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宝德科技集团股份有限公司

POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 8236)

**VERY SUBSTANTIAL DISPOSAL AND
VERY SUBSTANTIAL ACQUISITION**

(1) DESPATCH OF CIRCULAR

**(2) WAIVERS FROM STRICT COMPLIANCE WITH RULES 19.69(4)(a)(i)
AND 19.68(2)(a)(i) OF THE GEM LISTING RULES**

**(3) EXTENSION OF THE WAIVER FROM
STRICT COMPLIANCE WITH RULE 19.62 OF THE GEM LISTING RULES**

The Company has on 11 May 2016 despatched the Circular on (among other things) the very substantial disposal and very substantial acquisition transactions for the conditional disposal of the entire equity interest in Powerleader Computing, such transactions to be considered and (if thought fit) approved by the Shareholders at the extraordinary general meeting to be held on 31 May 2016.

The Company applied to the Stock Exchange, and the Stock Exchange has granted, waivers from strict compliance with (i) GEM Listing Rule 19.69(4)(a)(i) for inclusion of an accountants' report on Taiji Computer and (ii) GEM Listing Rule 19.68(2)(a)(i) for inclusion of financial information of Taiji Computer reviewed by the Company's auditors in the Circular.

The Company has sought from the Stock Exchange an extension of the time limit for submission of the information required under Rule 19.62 of the GEM Listing Rules in respect of the valuation on Powerleader Computing being regarded as profit forecast to 31 May 2016.

Reference is made to the announcement of Powerleader Science & Technology Group Limited (the "**Company**") dated 23 December 2015, 5 January 2016 and 13 January 2016 (the "**Announcements**") in relation to the conditional disposal of the entire equity interest in Powerleader Computing to Taiji Computer. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

(1) DESPATCH OF THE CIRCULAR

The date for convening the EGM has been further rescheduled to 31 May 2016 (as disclosed in the announcement of the Company dated 3 May 2016), and the Board announces that the circular of the Company to the Shareholders containing (among others) information on the very substantial disposal and the very substantial acquisition transactions as disclosed in the Announcements to be considered, and if thought fit, approved by the Shareholders at the EGM (the “**Circular**”) has been dispatched on 11 May 2016.

(2) WAIVER FROM STRICT COMPLIANCE WITH RULE 19.69(4)(a)(i) AND RULE 19.68(2)(a)(i) OF THE GEM LISTING RULES

The Company was required to include in the Circular (a) an accountants’ report on Taiji Computer prepared in accordance with Chapter 7 of the GEM Listing Rules pursuant to Rule 19.69(4)(a)(i) of the GEM Listing Rules for the Acquisition (which constitutes a very substantial acquisition of the Company); and (b) the financial information of Taiji Computer reviewed by the auditors of the Company as required under GEM Listing Rules 19.68(2)(a)(i) for the disposal under the Buy-back Option (which constitutes a very substantial disposal of the Company). In respect of such requirements, the Company applied to the Stock Exchange for waivers from strict compliance with Rules 19.69(4)(a)(i) and with Rule 19.68(2)(a)(i) of the GEM Listing Rules (“**Waivers**”) in the Circular.

Waiver in respect of Rule 19.69(4)(a)(i)

The Company sought the waiver from strict compliance with Rule 19.69(4)(a)(i) of the GEM Listing Rules in respect of an accountant’s report on Taiji Computer based on, among other things, the following:

- (i) Taiji Computer has been listed on the Shenzhen Stock Exchange since March 2010. The quarterly, interim and audited annual financial statements of Taiji Computer Group are published on a regular basis and disclosed on the website of the Shenzhen Stock Exchange and on the website www.cninfo.com.cn (巨潮信息網). The financial statements of Taiji Computer Group are thus already publicly made available for its shareholders and the public to review and assess its activities and performance;
- (ii) Taiji Computer and the Company are both companies established under the laws of the PRC, and the audited financial statements of Taiji Computer Group and those of the Company are prepared in accordance with the requirements of the China Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC. Therefore, the audited financial statements of Taiji Computer Group are already prepared using accounting policies materially consistent with those of the Company (as stipulated under GEM Listing Rule 19.69(4)(a)(i)). Further, the auditors of Taiji Computer issued unqualified opinions on the 2013, 2014 and 2015 audited financial statements of Taiji Computer Group; and
- (iii) The Acquisition will not result in the Group obtaining control of Taiji Computer, or the financial results of Taiji Computer being consolidated into the accounts of the Group. The Total Consideration Shares will be in the nature of an investment in listed securities of the Group and will be recorded as long-term equity investment in the consolidated financial statements of the Group.

The Company considers that it would have been unduly burdensome to have to expend considerable time and resources in the preparation of an accountants' report on Taiji Computer as required under GEM Listing Rule 19.69(4)(a)(i), the purpose of which would be served by the published audited financial statements of Taiji Computer Group. The Company has, instead of an accountants' report on Taiji Computer, included in the Circular the audited financial statements of Taiji Computer Group for each of the three financial years ended 31 December 2013, 2014 and 2015 (plus certain information required for an accountant's report which is not disclosed in those audited financial statements).

Waiver in respect of Rule 19.68(2)(a)(i)

The Company sought the waiver from strict compliance with Rule 19.68(2)(a)(i) of the GEM Listing Rules in respect of financial information of Taiji Computer reviewed by the auditors of the Company based on the following:

- (i) the Acquisition (under which the Group will come to hold only a minority shareholding in Taiji Computer) will not result in Taiji Computer becoming a subsidiary of the Company, and accordingly the financial results of Taiji Computer will not be consolidated into the financial statements of the Company after the Completion and prior to the Group disposing of any Taiji Computer Shares under the Buy-back Option; and
- (ii) the audited financial statements of Taiji Computer for each of the financial years ended 31 December 2013, 2014 and 2015 which are included in the Circular already covers more than what is required by Rule 19.68(2)(a)(i) of the GEM Listing Rules.

The Stock Exchange agreed to grant the Waivers subject to the Company making disclosure of the Waivers (including details and reasons) by way of an announcement (which is fulfilled by the Company in this announcement). Such information on the Waivers is also contained in the letter from the Board in the Circular.

(3) EXTENSION OF THE WAIVER FROM STRICT COMPLIANCE WITH RULE 19.62 OF THE GEM LISTING RULES

As disclosed in the announcement of the Company dated 13 January 2016, the Stock Exchange agreed to grant a waiver from strict compliance with the requirements of Rule 19.62 of the GEM Listing Rules in respect of the valuation on Powerleader Computing which is regarded as a profit forecast under Rule 19.61 of the GEM Listing Rules to submit (a) the principal assumptions upon which the forecast is based; (b) a letter from the auditors of the Company confirming that they have reviewed the accounting policies and calculations for the forecast and containing their report; and (c) a letter from the Board confirmation that they have made the forecast after due and careful enquiry no later than the making of the announcement on the Disposal, subject to the Company submitting such required information by 30 April 2016.

The dispatch of the Circular was delayed due to the postponing of the date for convening of the EGM. Accordingly, the Company applied to the Stock Exchange for and the Stock Exchange agreed to grant an extension of the time limit under the above waiver for submission of the required information to 31 May 2016, subject to disclosure of such extension by way of an announcement (which is fulfilled by the Company in this announcement). The Company has submitted the above required information in respect of the valuation on Powerleader Computing to the Stock Exchange.

By order of the Board
Powerleader Science & Technology Group Limited*
Zhang Yunxia
(張雲霞)
Chairman

Shenzhen, the PRC
11 May 2016

As at the date of this announcement, the executive directors of the Company are Ms. Zhang Yunxia, Mr. Dong Weiping and Mr. Ma Zhumao; the non-executive directors are Mr. Li Ruijie, Mr. Sun Wei and Mr. Xu Yueming and independent non-executive directors are Mr. Chan Shiu Yuen Sammy, Dr. Guo Wanda and Mr. Jiang Baijun.

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 for at least 7 days from its date of publication and the Company’s website at www.powerleader.com.cn.

* For identification purpose only