuals based on merit and their development potentials for the positions offered. When formulating staff remuneration and benefit policies, primary considerations are given to their performance and prevailing salary levels in the market. Benefits provided to the employees by Wuxi Company include training, medical coverage and the Statutory Retirement Scheme.

(5) Future plans for significant investment

For the nine months ended 30 September 2012, construction work of the Business Centre, the Prime New Plaza, the Commercial Podium and the Small Size Office Building were still in progress on Wuxi A1 land segment.

(6) Foreign exchange

For the nine months ended 30 September 2012, Wuxi Company was not subject to any significant exposure to foreign exchange rates risk.

(7) Assets pledged by Wuxi Company

As at 30 September 2012, Wuxi Company had pledged its land for the approximate amount of RMB65,415,000 to a bank.

(8) Contingent liabilities

As at 30 September 2012, Wuxi Company had no significant contingent liabilities and outstanding litigation.

(9) Capital commitments

The capital commitments outstanding as at 30 September 2012 were approximately RMB392,270,000.

(10) General

For the nine months ended 30 September 2012, Wuxi Company has no significant investments held, no material acquisitions and disposals of subsidiaries and associated companies.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group had expressed its intention to expand its business to the high technology research and development, manufacturing and software outsourcing areas. Wuxi Company has completed some property development of the Land and had begun to pre-sell those properties. The construction work of the main structure of Phase 1 of the Wuxi Project (i.e. Prime New Plaza) and the Commercial Podium with an aggregate gross floor area of 112,757 square meters was completed in mid-2011. A commodity flats pre-sale permit was issued on 16 August 2011. The Company expects all building work of Prime New Plaza to be formally completed with the building ownership certificate obtained by the end of 2012 or early next year. As of 30 September 2012, 255 units with an approximate total area of 16,400 square meters have been pre-sold for an approximate total amount of RMB110,700,000. Such amount will be recognized as revenue in the year 2013 when the building ownership certificate is obtained by the Company.

The Wuxi Project occupies a total area of 215,221 square meters and comprises various offices, the Commercial Podium, apartments and car parks. Upon completion, the gross floor area of all the buildings will be more than approximately 300,000 square meters. All of Phase 1 will be completed by the end of 2012. The construction work of portion of Phase 2 has commenced in December 2011 and is expected to be completed in around 2013. The remaining portion of Phase 2 is at the planning stage. It is estimated that, upon completion of all the buildings, sale proceeds from the sale of the properties of the Wuxi Project will be over approximately RMB3.5 billion. It is estimated that the total investment cost is approximately RMB2 billion. The estimated net proceeds of sales of the Wuxi Project will be in the approximate amount of RMB1.5 billion. As the Wuxi Project will last for several years, the net sale proceeds to be received by the Company in the years to come will help the Group to generate stable revenue. For those properties that cannot be sold out by the Company, the Company will lease out the same. The rental to be received from such lease will also help the Group to generate stable revenue. In addition, as the Company will retain the management rights of all the properties of the Wuxi Project, the management fee to be received by the Company will generate stable revenue for the Group. As the Land is beginning to generate revenue for Wuxi Company, the Acquisition will stabilize and increase the future revenue of the Group.

The Directors consider that the terms of the Agreement are fair and reasonable and that the Agreement is in the interests of the Shareholders and the Company as a whole.

FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

The Company engages in the research and development, manufacture and distribution of Advanced Process Automation ("APA") products since 1993 with a 19-year history of continuous operation. 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.

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 completion of the property development by Wuxi Company, the Group will use certain space for its high technology research and development, manufacturing and software outsourcing business, which complies with the Group's long term development strategy and sell the remaining properties. The property development project of Wuxi Company is located in the Yangtze River Delta area, in which the Group will benefit from the low land cost and high inner-quality human resources. In addition, the property development project of Wuxi Company will generate future earnings of the Group.

FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP

Immediately following completion of the Acquisition, Wuxi Company will be owned as to 100% by the Company. The following sets out for illustrative purposes only the key financial information of the unaudited pro forma consolidated balance sheet of the Enlarged Group as at 30 June 2012 assuming the Acquisition took place on 30 June 2012. Please also refer to Appendix III to this circular for the pro forma financial information of the Enlarged Group.

Total assets

Upon Completion, the Company will hold the entire issued share capital of Wuxi Company. Wuxi Company will become a direct wholly-owned subsidiary of the Company.

The unaudited consolidated total asset of the Group as at 30 June 2012 as extracted from the interim report of the Company for the six months ended 30 June 2012 (the "Interim Report") was approximately RMB3,356,333,000.

As set out in the unaudited pro forma consolidated balance sheet of the Enlarged Group as at 30 June 2012 contained in Appendix III to this circular, upon completion of the Acquisition, the Enlarged Group's total assets would decrease by approximately 9.5% from approximately RMB3,356,333,000 to approximately RMB3,037,333,000 and its total liabilities would remain unchanged. As at 30 June 2012, the Group had bank borrowings of approximately RMB1,409,318,000. Assuming the Acquisition was completed on 30 June 2012, the Enlarged Group's bank borrowings would remain unchanged.

Total liabilities

The unaudited consolidated total liabilities of the Group as at 30 June 2012 as extracted from the Interim Report were approximately RMB2,029,604,000.

As set out in the unaudited pro forma consolidated balance sheet of the Enlarged Group as at 30 June 2012 contained in Appendix III to this circular, upon completion of the Acquisition, the Enlarged Group's total liabilities would remain unchanged.

Net assets

The unaudited consolidated net asset value of the Group as at 30 June 2012 as extracted from the Interim Report was approximately RMB1,326,729,000.

As set out in the unaudited pro forma consolidated balance sheet of the Enlarged Group as at 30 June 2012 contained in Appendix III to this circular, upon completion of the acquisition, the Enlarged Group's net asset value would decrease from approximately RMB1,326,729,000 to approximately RMB1,007,729,000.

EGM

A notice convening the EGM to be held at 20/F, EVOC Technology Building, No. 31 Gaoxinzhongsi Avenue, Nanshan District, Shenzhen, the People's Republic of China on 30 January 2013 at 10:30 a.m. is set out on pages 95 to 96 of this circular. Ordinary resolution will be proposed at the EGM to approve, amongst other things, the Acquisition and the transactions contemplated thereunder.

The ordinary resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder will be determined by way of poll by the Independent Shareholders in accordance with the Listing Rules.

Any Shareholder with a material interest in the Acquisition and his/her Associates will abstain from voting on the ordinary resolution approving the Acquisition at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Abacus Limited at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the 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 EGM or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

RECOMMENDATIONS

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution approving the Acquisition at the EGM.

In light of the above, the Directors believe that the proposal at the EGM is in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
EVOC Intelligent Technology Company Limited
Chen Zhi Lie
Chairman

The following is the text of the letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Agreement.

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)

11 December 2012

To the Independent Shareholders,

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION: ACQUISITION OF 49% OF SHAREHOLDING INTEREST IN WUXI SHIOC INTERNATIONAL OUTSOURCING INDUSTRY DEVELOPMENT COMPANY LIMITED

We refer to the circular of the Company dated 11 December 2012 (the "Circular") of which this letter forms part of. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the terms of the Agreement, details of which are set out in the letter from the Board contained in the Circular, are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

Celestial Capital has been appointed to act as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereby. The text of the letter of advice from the Independent Financial Adviser containing its recommendation and the principal factors it has taken into account in arriving at its recommendation are set out from pages 20 to 27 of the Circular.

Independent Shareholders are recommended to read the letter of advice from the Independent Financial Adviser, the letter from the Board contained in the Circular as well as the additional information set out in the appendices to the Circular.

* *for identification purpose only*

Having considered the terms of the Acquisition and the advice of the Independent Financial Adviser in relation thereto as set out on pages 20 to 27 of this Circular, we are of the opinion that the terms of the Acquisition are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Independent Shareholders and the Company as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the Acquisition.

Yours faithfully,
Ling Chun Kwok Dai Lin Ying Wang Zhao Hui An Jian
Independent Board Committee

The following is the full text of the letter of advice from Celestial Capital to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition for the purpose of inclusion in this circular.

時富金融
CFSG

Celestial Capital limited
21st Floor, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

11 December 2012

To the Independent Board Committee and
the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION: ACQUISITION OF 49% OF SHAREHOLDING 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*)

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders with respect to the Acquisition of 49% of shareholding interest in Wuxi Company, 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 11 December 2012 (the "**Circular**"), of which this letter forms part. Terms used herein shall have the same meanings as those defined in the Circular unless the context otherwise requires.

Reference is made to the announcement of the Company dated 12 November 2012 (the "**Announcement**"). On 12 November 2012, the Company entered into the Agreement with Feng Shui Long, which is a company entirely owned by Ms. Wang, the spouse of Mr. Chen. Pursuant to the Agreement, the Company has conditionally agreed to acquire and Feng Shui Long has conditionally agreed to sell the Sale Shares (being 49% of the equity interest in Wuxi Company) at the Consideration of RMB319,000,000. Wuxi Company will become a wholly owned subsidiary of the Company immediately after obtaining 股權變更登記證 (certificate of change in equity) from the Industry and Commerce Bureau regarding the Acquisition. Details of the Agreement and the Acquisition are set out in the Letter from the Board.

* *For identification purpose only*

As one or more of the applicable percentage ratios as defined in the Listing Rules exceed 25% but below 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. In addition, as at the date of the Agreement, the Company and Feng Shui Long held 51% and 49% of the entire equity interest in Wuxi Company respectively. Wuxi Company is a non-wholly owned subsidiary of the Company and Feng Shui Long, being a substantial shareholder of a subsidiary of the Company, is a Connected Person of the Company under the Listing Rules. Moreover, Feng Shui Long is entirely owned by Ms. Wang, the spouse of Mr. Chen (an executive Director and the Chairman of the Company). By virtue of its equity interest ownership, Feng Shui Long is also regarded as a Connected Person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition also constitutes a connected transaction under the Listing Rules. The Agreement is subject to reporting, announcement and Independent Shareholders' approval requirements at the EGM by way of poll under Chapters 14 and 14A of the Listing Rules. It is set out in the Letter from the Board that, save as Ms. Wang and her Associates who shall include Mr. Chen, no other Shareholder is required to abstain from voting on the resolutions approving the Agreement at the EGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Ling Chun Kwok, Ms. Dai Lin Ying, Mr. Wang Zhao Hui and Mr. An Jian, has been established to advise the Independent Shareholders as to whether the terms of the Agreement are fair and reasonable and whether the Acquisition is in the interests of the Company and the Shareholders as a whole. In this regard, we have been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion and recommendation in relation to the terms of the Agreement and the Acquisition, we have relied on the information, facts and representations provided by, and the opinions expressed by the Directors and/or the management of the Group. We have also relied on the information, facts and representations contained or referred to in the Circular and have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continue to be true, accurate and complete on the date of the Circular. We have also assumed that all statements of beliefs and opinions made by the Directors in the Circular were reasonably made after due enquiry and the expectations and intentions made by the Directors and/or the management of the Group will be met or carried out as the case may be. We consider that we have reviewed sufficient information on which to form a reasonable basis for our opinion and have no reason to doubt the truth, accuracy and completeness of the information, facts and representations provided by, and the opinions expressed by, the Directors and/or the management of the Group to us. The Directors have confirmed to us that no material facts have been omitted from the information supplied and opinions expressed. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors and/or the management of the Group.

The Directors jointly and severally accept full responsibility for the truth, accuracy and completeness of the information contained in the Circular and have confirmed that, having made all reasonable enquiries, to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration, and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular, including this letter, misleading.

We have relied on such information and opinions and have not, however, carried out any independent verification of the information provided by the Company, the Directors and/or the management of the Group, nor have we conducted any independent investigation into the business, affairs, assets, liabilities and future prospects of the Group and Wuxi Company.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the terms of the Agreement and the Acquisition. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in respect of the terms of the Agreement and the Acquisition, we have considered the following principal factors and reasons:

Background and reasons for and benefits of the Acquisition

As set out in the Announcement, the Company is principally engaged in the research, development, manufacture and distribution of advanced process automation ("**APA**") products in the PRC. APA is a computer system built to allow users to adopt hardware and software applications to perform a dedicated function or a range of dedicated functions such as data processing, generating, interpreting and executing control signals, etc. and is embedded into a product, device or a larger system. APA products manufactured and distributed by the Company are widely applied in areas of telecommunications, industrial, military, electricity generation, video frequency control, transportation, Internet, commerce and finance, etc..

As set out in the Letter from the Board, the Group has expressed its intention to expand its business to the high technology research and development, manufacturing and software outsourcing areas. Wuxi Company has completed some property development of the Land and had begun to pre-sell those properties. The sale proceeds will be booked as the revenue of Wuxi Company after obtaining the relevant title document from the relevant government bureau. As the Land is beginning to generate revenue for Wuxi Company, the Acquisition will stabilise and increase the future revenue of the Group. As advised by the management of the Group, upon completion of all the construction works, the estimated sales proceeds of all the buildings of the Property will be approximately RMB3.5 billion, whilst the estimated total investment cost will be approximately RMB2 billion. Thus, the estimated net proceeds will be approximately RMB1.5 billion. As at 30 September 2012, being the date of valuation, 255 units with an aggregate area of approximately 16,400 sq. m. have been pre-sold for an aggregate amount of approximately RMB110,700,000. Having considered the abovementioned potential profit effect and the current progress of the pre-sale, the Directors consider that the Acquisition is beneficial to the Group.

According to 《關於做好2012年度承接國際服務外包業務發展資金管理工作的通知》 (The Notice of Development Fund Management relating to Undertaking International Service Outsourcing Business for 2012*) jointly issued by the Ministry of Finance of the PRC and the Ministry of Commerce of the PRC (the "**MOFCOM**") in June 2012, the PRC government promotes and reinforces the development of service outsourcing industry through, among other things, provision of subsidies to service outsourcing enterprises in certain model cities as well as training of human resources for undertaking international service outsourcing business. Wuxi City of Jiangsu Province is regarded as one of the model cities for service outsourcing. According to *China Outsourcing* (《中國服務外包》), a magazine supervised by the MOFCOM, for the six months ended 30 June 2012, completed service outsourcing contracts of Wuxi City amounted to approximately RMB3.5 billion, representing an increase of approximately 43% as compared to the corresponding period in the previous year. It is also expected that, under the government planning of Wuxi City, the service outsourcing industry in Wuxi City will continue to be reinforced in the coming five years. In this regard, the Directors consider that the prospects of the service outsourcing business in Wuxi City are promising.

The principal activities of Wuxi Company are property development and sales in the PRC. As advised by the management of the Group, Wuxi Company is developing the Land into a service outsourcing base. The Directors consider that the Land possesses geographical advantages for development. It is stated in the valuation report as set out in Appendix IV to the Circular that the Land is located in a newly developed commercial area in Wuxi Xin District on the north-eastern side of Wuxi City. Such area has been developed with various office buildings, exhibition centers and shopping malls and equipped with well transportation networks. It is considered as an ancillary commercial area within Wuxi Xin District that is positioned as the new high-tech development area in Wuxi City to attract prominent foreign companies. Besides, as stated in the Letter from the Board, the property development project of Wuxi Company is located in the Yangtze River Delta area, in which the Group will benefit from the low land cost and high inner-quality human resources. As a result, the Directors are of the view that through investing in Wuxi Company for the construction and operation of service sub-contracting base project, the Company is able to expand and extend its existing business, which will foster the development of the Group and provide a new profit growth point for the Company.

* *For identification purpose only*

As advised by the management of the Group, the Property is planned to be developed into a commercial development including commercial podium, office and ancillary facilities with a proposed total gross floor area of approximately 454,733 sq. m.. The development of the Land is generally divided in two phases. Phase 1 of the development with a proposed gross floor area of approximately 145,345 sq. m. is expected to be completed in the end of 2012. Phase 2 of the development will comprise a proposed total gross floor area of approximately 309,388 sq. m.. Certain portion of phase 2 has commenced construction in December 2011 and is expected to be completed in 2013, whilst the remaining portion of phase 2 is at the planning stage as at the Latest Practicable Date. As advised by the Directors, the service sub-contracting base project of Wuxi Company has been achieving smooth progress. The Prime New Plaza and the Commercial Podium with a total gross floor area of 112,757.42 sq. m. are in the process of pre-sale. As stated in the valuation report set out in Appendix IV to the Circular, as at 30 September 2012, being the date of valuation, various office units had been pre-sold with a total contract amount of approximately RMB110,700,000 The management of the Group has further advised us that the Business Centre and the Small Size Office Building are in the building process and it is expected that these properties will bring a steady cashflow to the Group.

Set out below is a summary of the financial information of Wuxi Company for each of the three years ended 31 December 2011 and the nine months ended 30 September 2011 and 30 September 2012.

	For the year ended 31 December			For the nine months ended 30 September	
	2009	**2010**	**2011**	**2011**	**2012**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)
Revenue	—	—	—	—	—
Profit/(loss) before tax	(12,190)	20,856	(10,493)	(6,151)	(8,868)
Profit/(loss) after tax	(10,531)	22,452	(8,265)	(4,641)	(6,742)

	As at 30 September 2012
	(RMB'000)
	(Audited)
Net asset value	497,083

It is stated in the Accountant's Report of Wuxi Company as set out in Appendix II to the Circular that, during the three years ended 31 December 2011 and the nine months ended 30 September 2012, Wuxi Company did not generate any revenue as the properties were under construction. Wuxi Company recorded a profit after tax of approximately RMB22,452,000 for the year ended 31 December 2010, as compared to a loss of approximately RMB10,531,000 for the previous year. As advised by the management of the Group, such profit was primarily attributable to the gain from disposal of prepaid land lease payments during the year. For the year ended 31 December 2011 and the nine months' period ended 30 September 2012, Wuxi Company recorded losses of approximately RMB8,265,000 and RMB6,742,000 respectively. Such losses were mainly attributable to the selling and distribution costs as well as the administrative expenses incurred during the year/period.

In light of (i) the promising prospects of the service outsourcing industry in the PRC; (ii) the business nature of Wuxi Company; (iii) the geographical advantage of the Land; (iv) the development progress of the Property; and (v) the potential contribution to the Group's revenue and results by consolidating 100% (instead of 51%) of the results of Wuxi Company after Completion, we concur with the Directors that the Acquisition is in the ordinary and usual course of business of the Group and is in the interest of the Company and the Shareholders as a whole.

Consideration

As set out in the Letter from the Board, the Consideration in respect of the Acquisition shall be RMB319,000,000, payable by cash in the following manner:

(i) 30% of the Consideration (i.e. RMB95,700,000) shall be paid within 30 days from the Completion Date;

(ii) 30% of the Consideration (i.e. RMB95,700,000) shall be paid within 90 days from the Completion Date; and

(iii) 40% of the Consideration (i.e. RMB127,600,000) shall be paid within 180 days from the Completion Date.

As set out in the Letter from the Board, the Consideration was determined after arm's length negotiations between the parties to the Agreement and with reference to (i) the unaudited net asset value of Wuxi Company of approximately RMB483,293,000 as at 30 September 2012; and (ii) the valuation of the Property as valued by American Appraisal China Limited ("**American Appraisal**"), an independent valuer, in the amount of RMB880,000,000 as at 30 September 2012.

We are further advised by the management of the Group that the Consideration was determined based on the 49% of the adjusted net asset value (the "**Adjusted NAV**") of Wuxi Company in the amount of approximately RMB699,754,000. Such Adjusted NAV was derived by addition of the unaudited net asset value of Wuxi Company of approximately RMB483,293,000 as at 30 September 2012 and the fair value of the Land of approximately RMB378,000,000 and adjusted with the original acquisition cost of the Land of approximately RMB161,539,000. The 49% of such Adjusted NAV amounting to approximately RMB342,879,460 should be attributable to the Sale Shares, which represent 49% of the entire equity interest in Wuxi Company. On this basis, the Consideration represents approximately 6.96% discount to the 49% of the Adjusted NAV.

Besides, it is stated in the valuation report as set out in Appendix IV to the Circular that the market value of the Property as at 30 September 2012 is approximately RMB880,000,000. Such valuation has been prepared by American Appraisal by adopting direct comparison method where comparison based on prices realised 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. The development costs incurred and to be incurred has also been taken into consideration to reflect the quality of the proposed development. We have discussed with American Appraisal and have reviewed the analysis prepared for the valuation of the Property. We consider that the direct comparison method is appropriate and the valuation of the Property is fair and reasonable. The 49% of such market value amounting to approximately RMB431,200,000 should be attributable to the Sale Shares. On this basis, the Consideration represents a discount of approximately 26.02% of such market value. In view of the Consideration representing a discount to the market value of the Property, we concur with the Directors' view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Having taken into account that the Consideration represents a discount to the 49% of each of the Adjusted NAV and the market value of the Property which should be attributable to the Sale Shares, the Directors are of the view that the Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Financial effects on the Group

The Company is currently holding 51% of equity interest in Wuxi Company. Upon Completion, Wuxi Company will be a wholly owned subsidiary of the Company and its results will be fully consolidated into the Group. According to the Directors' view, the revenue generated by the service sub-contracting base project of Wuxi Company will contribute to the Group's results by taking into account the progress of development of the project as mentioned in the paragraph headed "Background and reasons for and benefits of the Acquisition" above.

In addition, the Consideration will be satisfied by the Group's internal resources in cash, which represented approximately 21% of the Group's cash and bank balances of approximately RMB1,518,956,000 as at 30 June 2012. In light that the service outsourcing base project of Wuxi Company will contribute cashflow to the Group, the Directors expect that the cash and bank balances of the Group would not have any material change after Completion.

Based on the unaudited pro forma financial information on the Group as set out in Appendix III to the Circular, in connection with the Acquisition, the consolidated net assets of the Enlarged Group as at 30 June 2012 would be reduced by RMB319,000,000 (i.e. the Consideration). However, as Wuxi Company will become a wholly owned subsidiary of the Company upon Completion, the non-controlling interests of the Group's capital and reserves as at 30 June 2012 of approximately RMB327,324,000 would no longer be accounted for in the Enlarged Group. As a result, the consolidated equity attributable to owners of the Company would increase by approximately RMB8,324,000.

Based on the above, the Directors consider that it is appropriate to acquire the 49% equity interest from Feng Shui Long and the Acquisition will improve the financial performance and position of the Group and maximise the returns to the Group and the Shareholders as a whole.

RECOMMENTDATION

Having taken into account the above principal factors and reasons, we consider that the terms of the Agreement are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned. We also consider that the entering into of the Agreement is in the interests of the Company and its Shareholders as a whole. We therefore advise the Independent Board Committee to recommend the Independent Shareholders to vote in favor of the resolution to be proposed at the EGM to approve the Agreement and the Acquisition.

Yours faithfully,
For and on behalf of
Celestial Capital Limited

Michael Lam
Executive Director

1. FINANCIAL INFORMATION

The financial information of the Group for each of the three years ended 31 December 2009, 2010 and 2011 is enclosed in the annual reports of the Company dated 25 March 2010 (pages 30–86), 30 March 2011 (pages 27–84) and 29 March 2012 (pages 27–84), respectively, and for the six months ended 30 June 2012 is disclosed in the latest unaudited interim report of the Company dated 10 August 2012 (pages 1–13), which are published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.evoc.com).

2. INDEBTEDNESS

At the close of business on 31 October 2012, 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 Enlarged Group was as follows:

(i) Bank overdrafts and borrowings

At 31 October 2012, the secured bank borrowings and general banking facilities of the Group and the Company with carrying amount of RMB1,560,965,000 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 contingent liabilities at 31 October 2012.

(iii) Disclaimer

Save as aforesaid and apart from intra-group liabilities, at the close of business on 31 October 2012, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Enlarged 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 Enlarged Group up to the Latest Practicable Date since 31 October 2012 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 Enlarged Group and the effect of the Transaction, in the absence of unforeseen circumstances, the Enlarged 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 2011, the date to which the latest audited consolidated financial statements of the Group were made up.

5. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF THE GROUP

Set out below is the management discussion and analysis (modified as appropriate) extracted from the annual reports of the Group for the financial years ended 31 December 2009, 2010 and 2011 and for the six months ended 30 June 2012.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2009, 2010 and 2011 and for the six months ended 30 June 2012

	Six months ended 30 June		Year ended 31 December		
	2012	2011	2011	2010	2009
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Turnover	556,038	547,219	1,111,049	1,277,182	1,191,698
Cost of sales	(467,049)	(451,057)	(883,191)	(1,057,915)	(941,364)
Gross profit	88,989	96,162	227,858	219,267	250,334
Other income	33,509	22,127	68,607	63,398	70,024
Selling and distribution costs	(21,794)	(21,337)	(50,502)	(42,138)	(48,297)
Administrative expenses	(20,821)	(12,426)	(47,859)	(75,833)	(81,201)
Other operating expenses	(27,378)	(34,490)	(62,640)	(61,244)	(55,395)
Other gains and losses	—	—	12,062	(12,173)	(8,258)
Finance costs	(24,685)	(27,994)	(32,830)	(56,912)	(63,294)
Profit before income tax	27,820	22,042	114,696	34,365	63,913
Income tax (expense)/credit	(4,537)	(3,593)	(26,303)	4,136	(1,130)
Profit for the year	**23,283**	**18,449**	**88,393**	**38,501**	**62,783**
Other comprehensive income/(loss), after tax					
Surplus on revaluation of buildings	—	—	15,896	6,849	5,522
Exchange difference on translating foreign operations	—	—	369	166	(40)
Release of statutory surplus reserve upon deregistration of a branch of the Company	—	—	—	—	(154)
Other comprehensive income for the year, net of tax	—	—	16,265	7,015	5,328
Total comprehensive income for the year	**23,283**	**18,449**	**104,658**	**45,516**	**68,111**
Profit attributable to:					
— Owners of the Company	25,349	19,609	93,535	57,429	78,167
— Non-controlling interests	(2,066)	(1,160)	(5,142)	(18,928)	(15,384)
	23,283	18,449	88,393	38,501	62,783
Total comprehensive income attributable to:					
— Owners of the Company	25,349	19,609	109,800	64,444	83,495
— Non-controlling interests	(2,066)	(1,160)	(5,142)	(18,928)	(15,384)
	23,283	18,449	104,658	45,516	68,111
Earnings per share — Basic and diluted *(RMB)*	0.021	0.016	0.076	0.047	0.063

For the year ended 31 December 2009

Results Summary

The Group recorded a turnover of approximately RMB1,191,698,000 and a profit for the year of approximately RMB62,783,000 for the year ended 31 December 2009. 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 sales declined in board-type APA business. However, the Group has started focusing on overseas markets. The management believes the overseas market will have good contribution in the coming future.

Business Review

During the period under review, the rapid development of information technology in China, especially the upgrade of fundamental industries such as energy, railway transportation and environment assessment, and the construction of 3G communications network, has presented APA products greater market potential. The Group provides products with technology and services that meet requirements of China market, especially under the policy of the Chinese government encouraging priority purchase of proprietary products and technologies locally made by domestic enterprises. This put the Group high on the supplier lists and a clear advantage in winning businesses among both local and foreign brands.

During the period under review, the Group has had more purchase orders from the government as compared with last year.

During the period under review, leveraging on the opportunity for technological upgrade due to China's 3G communications network construction, the Group obtained orders in 3G communications network construction. Focusing on customer needs, the Group continued to expand the scale of business operation of the value-added products for APA supporting system and the related complementary business during the period under review in order to enhance the overall strength of the Group.

Wuxi SHIOC International Commercial Center of the service outsourcing base under the project of Wuxi SHIOC International Outsourcing Industry Development Company Limited in Wuxi has been topped up, and the Prime New Plaza is also in construction progress.

Liquidity, Financial Resources and Gearing Ratio

The Group generally finances its operation with internally resourced and banking facilities granted by bankers in the PRC. As at 31 December 2009, the Group's gearing ratio had increased to 53% (calculated on the basis of the Group's total liabilities over total assets) from 51% as at 31 December 2008. As at 31 December 2009, the Group's total bank borrowings amounted to RMB1,022 million (2008: RMB780 million). The Group's time deposits and cash and bank balances as at 31 December 2009 has increased to RMB1,317 million (2008: RMB1,024 million). The current ratio (calculated on the basis of the Group's current assets over current liabilities) has increased to 1.94 as at 31 December 2009 (2008: 1.29).

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 Company guaranteed the banking facilities granted to a subsidiary amounting to RMB30 million (2008: nil). As at 31 December 2009, all (2008: nil) the above banking facilities granted were utilised.

Employee Information

As at 31 December 2009, the Group had 1,932 (2008: 2,467) full-time employees. During the period under review, the Group reported staff costs including directors remuneration of approximately RMB68,829,000 (2008: RMB71,142,000).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 2009.

For the year ended 31 December 2010

Results Summary

The Group recorded a turnover of approximately RMB1,277,182,000 and a profit for the year of approximately RMB38,501,000 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 RMB57,429,000. 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 sub-contracting 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 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 million and a profit for the year of RMB88 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 six months ended 30 June 2012

Results Summary

For the six months ended 30 June 2012, the Group reported an unaudited revenue of approximately RMB556.0 million (2011: RMB547.2 million), representing an increase of 2% as compared with the same period of last year, which was attributable to the slight increase in APA products business. The gross profit margin was approximately 16.0% as compared to 17.6% of the same period last year. The decrease in gross profit margin was mainly due to slight cost rising in raw materials and parts components. The Group recorded an unaudited net profit of approximately RMB23.3 million (2011: RMB18.4 million), representing an increase of 26.6% as compared with the same period of last year. The increase was mainly due to increase in value-added tax concessions.

Business Review

During the period under review, the Group continued to engage in research, development, manufacture and distribution of APA (Advanced Process Automation) products in the PRC, delivering on its commitment to enhancing and reforming traditional PRC industries, facilitating their fast development by using information technology and improving the quality of life of people.

The Group offers APA products in three series and solutions tailored for a number of industries including railway transportation, coal mine safety, environmental protection, communications, commerce, industrial, finance, energy, military, video frequency control and Internet.

During the period, amidst the international environment with substantial fluctuations and lower-than-expected growth of the global economy, China has maintained a steady 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 maintained rapid growth, thereby providing the Company with a more extensive market and development opportunity.

Liquidity, Financial Resources and Gearing ratio

As at 30 June 2012, the Group had shareholders' funds/net assets of approximately RMB1,327 million. It mainly comprised bank balances which amounted to approximately RMB1,519 million, inventories of approximately RMB87 million and trade and bills receivables amounted to approximately RMB207 million. Long-term bank borrowings amounted to RMB609 million. Current liabilities of the Group mainly comprised bank borrowings of RMB800 million, trade and bills payable of approximately RMB140 million and other payables and accruals of RMB357 million. Net assets value per share of the Group is approximately RMB1.08.

As at 30 June 2012, the gearing ratio of the Group is about 60.5 % (31 December 2011: 54.4%). It is defined as the Group's total liabilities over the total assets.

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 period under review.

Contingent Liabilities

The Group has no contingent liabilities as at 30 June 2012.

Employee Information

As at 30 June 2012, the Company had 1,361 full time employees and the total remuneration for the period was approximately RMB43.5 million (30 June 2011: RMB36.5 million). 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 period ended 30 June 2012.

A. ACCOUNTANTS' REPORT

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11 December 2012

The Board of Directors
EVOC Intelligent Technology Company Limited

Dear Sirs,

We set out below our report on the Financial Information of 無錫深港國際服務外包產業發展有限公司 (known as Wuxi SHIOC International Outsourcing Industry Development Company Limited for identification purpose only) (the "Target") comprising the statements of financial position as at 31 December 2009, 2010 and 2011 and 30 September 2012, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Target for each of the three years ended 31 December 2009, 2010 and 2011 and for the nine months ended 30 September 2012 (the "Relevant Periods") (the "Financial Information"), prepared on the basis of preparation set out in note 3 of Section C below, for inclusion in the circular of EVOC Intelligent Technology Company Limited (the "Company") dated 11 December 2012 (the "Circular") in connection with the proposed acquisition of the remaining 49% equity interest in the Target by the Company.

The Target was established in the People's Republic of China (the "PRC") with limited liability on 7 June 2004 under the laws of PRC. The Target is principally engaged in property development in the PRC.

The Target has adopted 31 December as its financial year end date. The statutory financial statements of the Target were prepared in accordance with China Accounting Standards for Business Enterprises (2006) issued by the Ministry of Finance of the PRC and were audited by Wuxi Daming Public Accountants.

For the purpose of this report, the directors of the Target have prepared the financial statements of the Target for each of the Relevant Periods (the "Underlying Financial Statements") in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Financial Information has been prepared by the directors of the Target based on the Underlying Financial Statements, with no adjustments made thereon.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

The directors of the Target are responsible for the preparation of the Financial Information that gives a true and fair view in accordance with HKFRSs issued by the HKICPA, the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and for such internal control as the directors of the Target determine is necessary to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error. The directors of the Company are responsible for the contents of the Circular in which this report is included.

Our responsibility is to form an opinion on the Financial Information based on our procedures and to report our opinion to you.

For the purpose of this report, we have carried out audit procedures on the Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and have examined the Financial Information and carried out appropriate procedures as we consider necessary in accordance with Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

For the purpose of this report, we have reviewed the 30 September 2011 Corresponding Information, which are prepared in accordance with the basis of preparation set out in note 3 of Section C below, and the accounting policies set out in note 4 of Section C below, in accordance with Hong Kong Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. The directors of the Target are responsible for the preparation and presentation of the 30 September 2011 Corresponding Information in accordance with basis of preparation set out in note 3 of Section C below, the accounting policies set out in note 4 of Section C below, the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Our responsibility is to express a conclusion on the 30 September 2011 Corresponding Information based on our review. A review principally consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures to the 30 September 2011 Corresponding Information. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the 30 September 2011 Corresponding Information.

OPINION AND REVIEW CONCLUSION

In our opinion, the Financial Information for the purpose of this report, prepared on the basis set out in note 3 of Section C below and in accordance with the accounting policies set out in note 4 of Section C below, gives a true and fair view of the state of affairs of the Target as at 31 December 2009, 2010 and 2011 and 30 September 2012 of the Target's results and cash flows for each of the Relevant Periods then ended.

Based on our review, nothing has come to our attention that causes us to believe that the 30 September 2011 Corresponding Information, for the purpose of this report, is not prepared, in all material respects, in accordance with the same basis adopted in respect of the Financial Information.

B. FINANCIAL INFORMATION

STATEMENTS OF COMPREHENSIVE INCOME

		Year ended 31 December			Nine months ended 30 September	
		2009	2010	2011	2011	2012
	Notes	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Turnover	7	—	—	—	—	—
Other income	8	28	323	289	167	593
Selling and distribution costs		(80)	—	(6,314)	(2,705)	(3,697)
Administrative expenses		(12,138)	(11,831)	(4,414)	(3,590)	(5,680)
Other operating expenses		—	—	(54)	(23)	(84)
Gain on disposal of prepaid land lease payments		—	32,364	—	—	—
(Loss)/profit before income tax	10	(12,190)	20,856	(10,493)	(6,151)	(8,868)
Income tax credit	12	1,659	1,596	2,228	1,510	2,126
(Loss)/profit and total comprehensive income for the year/period		(10,531)	22,452	(8,265)	(4,641)	(6,742)

STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 September
		2009	2010	2011	2012
	Notes	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	14	254	303	1,261	34,882
Construction in progress	15	33,706	120,816	—	—
Prepaid land lease payments	16	318,376	126,632	—	—
Deferred tax assets	24	7,840	9,436	11,664	13,790
Total non-current assets		360,176	257,187	12,925	48,672
Current assets					
Properties under development	17	—	—	405,980	521,468
Prepaid land lease payments	16	9,551	4,178	—	—
Other receivables, deposits and prepayments	18	1,294	6,406	7,614	27,672
Amount due from immediate holding company	19	—	110,273	217,236	418,361
Pledged deposit	20	—	—	258	—
Cash and bank balances	20	105,617	32,193	20,519	152,495
Total current assets		116,462	153,050	651,607	1,119,996
Current liabilities					
Bills payable		—	—	258	—
Accruals, receipts in advance and other payables	21	227,083	38,230	85,211	175,284
Loan from immediate holding company	22	—	—	50,000	50,000
Total current liabilities		227,083	38,230	135,469	225,284
Net current (liabilities)/assets		(110,621)	114,820	516,138	894,712
Total assets less current liabilities		249,555	372,007	529,063	943,384
Non-current liabilities					
Loan from immediate holding company	22	—	100,000	265,321	446,301
NET ASSETS		249,555	272,007	263,742	497,083
CAPITAL AND RESERVES					
Paid-in capital	23	306,122	306,122	306,122	306,122
Reserves		(56,567)	(34,115)	(42,380)	190,961
TOTAL EQUITY		249,555	272,007	263,742	497,083

STATEMENT OF CHANGES IN EQUITY

	Note	Paid-in capital RMB'000	Capital reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2009		211,225	—	(46,036)	165,189
Capital contributions	23	94,897	—	—	94,897
Loss and total comprehensive income for the year		—	—	(10,531)	(10,531)
Balance at 31 December 2009		306,122	—	(56,567)	249,555
Profit and total comprehensive income for the year		—	—	22,452	22,452
Balance at 31 December 2010		306,122	—	(34,115)	272,007
Loss and total comprehensive income for the year		—	—	(8,265)	(8,265)
Balance as 31 December 2011		306,122	—	(42,380)	263,742
Loss and total comprehensive income for the period		—	—	(6,742)	(6,742)
Capital injection from immediate holding company		—	240,083	—	240,083
Balance at 30 September 2012		306,122	240,083	(49,122)	497,083
For the nine months ended 30 September 2011 (unaudited)					
At 1 January 2011		306,122	—	(43,551)	262,571
Loss and total comprehensive income for the period (unaudited)		—	—	(4,641)	(4,641)
Balance at 30 September 2011 (unaudited)		306,122	—	(48,192)	257,930

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2009 RMB'000	Year ended 31 December 2010 RMB'000	Year ended 31 December 2011 RMB'000	Nine months ended 30 September 2011 RMB'000 (Unaudited)	Nine months ended 30 September 2012 RMB'000
Cash flows from operating activities						
(Loss)/profit before income tax		(12,190)	20,856	(10,493)	(6,151)	(8,868)
Adjustments for:						
Depreciation and amortisation		9,641	9,336	242	167	1,552
Loss on disposal of property, plant and equipment		—	—	2	2	—
Interest income		(21)	(289)	(217)	(142)	(99)
Gain on disposal of prepaid land lease payments		—	(32,364)	—	—	—
Operating loss before working capital changes		(2,570)	(2,461)	(10,466)	(6,124)	(7,415)
Increase in properties under development		—	—	(140,992)	(68,312)	(122,679)
Increase in other receivables, deposits and prepayments		(1,010)	(5,112)	(1,208)	(24,923)	(20,058)
(Decrease)/increase in accruals, receipts in advance and other payables		(13,938)	31,401	46,981	12,638	81,602
Increase/(decrease) in bills payable		—	—	258	—	(258)
Net cash (used in)/generated from operations		(17,518)	23,828	(105,427)	(86,721)	(68,808)
Interest paid		—	—	(13,362)	(6,802)	(19,505)
Net cash (used in)/generated from operating activities		(17,518)	23,828	(118,789)	(93,523)	(88,313)
Cash flows from investing activities						
Purchase of property, plant and equipment and construction in progress		(4,154)	(87,268)	(1,202)	(944)	(6)
Increase in amount with immediate holding company		(13,430)	(110,273)	(106,963)	(8,198)	(201,125)
(Increase)/decrease in pledged bank balance		—	—	(258)	—	258
Increase in restricted cash		—	—	—	—	(1,702)
Interest received		21	289	217	142	99
Refund from a subcontractor	15	44,804	—	—	—	—
Net cash generated from/(used in) investing activities		27,241	(197,252)	(108,206)	(9,000)	(202,476)

	Notes	Year ended 31 December 2009 RMB'000	2010 RMB'000	2011 RMB'000	Nine months ended 30 September 2011 RMB'000 (Unaudited)	2012 RMB'000
Cash flows from financing activities						
Capital injection from immediate holding company		—	—	—	—	240,083
Capital contributions		94,897	—	—	—	—
Proceeds from loan from immediate holding company		—	100,000	215,321	92,833	180,980
Net cash generated from financing activities		94,897	100,000	215,321	92,833	421,063
Net increase/(decrease) in cash and cash equivalents		104,620	(73,424)	(11,674)	(9,690)	130,274
Cash and cash equivalents at beginning of year/period		997	105,617	32,193	32,193	20,519
Cash and cash equivalents at end of year/period		105,617	32,193	20,519	22,503	150,793
Analysis of the balances of cash and cash equivalents						
Cash and cash equivalents	20	105,617	32,193	20,519	22,503	150,793

C. NOTES TO THE FINANCIAL INFORMATION

1. GENERAL

無錫深港國際服務外包產業發展有限公司 (known as Wuxi SHIOC International Outsourcing Industry Development Company Limited for identification purpose only) (the "Target") is a limited liability company established in the People's Republic of China (the "PRC"). The address of its registered office and principal place of business is located at Fangqian Town, Wuxi New Area, Jiangsu Province, PRC.

The Target is principally engaged in property development in the PRC.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

For the purpose of preparing and presenting the Financial Information for the Relevant Periods, the Target has consistently applied Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs"), amendments and interpretations ("HK(IFRIC)-Int") issued by the HKICPA which are effective for annual accounting periods beginning on 1 January 2012 throughout the Relevant Periods.

(a) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Target's Financial Information, have been issued, but are not yet effective and have not been early adopted by the Target:

Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[1]
Amendments to HKFRS 7	Disclosure — Transfers of Financial Assets[4]
Amendments to HKFRS 7	Disclosure — Offsetting Financial Assets and Financial Liabilities[2]
Amendments to HKAS 32	Presentation — Offsetting Financial Assets and Financial Liabilities[3]
HKFRS 9 and Amendments to HKFRS 9	Financial Instruments[4]
HKFRS 13	Fair Value Measurement[2]
HKAS 19 (2011)	Employee Benefits[2]
HKFRSs (Amendments)	Annual Improvements 2009–2011 Cycle[2]

1 Effective for annual periods beginning on or after 1 July 2012
2 Effective for annual periods beginning on or after 1 January 2013
3 Effective for annual periods beginning on or after 1 January 2014
4 Effective for annual periods beginning on or after 1 January 2015

The management of the Target is in the process of making an assessment of the potential impact of other new/revised HKFRSs and the directors so far concluded that the application of other new/revised HKFRSs will have no material impact on the Target's Financial Information.

3. BASIS OF PREPARATION

(a) Statement of compliance

The Financial Information and the 30 September 2011 Corresponding Information set out in this report have been prepared in accordance with all applicable HKFRSs, which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the HKICPA and have been consistently applied throughout the Relevant Periods.

In addition, the Financial Information and the 30 September 2011 Corresponding Information also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provision of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The significant accounting policies that have been used in the preparation of the Financial Information and the 30 September 2011 Corresponding Information are set out in note 4 to the Financial Information. These policies have been consistently applied throughout the Relevant Periods unless otherwise stated.

(b) Basis of measurement

The Financial Information and 30 September 2011 Corresponding Information have been prepared under the historical cost basis.

(c) Functional and presentation currency

The Financial Information and 30 September 2011 Corresponding Information are presented in Renminbi ("RMB"), which is also the functional currency of the Target.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Target and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their costs or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual rates are as follows:

Building	5%
Furniture, fixtures and equipment	20%
Motor vehicles	20%

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

(b) Construction in progress

Construction in progress is stated at cost less any accumulated impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

(c) Prepaid land lease payments

Payments for leasehold land under operating leases represent up-front payments to acquire long-term interests in lessee-occupied properties. These payments are stated at cost and are amortised over the period of the lease on a straight-line basis as an expense.

(d) Properties under development

Properties under development are stated at the lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised, less applicable variable selling expenses and the anticipated costs to completion.

Development cost of properties comprises cost of land use rights, construction costs, borrowing costs and professional fees incurred during the development period. Upon completion, the properties are transferred to completed properties held for sale.

Properties under development are classified as current assets unless the construction period of the relevant property development project is expected to be completed beyond an operating cycle.

(e) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

The Target as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

The Target as lessee

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

The land and buildings elements of property leases are considered separately for the purposes of lease classification. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of land and buildings as a finance lease of property, plant and equipment.

(f) Financial instruments

(i) Financial assets

The Target classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

(ii) Impairment loss on financial assets

The Target assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include but not limited to:

— significant financial difficulty of the debtor;

— a breach of contract, such as a default or delinquency in interest or principal payments;

— granting concession to a debtor because of debtor's financial difficulty; and

— it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

For loans and receivables, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance for the relevant financial assets.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(iii) Financial liabilities

The Target classifies its financial liabilities as financial liabilities at amortised costs, which are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost including bills payable, loan from immediate holding company, construction payables, land lease premium and related tax and other payables are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the Relevant Periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Derecognition

The Target derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(g) Revenue recognition

Revenue arising from sales of properties held for sale is recognised upon the properties have been delivered to the purchasers and collectability of related receivables is reasonably assured. Deposits and instalments received from purchasers prior to the date of revenue recognition are included in the statement of financial position under current liabilities and are not recognised as revenue.

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

(h) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for profit and loss items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Target is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

(i) Employees' benefits

Defined contribution retirement plan

Contributions to defined retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

The Target pays contributions to defined contribution plans, being publicly administered pension insurance plans on mandatory basis. The Target has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the plan prior to vesting fully in the contributions.

(j) Impairment of other assets

At the end of each reporting period, the Target reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

— property, plant and equipment under cost model;

— construction in progress; and

— prepaid land lease payments.

If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(k) Capitalisation of borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(l) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Target has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(m) Related parties

(a) A person or a close member of that person's family is related to the Target if that person:

(i) has control or joint control over the Target;

(ii) has significant influence over the Target; or

(iii) is a member of key management personnel of the Target or the Target's parent.

(b) An entity is related to the Target if any of the following conditions apply:

(i) The entity and the Target are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of the employees of the Target or an entity related to the Target.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(i) that person's children and spouse or domestic partner;

(ii) children of that person's spouse or domestic partner; and

(iii) dependents of that person or that person's spouse or domestic partner.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Target's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Key sources of estimation uncertainty

In addition to information disclosed elsewhere in the Financial Information, other key sources of estimation uncertainty that have significant risks of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

(i) Estimated impairment of prepaid land lease payments and construction in progress

The impairment loss for prepaid land lease payments and construction in progress is recognised when the amount by which the carrying amount exceeds its estimated recoverable amount in accordance with the accounting policy stated in note 4(j) to the Financial Information. The recoverable amounts have been determined based on the valuation conducted by independent firm of professional valuer, with reference to the best available information obtained at the end of each reporting period. Any favourable or unfavourable changes to the assumptions of market conditions would result in changes in the carrying amounts of the assets.

(ii) Provision for properties under development

The Target assesses the carrying amounts of properties under development according to their net realisable value based on the realisability of these properties, taking into account costs to completion based on past experience and net sales value based on prevailing market conditions. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The assessment requires the use of judgement and estimates.

6. SEGMENT INFORMATION

The Target has identified its operating segments and prepared segment information based on the regular internal Financial Information reported to the Target's chief operating decision makers for their decisions about resources allocation to the Target's business components and review of these components' performance. There is only one single business reportable segment in the internal reporting to the directors, which is properties development. The Target's assets and capital expenditure are principally attributable to this business component.

No separate analysis of segment information by geographical segment is presented as the Target's assets and capital expenditure are principally attributable to a single geographical region, which is the PRC.

7. TURNOVER

During the Relevant Periods, the Target did not generate any revenue as the properties are under construction.

8. OTHER INCOME

	Year ended 31 December			Nine months ended 30 September	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Bank interest income	21	289	217	142	99
Sundry income	7	34	72	25	494
	28	323	289	167	593

9. FINANCE COSTS

	Year ended 31 December			Nine months ended 30 September	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest expenses on loan from immediate holding Company	—	—	13,362	6,802	19,505
Less: interest capitalised *(note 17)*	—	—	(13,362)	(6,802)	(19,505)
	—	—	—	—	—

10. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging:

	Year ended 31 December			Nine months ended 30 September	
	2009	**2010**	**2011**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Auditor's remuneration *(note (a))*	—	—	249	—	—
Depreciation of property, plant and equipment	90	109	242	167	1,552
Amortisation of prepaid land lease payments	9,551	9,227	—	—	—
Loss on disposal of property, plant and equipment, net	—	—	2	2	—
Minimum lease payments under operating leases	100	52	53	38	46
Staff costs (including directors' and supervisor's remunerations):					
Wages, salaries, bonus and allowances	246	459	987	597	1,190
Contributions to retirement benefits schemes	71	118	331	118	413
	317	577	1,318	715	1,603

Note:

(a) Auditor's remuneration for the years ended 31 December 2009 and 2010 and the nine months ended 30 September 2012 was borne by its immediate holding company.

11. DIRECTORS' AND SUPERVISOR'S REMUNERATIONS AND FIVE HIGHEST PAID INDIVIDUALS

(a) No remuneration was paid or payable to any directors during the Relevant Periods.

(b) The remuneration paid or payable to a supervisor is set out below:

	Salaries, allowances and benefits in kind	Contributions to retirement benefit schemes	Total
	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2009			
Mr Wang Bi Chun	—	—	—
For the year ended 31 December 2010			
Mr Wang Bi Chun	28	—	28
For the year ended 31 December 2011			
Mr Wang Bi Chun	60	—	60
Nine months ended 30 September 2011 (Unaudited)			
Mr Wang Bi Chun	12	—	12
Nine months ended 30 September 2012			
Mr Wang Bi Chun	84	—	84

(c) **Five highest paid individuals**

The five highest paid individuals of the Target for the three years ended 31 December 2009, 2010 and 2011 and the nine months ended 30 September 2011 and 2012 included supervisor (Nil, one, one, Nil, one), whose remuneration is set out in note (b) above.

The remunerations of remaining five, four, four, five, four highest paid individuals were all within the band from HK$nil to HK$1,000,000 (equivalent to RMB879,060, RMB846,930, RMB817,630, RMB819,730 and RMB814,840 for the three years ended 31 December 2009, 2010 and 2011 and for the nine months ended 30 September 2011 and 2012) during the Relevant Periods are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, allowances and benefits in kind	219	169	249	145	369
Contributions to retirement benefit schemes	7	4	6	4	22
	226	173	255	149	391

(d) During the Relevant Periods, no remunerations were paid by the Target to the directors, supervisor or the five highest paid individuals as an inducement to join or upon joining the Target or as compensation for loss of office. There were no arrangements under which any director or supervisor waived or agreed to waive any remunerations in respect of each of the Relevant Periods.

12. INCOME TAX CREDIT

The amount of income tax in the statements of comprehensive income represents:

	Year ended 31 December			Nine months ended 30 September	
	2009	**2010**	**2011**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current tax — PRC					
Provision for the year	—	—	—	—	—
Deferred taxation *(note 24)*	(1,659)	(1,596)	(2,228)	(1,510)	(2,126)
Income tax credit	(1,659)	(1,596)	(2,228)	(1,510)	(2,126)

In accordance with the PRC Enterprise Income Tax Law effective from 1 January 2008, the PRC Enterprise Income Tax (the "EIT") of the Target is calculated at 25% on the estimated assessable profit for the Relevant Periods.

No EIT has been provided in the Financial Information and 30 September 2011 Corresponding Information as the Target did not derive any assessable profit for the Relevant Periods.

The Target's income tax for the Relevant Periods can be reconciled to the (loss)/profit before income tax per the statements of comprehensive income as follows:

	Year ended 31 December			Nine months ended 30 September	
	2009	**2010**	**2011**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
(Loss)/profit before income tax	(12,190)	20,856	(10,493)	(6,151)	(8,868)
Tax at PRC EIT statutory tax rate of 25%	(3,048)	5,214	(2,623)	(1,538)	(2,217)
Tax effect of non-deductible expenses	46	18	395	28	91
Tax effect of temporary difference not recognised	1,343	(6,828)	—	—	—
Total income tax credit	(1,659)	(1,596)	(2,228)	(1,510)	(2,126)

13. DIVIDENDS

The board of directors do not recommend the payment of any dividend for the Relevant Periods.

14. PROPERTY, PLANT AND EQUIPMENT

	Building RMB'000	Furniture, fixtures and equipments RMB'000	Motor vehicles RMB'000	Total RMB'000
Cost:				
At 1 January 2009	—	43	430	473
Additions	—	9	—	9
At 31 December 2009	—	52	430	482
Additions	—	17	141	158
At 31 December 2010	—	69	571	640
Additions	—	535	667	1,202
Disposals	—	(6)	—	(6)
At 31 December 2011	—	598	1,238	1,836
Transfer from properties under development	35,167	—	—	35,167
Additions	—	6	—	6
At 30 September 2012	35,167	604	1,238	37,009
Accumulated depreciation:				
At 1 January 2009	—	8	130	138
Charge for the year	—	9	81	90
At 31 December 2009	—	17	211	228
Charge for the year	—	10	99	109
At 31 December 2010	—	27	310	337
Charge for the year	—	87	155	242
Written back on disposal	—	(4)	—	(4)
At 31 December 2011	—	110	465	575
Charge for the period	1,319	84	149	1,552
At 30 September 2012	1,319	194	614	2,127
Carrying values:				
At 30 September 2012	33,848	410	624	34,882
At 31 December 2011	—	488	773	1,261
At 31 December 2010	—	42	261	303
At 31 December 2009	—	35	219	254

15. CONSTRUCTION IN PROGRESS

	RMB'000
At 1 January 2009	74,365
Additions	4,145
Adjustment *(note (a))*	(44,804)
At 1 January 2010	33,706
Additions	87,110
At 1 January 2011	120,816
Transfer to properties under development	(120,816)
Balance as at 31 December 2011 and 30 September 2012	—

Notes:

(a) For the year ended 31 December 2009, the Target received a refund of RMB44,804,000 from a subcontractor upon termination of the respective subcontracting agreement.

(b) All construction in progress held by the Target were located in the PRC under medium term leases.

16. PREPAID LAND LEASE PAYMENTS

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Cost:				
At beginning of year/period	376,480	376,480	156,229	—
Disposal of land *(note (b))*	—	(220,251)	—	—
Transfer to properties under development	—	—	(156,229)	—
At end of year/period	376,480	156,229	—	—
Accumulated amortisation and impairment:				
At beginning of year/period	39,002	48,553	25,419	—
Charge for the year/period	9,551	9,227	—	—
Written-off on disposal *(note (b))*	—	(32,361)	—	—
Transfer to properties under development	—	—	(25,419)	—
At end of year/period	48,553	25,419	—	—
Carrying values at end of year/period	327,927	130,810	—	—
Less: Current portion included under current assets	(9,551)	(4,178)	—	—
Non-current portion	318,376	126,632	—	—

Notes:

(a) Leasehold land held under operating leases of the Target were located in the PRC and were held under medium term lease.

As at 31 December 2009, the four pieces of land in Wuxi had a total area of 518,564m^2 (the "Wuxi Land") and a carrying amount of RMB327,927,000. The Target had commenced the development of two pieces of the Wuxi Land with a total area of 215,221m^2 and obtained two land use right certificates thereon extending to 7 December 2044. The Target planned to develop the remaining two pieces of the Wuxi Land after the infrastructure of development plans in relation to such land by the Wuxi Municipal People's government had been finalised.

(b) On 10 December 2010, the Target and the Wuxi Land Resources Administration Bureau entered into a supplemental land contract in which the site area of the land held by the Target was reduced by 58.5% and the total land premium payable to the Wuxi Land Resources Administration Bureau was accordingly amended from RMB362,000,000 to RMB150,220,000.

Details were set out in the announcement of EVOC Intelligent Technology Company Limited dated 10 December 2010.

(c) The Target pledged a prepaid land lease payment having a carrying amount of RMB65,415,000 as at 31 December 2010 to secure banking facilities granted to its immediate holding company.

17. PROPERTIES UNDER DEVELOPMENT

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Construction costs and capitalised expenditures	—	—	261,808	357,791
Capitalised interests	—	—	13,362	32,867
Land use rights	—	—	130,810	130,810
	—	—	405,980	521,468

All properties under development are located in PRC.

The capitalisation rate of borrowing is 6.88% and 6.94% per annum for the year ended 31 December 2011 and for the nine months period ended 30 September 2012.

The Target pledged properties under development with carrying amount of RMB65,415,000 as at 31 December 2011 and 30 September 2012 to secure banking facilities granted to its immediate holding company (note 22).

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Other receivables	4	120	118	142
Deposits	1,020	1,166	1,619	2,541
Prepaid business tax and other charges on pre-sale proceeds	—	—	3,329	8,235
Prepayments	270	5,120	2,548	16,754
	1,294	6,406	7,614	27,672

19. AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY

The amount due from immediate holding company was unsecured, interest free and repayable on demand.

20. PLEDGED DEPOSIT AND CASH AND BANK BALANCES

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Time deposits	103,500	16,418	—	147,300
Cash at banks and in hand	2,117	15,775	20,519	5,195
Cash and bank balances *(note (b))*	105,617	32,193	20,519	152,495
Pledged deposit *(note (a))*	—	—	258	—
Cash and cash equivalents	105,617	32,193	20,519	150,793

Notes:

(a) Pledged deposit represents deposit placed in bank for issuance of bank guarantees relating to bills payable of the Target.

(b) As at 30 September 2012, included in cash and bank balances, the Target's cash of approximately RMB1,702,000 was restricted and deposited in a bank as guarantee deposit for the benefit of mortgage loan facilities granted by the banks to the purchasers of the Target's properties.

(c) Cash at banks earns interest at floating rates based on daily bank deposits rates.

(d) At the end of reporting period, majority of the cash and bank balances of the Target are denominated in RMB. RMB is not freely convertible into other currencies. Under PRC's "Foreign Exchange Control Regulations and Administration of Settlement" and "Sale and Payment of Foreign Exchange Regulations", the Target is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

21. ACCRUALS, RECEIPTS IN ADVANCE AND OTHER PAYABLES

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Construction payable	5,826	36,979	40,789	70,744
Land lease premium and related tax	220,251	—	—	—
Other payables	972	1,194	3,170	2,693
Accruals	34	57	151	185
Receipts in advance from customers	—	—	41,101	101,662
	227,083	38,230	85,211	175,284

22. LOAN FROM IMMEDIATE HOLDING COMPANY

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Loan from immediate holding company	—	100,000	315,321	496,301

At the end of each Relevant Period, the loan from immediate holding company was scheduled to be repaid as follows:

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
On demand or within one year	—	—	50,000	50,000
After 1 year but within 2 years	—	100,000	100,000	100,000
After 2 years but within 5 years	—	—	165,321	346,301
	—	100,000	265,321	446,301
	—	100,000	315,321	496,301

The loan from immediate holding company was denominated in RMB and bore interest at the following effective interest rates per annum:

	Effective interest rate per annum
At 31 December 2009	—
At 31 December 2010	5.94%
At 31 December 2011	5.94%–7.05%
At 30 September 2012	6.55%–7.05%

On 20 April 2010, the immediate holding company entered into a loan agreement with a bank for granting a banking facility of RMB500,000,000 (the "facility") which was secured by part of the prepaid land lease payment of the Target and was solely for financing the Target's property development and construction cost in Wuxi.

On 25 June 2010, the immediate holding company, the Target and the bank entered into a supplement agreement whereby the Target was able to control and utilise the loan facility for its property development and construction cost in Wuxi and was held liable to the funding obligations in respect thereof.

The loan from immediate holding company represents the facility utilised.

23. PAID-IN CAPITAL

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of the year/period	211,225	306,122	306,122	306,122
Capital contribution	94,897	—	—	—
At the end of the year/period	306,122	306,122	306,122	306,122

The Target was established in the PRC on 7 June 2004 for an operating period of 20 years. As at 1 January 2009, its registered and paid-in capital was RMB306,122,000 and RMB211,225,000, respectively.

24. DEFERRED TAXATION

	Temporary differences on recognition of sales and relevant cost	Temporary differences on recognition of expenses	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2009	—	5,906	275	6,181
Credited to profit/loss	—	1,476	183	1,659
At 31 December 2009	—	7,382	458	7,840
Credited to profit/loss	—	1,354	242	1,596
At 31 December 2010	—	8,736	700	9,436
Credited to profit/loss	710	144	1,374	2,228
At 31 December 2011	710	8,880	2,074	11,664
Credited to profit/loss	1,439	—	687	2,126
At 30 September 2012	2,149	8,880	2,761	13,790

(a) At 31 December 2009, 2010 and 2011 and 30 September 2012, the Target had unused tax losses of RMB2,554,000, RMB3,522,000, RMB8,288,000 and RMB11,036,000 respectively that can be carried forward five years from the respective years the losses were incurred.

25. OPERATING LEASE COMMITMENTS

As lessee

The Target leases certain premises under operating lease arrangements. Properties are negotiated for terms of one year.

At the end of each Relevant Period, the Target had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Not later than one year	—	—	—	54

As lessor

The Target's properties are leased. The leases do not include contingent rentals. At the end of the Relevant Periods, the minimum rent receivables under non-cancellable operating lease are as follows:

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Not later than one year	—	—	—	23
Later than one year and not later than five years	—	—	—	91
Later than five years	—	—	—	11
	—	—	—	125

26. CAPITAL COMMITMENTS

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Authorised but not contracted for:				
— payment of construction costs	—	202,178	396,065	59,604
Contracted but not provided for:				
— construction costs	34,011	199,397	146,861	332,666
	34,011	401,575	542,926	392,270

27. RELATED PARTY TRANSACTIONS

The directors consider the immediate holding company and the ultimate holding company of the Target to be EVOC Intelligent Technology Company Limited (incorporated in the PRC) and EVOC Hi-Tech Holding Group Limited (incorporated in the PRC) respectively.

(a) During the Relevant Periods, the Target entered into the following transactions with its related parties:

Relationship of related party	Type of transaction	Transaction amount			
		Year ended 31 December			Nine months ended 30 September
		2009	2010	2011	2012
		RMB'000	RMB'000	RMB'000	RMB'000
Immediate holding company	Interest expenses	—	—	12,704	19,505

The Target had pledged a prepaid land lease payment with a carrying amount of RMB69,652,000, RMB69,652,000 and RMB65,415,000 at 31 December 2010, 2011 and 30 September 2012, respectively to secure the banking facilities granted to the immediate holding company.

(b) Members of key management during the year comprised the three executive directors only whose remuneration is set out in note 11 to the Financial Information.

28. CAPITAL RISK MANAGEMENT

The Target's primary objective when managing capital is to safeguard the Target's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Target actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Target monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. The Target defines net debts as total debt (which includes bills payable, loan from immediate holding company, and accruals and other payables), less cash and cash equivalents. Adjusted capital comprises all components of equity, less unaccrued proposed dividends.

The gearing ratio at the end of reporting period was as follows:

	As at 31 December			As at 30 September
	2009	2010	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Debt	227,083	138,230	359,689	569,923
Cash and cash equivalents	(105,617)	(32,193)	(20,519)	(150,793)
Net debt	121,466	106,037	339,170	419,130
Equity	249,555	272,007	263,032	497,083
Net debt to equity ratio	49%	39%	129%	84%

29. FINANCIAL RISK MANAGEMENT

The main risks arising from the Targets' financial instruments in the normal course of the Target's business are credit risk, liquidity risk, interest rate risk and currency risk.

These risks are limited by the Target's financial management policies and practices described below.

(a) Credit risk

The Target's credit risk is primarily attributable to other receivables, amount due from immediate holding company and cash and bank balance. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The Target has no significant concentrations of credit risk. The bank balances of the Target are mainly deposits with the major banks in the PRC.

The policies to manage credit risk have been followed by the Target since prior year are considered to have been effective.

(b) Liquidity risk

The Target's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of each of the Relevant Period of the Target's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Target can be required to pay:

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Nine months ended 30 September 2012					
Loan from immediate holding company	496,301	612,939	53,574	235,740	323,625
Construction payable	70,744	70,744	70,744	—	—
Other payables	2,693	2,693	2,693	—	—
	569,738	686,376	127,011	235,740	323,625
Year ended 31 December 2011					
Bills payable	258	258	258	—	—
Loan from immediate holding company	315,321	367,368	53,574	229,797	83,997
Construction payable	40,789	40,789	40,789	—	—
Other payables	3,170	3,170	3,170	—	—
	359,538	411,585	97,791	229,797	83,997
Year ended 31 December 2010					
Loan from immediate holding company	100,000	120,766	—	61,864	58,902
Construction payable	36,979	36,979	36,979	—	—
Other payables	1,194	1,194	1,194	—	—
	138,173	158,939	38,173	61,864	58,902
Year ended 31 December 2009					
Construction payable	5,826	5,826	5,826	—	—
Land lease premium and related tax	220,251	220,251	220,251	—	—
Other payables	972	972	972	—	—
	227,049	227,049	227,049	—	—

(c) Interest rate risk

The Target's interest rate risk arises primarily from loan from immediate holding company. The loan issued at variable rates exposes the Target to cash flow interest rate risk. The Target's interest rate profile is monitored by management.

It is estimated that a general increase/decrease in interest rates will have no impact to the profit or loss of the Target as all the interest expense are capitalised in the properties under development.

(d) Currency risk

The Target's main operation is in the PRC and has no significant exposure to any specific foreign currency.

(e) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2009, 2010 and 2011 and 30 September 2012.

30. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts of the Target's financial assets and financial liabilities as recognised for the Relevant Periods may be categorised as follows:

	As at 31 December			As at 30 September
	2009	**2010**	**2011**	**2012**
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Loans and receivables (including cash and bank balances)	105,621	142,586	238,131	570,998
Financial liabilities				
Financial liabilities measured at amortised cost	227,049	138,173	359,689	569,923

D. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Wuxi Company in respect of any period subsequent to 30 September 2012.

Yours faithfully
BDO Limited
Certified Public Accountants
Ng Wai Man
Practising Certificate number P05309
Hong Kong

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

1. Introduction to the unaudited pro forma financial information

The information set out below is for illustrative purpose only and does not form part of the accountants' report prepared by the reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong, as set out in Appendix II to this circular.

To provide additional financial information, the unaudited pro forma consolidated statement of assets and liabilities (the "Unaudited Pro Forma Financial Information") of the Enlarged Group as at 30 June 2012 has been prepared based on:

(a) the historical unaudited condensed consolidated statement of financial position of the Group as at 30 June 2012 which has been extracted from the interim report for the six months ended 30 June 2012 of the Company;

(b) after taking into account of the unaudited pro forma adjustments as described in the notes thereto to demonstrate how the proposed acquisition might have affected the historical financial information in respect of the Group as if the proposed acquisition was completed on 30 June 2012.

The Unaudited Pro Forma Financial Information of the Enlarged Group should be read in conjunction with the financial information contained in this circular and the Accountants' Report as set out in Appendix II to this circular.

The Unaudited Pro Forma Financial Information of the Enlarged Group is for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group as at 30 June 2012 or at any future date.

2. Unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group as at 30 June 2012

	The Group as at 30 June 2012	Unaudited Pro Forma Adjustments		Unaudited Pro Forma of the Enlarged Group as at 30 June 2012
	RMB'000	Note	RMB'000	RMB'000
Non-current assets				
Investment properties	95,418			95,418
Property, plant and equipment	643,731			643,731
Prepaid land lease payments	57,422			57,422
Deferred tax assets	1,432			1,432
Total non-current assets	798,003			798,003
Current assets				
Inventories	86,915			86,915
Properties under development	693,675			693,675
Prepaid land lease payments	1,287			1,287
Trade receivables	148,769			148,769
Bills receivable	58,682			58,682
Other receivables, deposits and prepayments	50,046			50,046
Cash and bank balances	1,518,956	2	(319,000)	1,199,956
Total current assets	2,558,330			2,239,330
Current liabilities				
Trade payables	135,698			135,698
Bills payable	3,861			3,861
Other payables, deposits and accruals	357,499			357,499
Bank borrowings	800,000			800,000
Income tax payable	11,295			11,295
Total current liabilities	1,308,353			1,308,353
Net current assets	1,249,977			930,977

	The Group as at 30 June 2012	Unaudited Pro Forma Adjustments		Unaudited Pro Forma of the Enlarged Group as at 30 June 2012
	RMB'000	Note	RMB'000	RMB'000
Total assets less current liabilities	2,047,980			1,728,980
Non-current liabilities				
Other payables and accruals	14,202			14,202
Bank borrowings	609,318			609,318
Deferred tax liabilities	97,731			97,731
Total non-current liabilities	721,251			721,251
NET ASSETS	1,326,729			1,007,729
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	123,314			123,314
Reserves	876,091	2	8,324	884,415
Equity attributable to owners of the Company	999,405			1,007,729
Non-controlling interests	327,324	2	(327,324)	—
TOTAL EQUITY	1,326,729			1,007,729

Notes to unaudited pro forma financial information

1. As Wuxi Company is a subsidiary of the Company as at 30 June 2012, the investment in Wuxi Company has been consolidated into the consolidated financial statements of the Group. For the purpose of this Unaudited Pro Forma Financial Information, the financial information of Wuxi Company is therefore not separately presented.

2. In connection with the Acquisition dated 12 November 2012, the Group agreed to acquire the remaining 49% equity interest in Wuxi Company from Feng Shui Long. Upon completion of the Acquisition, Wuxi Company will become a wholly owned subsidiary of the Company and the Company will still retain the control of Wuxi Company.

   In accordance with Hong Kong Accounting Standard 27 (Revised) "Consolidated and separate financial statements", the changes in ownership interests while retaining control are accounted for as transactions with equity shareholders in their capacity as equity shareholders. Accordingly the acquisition of the remaining 49% equity interest in Wuxi Company should be accounted for as equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognised directly in equity and attributed to the owners of the Company.

   The adjustment represents the difference between the non-controlling interests adjusted and consideration for the Acquisition as follows:

	RMB'000
Consideration for the Acquisition to be satisfied by cash	319,000
Non-controlling interests adjusted	327,324
Differences recognised directly in equity	8,324

B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

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The Board of Directors
EVOC Intelligent Technology Company Limited

11 December 2012

Dear Sirs,

We report on the unaudited pro forma consolidated statement of assets and liabilities (the "Unaudited Pro Forma Financial Information") of EVOC Intelligent Technology Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 70 to 73 in Appendix III of the circular dated 11 December 2012, which has been prepared by the directors of the Company, solely for illustrative purposes, to provide information about how the acquisition of the 49% equity interest in Wuxi SHIOC International Outsourcing Industry Development Company Limited (the "Wuxi Company") might have affected the financial information presented. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on Section A of Appendix III.

Respective Responsibilities of Directors of the Company and Reporting Accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. The engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Our work did not constitute an audit or review performed in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

The Unaudited Pro Forma Financial Information is for illustrative purpose only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, it does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Enlarged Group as at 30 June 2012 or any future date.

Opinion

In our opinion:

a. the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

b. such basis is consistent with the accounting policies of the Group; and

c. the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully

BDO Limited
Certified Public Accountants
Ng Wai Man
Practising Certificate number P05309
Hong Kong

American Appraisal China Limited
1506 Dah Sing Financial Centre
108 Gloucester Road / Wanchai / Hong Kong
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Leading / Thinking / Performing

11 December 2012

The Directors
EVOC Intelligent Technology Company Limited
20/F, EVOC Technology Building
No. 31 Gaoxinzhongsi Avenue
Nanshan District
Shenzhen
The PRC

Dear Sirs,

In accordance with the instructions of EVOC Intelligent Technology Company Limited (referred to as the "Company") to value the property interests owned by the Company and its subsidiaries (together referred to as the "Group") located in Wuxi, 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 30 September 2012 (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, titleship of Property and the limiting conditions.

BASIS OF VALUATION

Our valuation is our opinion of the market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

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. The value of a property is also estimated without regard to costs of sales and purchase, and without offset for any associated taxes.

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.

We have also taken into consideration of the development costs incurred and to be incurred to reflect the quality of the proposed development.

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 and the PRC legal opinion given by the Group's legal adviser, Commerce & Finance Law Offices, on the PRC Law 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 in its existing state 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 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.

We have assumed that all consents, approvals and licenses from relevant government authorities for the buildings and structures erected or to be erected thereon have been granted. Also, we have assumed that unless otherwise stated, all buildings and structures erected on the site are held by the owners or permitted to be occupied by the owner.

We have valued the Property on the assumption that it is developed in accordance with the development proposals or building plans given to us. We have assumed that all consents, approvals and licences from relevant government authorities for the buildings and structures erected or to be erected thereon have been granted.

It is assumed that all applicable zoning, land use regulations and other restrictions have been complied with unless a non-conformity has been stated, defined and considered in the valuation certificates. Further, it is assumed that the utilization of the land and improvements 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 respective 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, development proposal, construction costs, site areas and floor areas and all other relevant matters. Dimensions and areas included in the valuation certificates are based on information 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.

We have inspected the Property in the PRC included in the attached valuation certificate. Our Robert Hu inspected the Property in October 2012, who has over 15 years of experience in valuing property in the PRC. However, no structural survey has been made and we are therefore unable to report as to whether the Property are or are not free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

No site investigations have been carried out to determine the suitability of the ground conditions or the services for the development site. Our valuation is made on the basis that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

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, the HKIS Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors.

We hereby certify that we have neither a present nor a prospective interest in the property interest or the value reported. We enclose herewith the summary of valuation and the valuation certificate.

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi. The valuation certificate and limiting conditions are enclosed herewith.

Yours faithfully,
For and on behalf of
AMERICAN APPRAISAL CHINA LIMITED

Sr Eric M. H. Poon
MRICS, MHKIS, 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 and the PRC.

SUMMARY OF VALUATION

Property	Capital Value in existing state as of 30 September 2012 *(RMB)*
Construction-in-Progress ("CIP") Works erected on land parcels (Lot Nos.: 6-007-009-001 and 6-007-009-002) located at southern side of Xihu Road, northern side of Xinfang Road, Wuxi Xin District, Wuxi City, Jiangsu Province, The PRC 中國江蘇省無錫市無錫新區錫滬路南側新紡路北側之地塊 (地塊編號: 6-007-009-001 and 6-007-009-002)及其上之在建工程	880,000,000
Total:	**880,000,000**

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital Value in existing state as of 30 September 2012 *(RMB)*
Construction-in-Progress ("CIP") Works erected on land parcels (Lot Nos.: 6-007-009-001 and 6-007-009-002) located at southern side of Xihu Road, northern side of Xinfang Road, Wuxi Xin District, Wuxi City, Jiangsu Province, The PRC 中國江蘇省無錫市無錫新區錫滬路南側新紡路北側之地塊(地塊編號: 6-007-009-001 and 6-007-009-002)及其上之在建工程	The property comprises two adjacent land parcels with total site area of approximately 215,221.1 sq.m., on which CIP works is being erected. The property is located at the newly developed commercial area in Wuxi Xin district on the north-eastern side of Wuxi City, which is along the main road known as Xihu Road. It is also close to the Huning Expressway on its western side. As advised, the property is planned to be developed into a commercial development (the "development") including commercial podium, office and ancillary facilities with a proposed total gross floor area ("GFA") of approximately 454,733 sq.m.. The development is generally divided into 2 phases. Phase 1 is expected to be completed by the end of 2012. Portion of Phase 2 has commenced construction in December 2011 and is expected to be completed in 2013. The remaining portion of Phase 2 is at the planning stage. As advised, the breakdowns of the proposed gross floor area of the development are as follows:	The property was under construction as at the date of valuation.	880,000,000

Phase 1:

Uses		GFA (sq.m.) approx.
Office	:	63,792
Retail	:	48,420
Business Centre	:	5,287
Basement Car parks & ancillary facilities	:	27,846
Sub-total	**:**	**145,345**

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital Value in existing state as of 30 September 2012 *(RMB)*
	Phase 2:		

Uses		GFA (sq.m.) approx.
Office	:	183,789
Basement Car parks and ancillary facilities	:	125,599
Sub-total	**:**	**309,388**

As advised, the construction cost of about RMB393,000,000 has been incurred as at the date of valuation.

The land use rights of the property have been granted for a term to be expired on 7 December 2044.

Notes:

(1) Pursuant to the State-owned Land Use Rights Grant Contract, Xi Guo Tu Chu He (2004) No.7, entered into between Wuxi City State-owned Land Resources Administration Bureau ("Party A") and Shenzhen City Fengshuilong Investment Development Limited (深圳市風水隆投資發展有限公司) ("Shenzhen Fengshuilong") ("Party B") dated 20 February 2004, Party A agreed to grant the land use rights of the property with a site area of approximately 518,564 sq.m. to Party B for a term of 40 years for commercial and market uses (including a 5-star hotel) at a consideration of RMB362,000,000.

(2) Pursuant to the Supplementary Contract of State-owned Land Use Rights Grant Contract, Xi Guo Tu Chu He (2004) No. 7, entered into between Wuxi City State-owned Land Resources Administration Bureau ("Party A"), Shenzhen Fengshuilong ("Party B") and Wuxi Jiang Nan Da Shi Jie Investment Development Company Limited (無錫市江南大世界投資發展有限公司) ("Wuxi Jiang Nan Da Shi Jie") ("Party C") dated 7 December 2004, Party C replaces Party B under the State-owned Land Use Rights Grant Contract mentioned in Note (1) above, while the other terms and conditions remains unchanged.

(3) Pursuant to the Approval Letter of Amendments of Company Registration, Gong Si Bian Geng [2009] No. 06230008, issued by the Wuxi Industrial and Commercial Administration Management Bureau Xi Qu Branch dated 23 June 2009, Wuxi Jiang Nan Da Shi Jie has changed its name into Wuxi SHIOC International Outstanding Industry Development Company Limited (無錫深港國際服務外包產業發展有限公司) ("Wuxi SHIOC").

(4) Pursuant to the Supplementary Contract of State-owned Land Use Rights Grant Contract, entered into between Wuxi City State-owned Land Resources Administration Bureau ("Party A") and Wuxi SHIOC (previously known as Wuxi Jiang Nan Da Shi Jie) ("Party B") dated 10 December 2010, Party B agreed to reduce the site area of the subject land parcel of the property from 518,564 sq.m. to 215,221.1 sq.m. at a total land premium of RMB150,220,000 with the other terms of conditions remain unchanged.

(5) Pursuant to the State-owned Land Use Certificate, Xi Xin Guo Yong (2007) No. 146, issued by the People's Government of Wuxi City, dated 31 October 2007, a portion of the land use rights of the property with a site area of 107,593.7 sq.m. is held by Wuxi Jiang Nan Da Shi Jie (currently known as Wuxi SHIOC) for a term expiring on 7 December 2044 for commercial market use.

(6) Pursuant to the State-owned Land Use Certificate, Xi Xin Guo Yong (2009) No. 10, issued by the People's Government of Wuxi City, dated 22 July 2009, a portion of the land use rights of the property with a site area of 107,627.4 sq.m. is held by Wuxi SHIOC for a term expiring on 7 December 2044 for commercial market use.

(7) Pursuant to the Notice Letter, Xi Xin Guan Jin Fa [2010] No. 164, issued by Wuxi City New District Economic Development Bureau, dated 19 May 2010, the construction works of Phase 1 of the Property was permitted, while the planned completion date of the project has been extended from December 2008 to December 2012.

(8) Pursuant to the Notice Letter, Xi Xin Guan Jin Fa [2011] No. 464, issued by Wuxi City New District Economic Development Bureau, dated 20 December 2011, the construction works of Phase 2 of the Property with a total gross floor area of 172,000 square metres, which comprises above ground GFA of 84,583 sq.m. and below ground GFA of 87,417 sq.m., was permitted with a total construction period of 2 years.

(9) Pursuant to the Construction Land Planning Permit, Xi Xin Gui Di Xu (2007) Di No. 92, issued by Wuxi People's Government New District Management Committee, the site area of the development is about 411,003 sq.m. (about 108,099 sq.m. for phase 1).

(10) Pursuant to five Construction Works Planning Permits, issued by Wuxi People's Government New District Management Committee, the relevant construction works of the Property have been permitted to be developed by Wuxi SHIOC. The salient details of the permits are tabulated below:

Permit Nos.	Date of Insurance	Construction Scale	Construction Entity
Xi Xin Gui Jian Xu: (2007) Di No. 272	10 Dec 2007	5,286.89 sq.m. (above ground) 497 sq.m. (below ground)	Wuxi Jiang Nan Da Shi Jie (currently known as Wuxi SHIOC)
Jian Zi Di No. 3202012010X0377	15 Nov 2010	Total: 42,418.9 sq.m. inclusive of above ground GFA of 25,822.7 sq.m. and below ground GFA of 16,596.2 sq.m.	Wuxi SHIOC
Jian Zi Di No. 3202012010X0398	6 Dec 2010	86,389.3 sq.m. (above ground) 10,768.5 sq.m. (below ground)	Wuxi SHIOC
Jian Zi Di No. 3202012012X0060	23 Mar 2012	56,631.48 sq.m. (above ground, plot-ratio counted) 1,656.65 sq.m. (above ground, non plot-ratio counted) 18,935.59 sq.m. (below ground)	Wuxi SHIOC
Jian Zi Di No. 3202012012X0079	18 Apr 2012	44,605.92 sq.m. (plot-ratio counted) 17,589.82 sq.m. (non plot-ratio counted)	Wuxi SHIOC

(11) Pursuant to five Construction Works Commencement Permits, issued by Wuxi People's Government New District Management Committee of Planning Construction Environment Protection Bureau, the commencement of the relevant construction works of the Property has been permitted. The construction entity is Wuxi SHIOC. The salient details of the permits are tabulated below:

Permit Nos.	Date of Issuance	Construction Scale	Commencement Date	Completion Date
3202992008042500003A	28 Apr 2008	5,286.89 sq.m. (above ground) 497 sq.m. (below ground)	28 Jun 2009	28 Jun 2010
3202992010011500002A	18 Jan 2010	10,752.3 sq.m. (below ground)	1 Jan 2010	30 Apr 2010
3202992011011700001A	18 Jan 2011	42,418.9 sq.m. (total GFA)	1 Jan 2011	9 Nov 2011
3202992011012100001A	24 Jan 2011	86,389.3 sq.m. (total GFA)	28 Mar 2011	29 Dec 2012
320291020120073	8 Jun 2012	77,223.72 sq.m. (total GFA)	1 May 2012	31 Dec 2013

(12) Pursuant to the Commodity Flats Pre-sale Permit, (2011) Yu Xiao Zhun Zi Di No. 083, issued by Wuxi City Residential Units Guarantee and Real Estate Management Bureau, dated 16 August 2011, the commercial gross floor area of 112,757.42 square metres have been approved for pre-sale.

(13) Pursuant to the above mentioned Construction Works Planning Permits and Notice Letter in Note 8, the plot ratio of the proposed development slightly exceeds the permitted plot ratio stated in the State-owned Land Use Rights Grant Contract in Note 1. In the course of our valuation, we have adopted the permitted plot ratio sated in the said State-owned Land Use Rights Grant Contract. The estimated capital value of the development assuming completion as at the date of valuation was about RMB3,000,000,000.

(14) As advised by the Company, various office units have been pre-sold with a total contract amount of about RMB110,700,000 as at the date of valuation.

(15) As advised by the Company, the total construction cost incurred in the CIP works of the property was about RMB393,000,000 as at the date of valuation, which has been taken into account in the course of our valuation.

(16) In the course of our valuation, we have assumed (i) Wuxi SHIOC possesses the property title to the Property that is freely transferable in the market except the portion of the Property subject to the relevant signed sales/pre-sale contracts and (ii) the CIP works is constructed with full compliance of local regulations and all related costs have been fully settled with local authority.

(17) The Property is located in a newly developed commercial area in Wuxi Xin district on the north-eastern side of Wuxi City. This area has been developed with various office buildings, exhibition centres and shopping malls with a few newly built residential developments, where is considered an ancillary commercial area within the Wuxi Xin district that is positioned as the new high-tech development area in Wuxi City to attract prominent foreign companies. This area is well served by transport networks with Jinghu expressway to its west and Tongxi Expressway to its east. Since mid of 2011, Wuxi property market has been under pressure due to the property market cooling measures implemented by the PRC Government. The general property price level has dropped gradually since the second half of 2011 while the general market has been stabilizing entering 2012. The general land price for commercial and industrial uses is relatively stable while the residential land price has experienced mild drop between second half of 2011 and first half of 2012.

(18) The PRC legal opinion states, inter alia, that:

a) The title of the Property is clean and valid, Wuxi SHIOC can deal with the Property legally.

b) The pre-sale contracts of the Property have been registered, the pre-sold portion of the Property complies with the law and regulations.

c) With reference to the above mentioned Construction Works Commencement Permits together with the Notice Letter, Xi Xin Guan Jin Fa [2011] No. 464 as mentioned in Note 8 above, the plot ratio of the proposed development has slightly exceeded the requirement under the State-owned Land Use Rights Grant Contract as mentioned in Note 1 above. The Company and Wuxi SHIOC have undertaken to control the actual plot ratio gross floor area in the process of planning and construction in order to ensure not to exceed the permitted plot ratio stated under the said State-owned Land Use Rights Grant Contract. There will not be any material adverse impact on the development of Wuxi SHIOC.

d) The CIP works have been granted with relevant permits and are legal and in compliance with regulations.

(19) We have noted from the market the land sales transactions with details as follows:

Property Location	**Land Use**	**Total Site Area**	**Plot Ratio Gross Floor Area**	**Date of Transaction**	**Sale Price**	**Unit Rate**
		(about) *(sq.m.)*	*(about)* *(sq.m.)*		*(RMB)*	*(about)* *(RMB/ sq.m.)*
Southwest of the cross of Xinfang Road and Fanghe Road, Xin District	Commercial & Financial	52,985.00	132,462.50	15-Feb-2011	160,700,000	1,213
North of Jinhong Road, West of Hongyun Road, Xin District	Other Commercial & Service	5,979.40	13,154.68	28-Feb-2012	23,000,000	1,748
East of Xinyunnan Road, South of Xiqin Road, Huning Expressway Northern side Entrance, Xin District	Wholesale Retail	191,046.00	152,836.80	10-May-2011	230,000,000	1,505
Northeast of the cross of Lide Road and Hefeng Road, Taihu Xincheng, Binhu District	Commercial & Financial	12,642.00	69,531.00	24-Aug-2012	56,000,000	805

Noted: We are not the transaction parties nor are we the professional advisor in the above transactions. We are unable to verify or obtain direct confirmation of the above information and we make no guarantee, warranty or representation about it, which is for reference purpose only.

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:

Director	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:

1. 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.

2. 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 Interest of spouse	70.5% 29.5%
Wang Rong (王蓉)	EVOC Hi-Tech. Holding Group Co., Ltd.	Beneficial owner Interest of spouse	29.5% 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.

Substantial Shareholders

As at the Latest Practicable Date, so far as the Directors are aware, the persons who have an interest or short position in 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:

1. 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. 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 Enlarged Group 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.

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

As at the Latest Practicable Date, the Directors were not aware of any other person (other than a Director or supervisor or chief executive of the Company) who was 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 Enlarged Group.

(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 2011 (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 Enlarged Group, or were proposed to be acquired or disposed of by or leased to any member of the Enlarged 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 Enlarged Group.

AUDIT COMMITTEE

The Company has established an audit committee which comprises three independent non-executive Directors, including Mr. Ling Chun Kwok, Mr. Wang Zhao Hui and Mr. An Jian. Mr. Ling Chun Kwok is the chairman of the audit committee. Written terms of reference of the audit committee which comply with the code provisions set out in the Code has been adopted by the Board. The audit committee is responsible for reviewing and supervising the Group's financial reporting process and internal control system and providing advice and recommendations to the Board of Directors.

Members of the Audit Committee

Ling Chun Kwok (凌鎮國), aged 51, an independent non-executive director and the Chairman of the audit committee of the Group. Mr. Ling graduated from the University of Hong Kong with a bachelor degree of Accounting in 2006. He is an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Association of Chartered Certified Accountants. Mr. Ling has over 22 years of experience in auditing, financial management and corporate finance in Hong Kong and in the People's Republic of China. Before joining the Company, he worked as the financial controller and company secretary in China Eco-Farming Ltd. (formerly known as Linefan Technology Holdings Limited) (stock code: 8166) and China Netcom Technology Holdings Limited (formerly known as China Metal Resources Holdings Ltd). (stock code: 8071), which are both listed companies on Stock Exchange. He is currently working as a senior consultant in Wangrise Consultants Limited.

Wang Zhao Hui (王昭輝), aged 44, an independent non-executive director, a member of audit committee, a member of nomination committee and the Chairman of remuneration and review committee of the Group. He graduated from Chongqing University (重慶大學) in 1989 in Precise Electrical Measurement (精密電測專科) in the Department of Electrical Engineering (電器工程系), and obtained his EMBA degree from China Europe International Business School in 2006. Mr. Wang possesses more than 18 years of experience in marketing and corporate management. He is currently executive director and general manager of Shenzhen HYP Industries Limited (深圳市恒盈普泰實業有限公司).

An Jian (安健), aged 44, an independent non-executive director, a member of audit committee and a member of remuneration and review committee of the Group. He graduated from Shanghai East China University of Political Science and Law (上海市華東政法學院) in 1990 with a bachelor degree in Law, and obtained a master degree in Law from Wuhan Zhongnan University of Economics and Law (武漢市中南政法學院) in 1993. Mr. An possesses more than 19 years of experience in practising PRC law. He has worked in the legal system division of Shenzhen Public Security Bureau (深圳市公安局法制處) in 1993, and is currently a senior partner of De Heng Law Offices (德恒律師事務所).

SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company with effect from the date of appointment of the respective Director, for a term of 3 years. As stated in the service contracts entered into between the Company and the Directors, the Company can terminate the service contracts in writing within the period of the service contract in accordance with PRC law.

Save as disclosed above, none of the Directors of the members of the Enlarged Group has a service contract with the Enlarged Group which is not determinable by the Enlarged 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 Enlarged Group.

MATERIAL CONTRACTS

As at the Latest Practicable Date, there are no 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:

Name	Qualification
Celestial Capital	Licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
BDO Limited	Certified Public Accountants
American Appraisal China Limited	Registered Professional Surveyor
Commerce & Finance Law Office	PRC Lawyers

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 2011, 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 Gaoxinzhongsi 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 and including the date of the EGM:

(a) the Agreement;

(b) the Articles of Association;

(c) the letter from the Independent Board Committee, the text of which is set out on pages 18 to 19 of this circular;

(d) the letter of advice from Celestial Capital, the text of which is set out on pages 20 to 27 of this circular;

(e) the accountants' report on Wuxi Company, the text of which is set out in Appendix II to this circular;

(f) the report regarding the unaudited Pro Forma Financial Information of the Enlarged Group, the text of which is set out in Appendix III to this circular;

(g) the valuation report and the certificates of the Land, the text of which is set out in Appendix IV to this circular;

(h) the service contracts of the Directors referred to in the paragraph entitled "Service Contracts" in this appendix;

(i) the written consents referred to in the paragraph headed "Qualifications and consents of experts" in this appendix;

(j) this circular; and

(k) the annual reports of the Company for the two years ended 31 December 2011 and the interim report of the Company for the six months ended 30 June 2012.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "EGM") of EVOC Intelligent Technology Company Limited (the "Company") will be held at 20/F, EVOC Technology Building, No. 31 Gaoxinzhongsi Avenue, Nanshan District, Shenzhen, the People's Republic of China at 10:30 a.m. on 30 January 2013 for the purpose of considering and, if thought fit, approving (with or without amendments) the following resolution:

ORDINARY RESOLUTION

"**THAT**:

(a) the agreement dated 12 November 2012 entered into between the Company and 拉薩市風水隆投資發展有限公司 (Lhasa Feng Shui Long Investment Development Company Limited*) ("Feng Shui Long") in relation to the acquisition of 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 RMB319,000,000 (a copy of which is produced to the meeting marked "A" and signed by the chairman of the meeting for the purpose of identification, the "Agreement"), as mentioned in the circular (the "Circular") of the Company dated 11 December 2012 (a copy of which has been produced to the meeting marked "B" and signed by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved; and

(b) the directors of the Company (the "Directors") be and are hereby authorised for and on behalf of the Company to do all such acts and things, to sign and execute all such documents, instruments and agreements and to take all such steps as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Agreement and all other matters incidental thereto."

By Order of the Board
EVOC Intelligent Technology Company Limited*
Chen Zhi Lie
Chairman

Shenzhen, the PRC
11 December 2012

* *for identification purpose only*

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

2. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority, must be deposited at the Company's H share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 24 hours before the time for holding the meeting or appointed time of voting or any adjournment thereof.

3. Shareholders or their proxies shall present proofs of identities when attending the EGM.

4. The register of members of the Company will be closed from 28 December 2012 to 30 January 2013, both days inclusive, during which no transfer of shares will be effected. Shareholders whose name appears on the register of members of the Company at 4:00 p.m. 27 December 2012 will be entitled to attend and vote at the EGM. All transfers accompanied by relevant share certificates must be lodged with Company's H share registrar and transfer office in Hong Kong not later than 4:30 p.m. on 27 December 2012.

5. Shareholders entitled to attend the EGM are requested to deliver the reply slip for attendance to the liaison office of the Company in Hong Kong at Unit No. 1619, 16th Floor, Star House, 3 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong by hand, by post or by fax (the Company's fax no.: (852) 2375 7238) on or before 9 January 2013.