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研祥智能科技股份有限公司

EVOG Intelligent Technology Company Limited*

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

(Stock Code: 2308)

**MAJOR TRANSACTION:
ACQUISITION OF LAND USE RIGHTS IN KUNSHAN, THE PRC**

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that the Company's bid for the land use rights of the Land offered for sale by the Kunshan Bureau through sealed bidding for the amount of RMB 244,623,126 (approximately HK\$304,873,802) was confirmed successful by the Kunshan Bureau on 28 February 2013. The Company signed the land grant contract in relation to the Acquisition on 13 March 2013 and the Kunshan Bureau signed the land grant contract on 21 March 2013.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios as defined in the Listing Rules exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules and hence is subject to reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules. The Acquisition is regarded as a Qualified Property Acquisition under Rule 14.04 (10C) of the Listing Rules as it involves an acquisition of governmental land in the PRC from a PRC Government Body through a tender, auction or listing-for-sale governed by PRC Law.

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

DESPATCH OF CIRCULAR

A circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders as soon as possible, which is expected to be on or before 15 April 2013.

THE ACQUISITION

The Company's bid for the land use rights of the Land offered for sale by the Kunshan Bureau through sealed bidding for the amount of RMB244,623,126 (approximately HK\$304,873,802) was confirmed successful by the Kunshan Bureau on 28 February 2013. The Company signed the Land Grant Contract on 13 March 2013 and the Kunshan Bureau signed the Land Grant Contract on 21 March 2013. To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Kunshan Bureau and its ultimate beneficial owners (if any) are Independent Third Parties.

PRINCIPAL TERMS OF THE LAND GRANT CONTRACT

Date of the Land Grant Contract	:	13 March 2013
Parties to the Land Grant Contract	:	the Kunshan Bureau; and the Company
Location of the Land	:	the parcel of land situated on the south of Shuangyong Road, near the east side of Dianshan Lake in Dianshan Lake town, Kunshan, the PRC (昆山市淀山湖鎮雙永路南側、淀山湖東側地塊)
Total Site Area	:	Approximately 222,384.66 sq.m.
Usage	:	Commercial, business and residential
Term of the Land Use Rights	:	70 years for residential use and 40 years for commercial, office and entertainment uses
Consideration	:	RMB 244,623,126 (approximately HK\$304,873,802)
Payment of the Consideration	:	50% of the Consideration shall be paid within one calendar month after the date of the Land Grant Contract and the balance shall be paid within two calendar months after the date of the Land Grant Contract. The Deposit paid by the Company shall be treated as part payment of the consideration and be set off against the second payment

BASIS OF THE CONSIDERATION

The Consideration was arrived at as a result of successful bidding of the Land by the Company through public bidding after taking into account the minimum bid price, current market conditions, location of the Land, and land price in the surrounding area. The Consideration and the relevant taxes shall be borne by the Company and will be funded by the Company's internal resources.

INFORMATION ON THE COMPANY AND ITS SUBSIDIARIES (THE “GROUP”)

The Group is principally engaged in the research, development, manufacture and distribution of Advanced Process Automation (“APA”) products, trading of electronic accessories and development of properties in the PRC.

The Group is one of the leading domestic manufacturers of APA products in the PRC. APA is a computer system allowing users to adapt 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 Group are widely applied in, among other, telecommunication, industrial, military, electricity generation, video frequency control, transportation, internet, commerce and finance industries. The Group offers over 390 APA products, which can be broadly classified by their distinctive functions and features into three categories, chassis-type APA products, board-type APA products and remote data modules.

The Group has established an extensive distribution network through its subsidiaries, branches, offices, representative offices and about sales agents spread out across various provinces and autonomous regions in the PRC. Over 5,000 customers of the Group include authorised distribution agents, system integrators, construction and building surveillance agents, software developers and IT manufacturers in the PRC.

REASONS FOR AND BENEFITS OF THE ACQUISITION

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

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

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

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules and hence is subject to reporting, announcement and shareholders’ approval requirements pursuant to Chapter 14 of the Listing Rules. The Acquisition is regarded as a Qualified Property Acquisition under Rule 14.04 (10C) of the Listing Rules as it involves an acquisition of governmental land in the PRC from a PRC Government Body through a tender, auction, or listing-for-sale governed by PRC Law.

As (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition; and (ii) written Shareholder’s approval for the Acquisition has been obtained from Mr. Chen Zhi Lie, a Director and substantial

shareholder holding 924,792,000 out of 1,233,144,000 issued shares of the Company, representing approximately 75% of the issued share capital of the Company and hence is more than 50% in nominal value of the securities giving the right to attend and vote at the general meeting of the Company to approve the Acquisition, the written Shareholder's approval given by Mr. Chen Zhi Lie will be accepted in lieu of holding a general meeting of the Company to approve the Acquisition. Accordingly, no general meeting will be convened to obtain further approval from the Shareholders in the Acquisition.

DESPATCH OF CIRCULAR

A circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders as soon as possible, which is expected to be on or before 15 April 2013.

DEFINITIONS

“Acquisition”	the acquisition of the Land
“Board”	the board of directors of the Company
“Company”	EVOC Intelligent Technology Company Limited (研祥智能科技股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Consideration”	the consideration in the sum of RMB 244,623,126 (approximately HK\$304,873,802) for the acquisition of the land use rights of the Land
“Deposit”	RMB 47,500,000 (approximately HK\$59,199,250) paid for the bidding of the land use rights of the Land
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party/Parties”	a person or persons which is or are independent of, and not connected with, any directors, chief executive or substantial shareholders (within the meaning under the Listing Rules) of the Company or any of its subsidiaries or any of their respective associate(s) (within the meaning under the Listing Rules)
“Kunshan”	Kunshan Municipality (昆山市)
“Kunshan Bureau”	Kunshan Land and Resources Bureau* (昆山市國土資源局)
“Land”	the parcel of land with a total site area of 222,384.66 sq.m. situated on the south of Shuangyong Road, near the east side of Dianshan Lake in Dianshan Lake town, Kunshan, the PRC (昆山市淀山湖鎮雙永路南側、淀山湖東側地塊)
“Land Grant Contract”	the land grant contract signed by the Kunshan Bureau and the Company in relation to the Acquisition

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“PRC Governmental Body”	has the meaning ascribed to it under Rule 19A.04 of the Listing Rules
“PRC Law”	has the meaning ascribed to it under Rule 19A.04 of the Listing Rules
“Qualified Property Acquisition”	an acquisition of land or property development project in Hong Kong from Government or Government-controlled entities through a public auction or tender; or an acquisition of governmental land in the Mainland from a PRC Governmental Body through a tender (招標), auction (拍賣), or listing-for-sale (掛牌) governed by the PRC Law
“RMB”	Renminbi, the lawful currency of the PRC
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Shareholder(s)”	holder(s) of share(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Shenzhen, the PRC, 21 March 2013

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Chen Zhi Lie, Mr. Tso Cheng Shun and Mr. Zhu Jun as executive directors; Mr. Ling Chun Kwok, Ms. Dai Lin Ying, Mr. Wang Zhao Hui and Mr. An Jian as independent non-executive directors.

In this announcement, 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.

For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.2463 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may have been exchanged at such rate or any other rate at all.

* For identification purpose only