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# CGS

**CHINA GROUND SOURCE ENERGY LIMITED**

**中國地能有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8128)**

## **PROFIT WARNING**

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of China Ground Source Energy Limited (the “Company”) wishes to inform the shareholders of the Company and potential investors that it is expected to record a significant decrease in net profit of the unaudited interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2011 (the “Interim Results”) as compared with the net profit for the corresponding period last year.

Such decrease in net profit was mainly attributable to (i) the absence of a one-off gain on the disposal of IIN Network Technology Limited and its subsidiaries (“Shenzhen Lisai Group”) that recorded in the corresponding period last year; and (ii) the decrease in revenue for the Interim Results.

As the Company is still in the process of finalizing the Interim Results, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the unaudited consolidated management accounts of the Group for the six months ended 30 September 2011. The unaudited Interim Results announcement of the Group for the six months ended 30 September 2011 is expected to be released around 11 November 2011.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the board of  
**China Ground Source Energy Limited**  
**Chan Wai Kay, Katherine**  
*Chairman*

Hong Kong, 26 October 2011

*As at the date of this announcement, the Board comprises Ms. Chan Wai Kay, Katherine, Mr. Xu Shengheng and Mr. Wu Shu Min as executive Directors, Mr. Fu Hui Zhong as non-executive Director, Mr. Jia Wenzeng, Mr. Paul Chow Wan Hoi and Mr. Yau Kiam Fee as independent non-executive Directors.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication.*