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Leoch International Technology Limited

理士國際技術有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 842)

ANNOUNCEMENT

Joint Venture Agreement with ACCUPRO

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Joint Venture Agreement

The Company is pleased to announce that on 10 August 2011, Leoch Investment (an indirect wholly-owned subsidiary of the Company) and ACCUPRO entered into the Joint Venture Agreement to set up the Joint Venture Company in Malaysia to enhance the production capacity and sales volume of lead-acid battery in southeast Asia of the Group, as well as further expanding and consolidating the southeast Asia market.

Pursuant to the Joint Venture Agreement, Leoch Investment and ACCUPRO will jointly invest and establish the Joint Venture Company in Malaysia, which will be principally engaged in manufacturing and sales of lead-acid battery and related products, subject to the approval by competent authorities of Malaysia.

It has been the intention of the Company to continue to expand its business and production scale in southeast Asia and neighbouring regions. Through investing in the Joint Venture Company, In view of the tight monetary situation and industry integration in China, the Directors believe that through investing in southeast Asia and expanding manufacture plants , the supply for the existing business in Southeast Asia can be ensured and the market share in southeast Asia as well as neighbouring regions can be further consolidate and enhanced.

ACCUPRO is a company incorporated in 1990 in Malaysia with limited liability. ACCUPRO is engaged in a variety of business which principally include but not limited to sales of lead-acid battery and electrical engineering project and is familiar with the local market, and therefore the Directors believe that the cooperation with ACCUPRO will provide an effective means for the Company to penetrate into the Malaysian and southeast Asia lead-acid battery market.

The total investment of the Joint Venture Company will be RM20 million and its designed annual production value is RM180 million. The Joint Venture Company will purchase land with site area of about 25,000 square metres for construction of production plant in Malaysia, which is expected to commence production by end of 2012. Leoch Investment and ACCUPRO will invest RM8 million and RM12 million in the Joint Venture Company, respectively. Upon establishment, the equity interest of the Joint Venture Company will be held as to its 40% and 60% by Leoch Investment and ACCUPRO, respectively.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the contents otherwise require:

“ACCUPRO”	ACCUPRO Sdn Bhd, a company established in the Malaysia, the counterparty in the Joint Venture Agreement
“Board”	The board of directors of the Company
“Company”	Leoch International Technology Limited (理士國際技術有限公司), a limited company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 842)
“Director(s)”	The director(s) of the Company
“Group”	The Company and its subsidiaries
“Joint Venture Company”	The joint venture company established pursuant to the Joint Venture Agreement
“Joint Venture Agreement”	The agreement entered into by Leoch Investment and ACCUPRO on 10 August 2011 in relation to the formation of the Joint Venture Company

“lead-acid battery”	A battery using lead sulphate converted from lead oxide and metallic lead as its electrodes
“Leoch Investment”	Leoch Investment (Singapore) Pte.Limited, a limited liability company established according to the laws of the Singapore, an indirectly wholly-owned subsidiary of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Malaysia”	The Federation of Malaysia
“RM”	Ringgit, the lawful currency of Malaysia
“Singapore”	Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited or, as the context may require, the main board operated by it for trading of securities
“PRC”	The People's Republic of China, which, for the purpose of this announcement only, excludes Hong Kong, Macao Special Administrative Region of the PRC and Taiwan

By order of the Board
Leoch International Technology Limited
Mr. Dong Li
Chairman

Hong Kong, August 10, 2011

As of the date of this announcement, the executive Directors are Mr. Dong Li, Ms. Zhao Huan and Mr. Philip Armstrong Noznesky and the independent non-executive Directors are Mr. An Wenbin, Mr. Liu Yangsheng and Mr. Cao Yixiong Alan.