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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)

INSIDE INFORMATION:

PROFIT WARNING

This announcement is made by Leoch International Technology Limited (the “**Company**”) and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company wishes to announce that notwithstanding that the estimated net profit from its operation for the six months ended 30 June 2015 is expected to be higher than the same period last year, the Company is expected to record a net loss for the six months ended 30 June 2015 as compared to a net profit for the same period last year. The expected net loss is mainly attributable to the recording of 100% of the loss on inventories and properties of about RMB78.6 million as a result of the fire incident at one of the warehouses at Huaibei city, Anhui, People’s Republic of China on 24 March 2015 as disclosed in the Company’s announcement dated 25 March 2015. The Company has insurance cover for the fire loss and based on the assessment by the independent valuers appointed by the insurance companies in early August 2015, the Company would be able to recover not less than 70% of the loss from insurance companies. Given the timing required by the insurance companies to process the compensation payment and based on the generally accepted accounting standards applicable as of the interim results date, for prudence sake, the Board has come up with the decision to

record 100% of the loss to be reflected in the interim results for 2015 in the absence of the definite insurance claimed amount ascertained. When the Company has received the insurance compensation of the loss, which is likely in September or October of 2015, the Company will issue an announcement for information to its shareholders and the public.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company and to read carefully the interim results announcement of the Group for the six months ended 30 June 2015 which is expected to be published on 26 August 2015.

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

Hong Kong, 18 August 2015

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. Liu Yangsheng, Mr. Cao Yixiong Alan, Mr. Lau Chi Kit and Dr. Gong Fangxiong.