



Leader Environmental Technologies Limited
利德环保技术有限公司
(Incorporated in the Republic of Singapore on 15 August 2006)
(Company Registration Number: 200611799H)

Profit warning for the Fourth Quarter Ended 31 December 2011 and for the Financial Year ended 31 December 2011

The Board of Directors of Leader Environmental Technologies Limited (the “Company”, together with its wholly-owned subsidiary in the PRC, both collectively referred to as the “Group”) wishes to issue a profit warning regarding the financial results of the Group for the fourth quarter ended 31 December 2011 (“4Q2011”) and for the financial year ended 31 December 2011.

The effects of the credit tightening measures by the PRC Government have resulted in delays in the disbursements of fundings by the Environmental Bureau for industrial wastegas projects. In the light of this, our management has agreed with our customers to proceed cautiously with works required for contracts scheduled in second half of FY2011 as part of the Group's financial risk management. This has resulted in significantly lower profits being recognised in 4Q2011 on work-in-progress on outstanding contracts. For details of the contracts secured, kindly refer to the announcement dated 10 May 2011 and 24 October 2011 respectively.

For the above-mentioned reasons, the Group is expected to report a significant decline in profit for the profit full year ended 31 December 2011 as compared with the corresponding period in 2010 but the Group will remain profitable for the full year ended 31 December 2011.

The profit warning is based on a preliminary review of the unaudited financial results of the Group. Further details of the Group's financial performance will be disclosed when it finalises and announces its unaudited financial year results for the year ended 31 December 2011 on or before 29 February 2012.

By Order of the Board

Lin Baiyin
Executive Chairman and Chief Executive Officer
1 February 2012

The initial public offering of the Company was sponsored by Stirling Coleman Capital Limited (“Issue Manager”). The Issue Manager assumes no responsibility for the contents of this announcement.