

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA PUBLIC PROCUREMENT LIMITED

中國公共採購有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1094)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial decrease in its net profit for the year ended 31 December 2011 as compared to that of the Group for the year ended 31 December 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Public Procurement Limited (“**Company**” together with its subsidiaries, “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform its shareholders and potential investors that the Group is expected to record a substantial decrease in its net profit for the year ended 31 December 2011 as compared to that of the Group for the year ended 31 December 2010. The decrease in the Group’s net profit for the year ended 31 December 2011 was mainly due to a drop in the Group’s revenue for the year.

The Group’s business of operation of electronic public procurement platform, which is expected to be the core business of the Group, was still at its development stage and the Group was in the process of setting up electronic procurement platforms at various target provinces and cities; and pioneer provincial public procurement platforms such as those in the Qinghai Province and the Hubei Province, the People’s Republic of China (“**PRC**”) were at their trial operation stage. Operation of electronic public procurement platforms is expected to contribute to the revenue of the Group when such platforms have passed their trial operation stage and the contribution is expected to grow when the number of procurement platforms increases and they could be linked together and operated on a larger scale as a network.

For the year ended 31 December 2010, a majority of the Group's net profit was attributable to income from certain energy management contracting ("EMC") projects during the year. For the year ended 31 December 2011, a major part of the Group's net profit was also expected to be contributed from income from the continuing cooperation arrangement under the EMC project during the year, which was a project in Wuhan, the PRC. However, as the scale of the EMC project of the Group during the year ended 31 December 2011 was much smaller than those of the previous financial year, the related consideration to be received by the Group was much lower. Accordingly, revenue for the Group for the year ended 31 December 2011 was expected to decrease when compared with that for the year ended 31 December 2010.

Moreover, as the Company's shares were suspended from trading throughout 2011, the Group's business operations may also have been negatively impacted in so far as generating new businesses is concerned.

The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the consolidated management accounts of the Group, and such information has not been audited or reviewed by the Company's auditors and there may be further adjustments during the audit process.

Further details of the Group's performance will be disclosed when the final audited results of the Group for the year ended 31 December 2011 is announced.

At the Company's request, trading in the shares of the Company was suspended from 10:19 a.m. on 5 July 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
CHINA PUBLIC PROCUREMENT LIMITED
Cheng Yuanzhong
Chairman and Chief Executive Officer

Hong Kong, 21 February 2012

At the date of this announcement, the Board comprises seven executive Directors, Mr. Cheng Yuanzhong (Chairman), Mr. Ho Wai Kong (Honorary Chairman), Mr. Wang Dingbo, Mr. Wu Xiaodong, Mr. Peng Ru Chuan, Mr. Lu Xing and Ms. Liu Jie; two non-executive Directors, Ms. Cheng Zhuo and Mr. Wang Ning; and four independent non-executive Directors, Mr. Wu Fred Fong, Mr. Chan Tze See, Kevin, Mr. Chen Bojie, and Mr. Xu Haigen.