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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)

**VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING IN RELATION TO FORMATION
OF A JOINT VENTURE**

This is a voluntary announcement made by Leoch International Technology Limited (the “**Company**”).

The board of directors (the “**Board**”) of the Company is pleased to announce that, on 27 November 2014, DongGuan Leoch Battery Technology Co., Ltd. (“**Leoch Battery**”), a wholly-owned subsidiary of the Company, entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Ms. Li Mei Qun (“**Ms. Li**”), an independent third party of the Company, in relation to the formation of a joint venture in the Dongguan city of China (the “**Joint Venture**”).

According to the terms of the MOU, Leoch Battery has agreed to inject its land use right and the property thereon, which is currently part of the assembly manufacturing facility of the Company (the “**Manufacturing Facility**”) at Daping Committee of Dongguan Tangxia, China as capital contribution; and Ms. Li has agreed to inject cash as capital contribution for the Joint Venture. In this connection, Leoch Battery will start making necessary restructuring as well as relocation of the existing Manufacturing Facility. It is provided in the MOU that: (i) Leoch Battery will lease its another land lease right and the property thereon at NO.1 Ludikeng Road, Daping Committee of Dongguan Tangxia, China to Ms. Li; and (ii) Ms. Li shall have an option to acquire Leoch Battery’s share of the Joint Venture in the future. Save as disclosed above, no other terms of the Joint Venture have been agreed. In this regard, the parties will further negotiate the detailed terms of the Joint Venture within 90 days in executing a formal agreement. Save for any confidential obligations under the MOU, the entering into the MOU does not create any legally binding commitments of either party.

As the Joint Venture may or may not materialise, shareholders of the Company and investors are reminded to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 28 November 2014

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 and Mr. Lau Chi Kit.