

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

If you are in any doubt as to any aspect of this circular, or as to the action to be taken, you should consult a stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Powerleader Science & Technology Group Limited**, you should at once hand this circular together with the enclosed forms of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of **Powerleader Science & Technology Group Limited**.

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

---



**宝德科技集团股份有限公司**

**POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED\***

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

**(Stock Code: 8236)**

**(I) PROPOSED SHARES CONSOLIDATION;  
(II) PROPOSED TRANSFER OF LISTING FROM THE GROWTH  
ENTERPRISE MARKET TO THE MAIN BOARD OF THE STOCK  
EXCHANGE OF HONG KONG LIMITED;  
(III) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;  
(IV) RE-ELECTION OF RETIRING DIRECTORS;  
(V) PROPOSED DECLARATION OF FINAL DIVIDEND;  
(VI) PROPOSED ISSUE OF DEBT INSTRUMENTS IN THE PRC  
AND  
NOTICE OF ANNUAL GENERAL MEETING AND CLASS MEETINGS**

---

This circular does not constitute an offer or an invitation to induce an offer by any person to acquire, subscribe for or purchase any securities.

The notices dated 9 May 2012 convening the AGM and the Class Meetings of holders of Domestic Shares and holders of H Shares of the Company to be held at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao'an District, Shenzhen, the PRC on 25 June 2012 at 2:00 p.m., 3:00 p.m. and 4:00 p.m., respectively are set out on pages N-1 to N-29 of this circular.

Whether or not you intend to attend the meetings, you are reminded to complete the proxy forms enclosed with this circular, in accordance with the instructions printed thereon and return the same to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company's registered office at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, The PRC (for the holders of the Domestic Shares only) as soon as possible but in any event not less than 24 hours before the respective time fixed for holding the AGM and the Class Meetings for the holders of the H Shares and Domestic Shares or at any adjournment thereof. Completion and delivery of the said proxy forms will not prevent you from attending, and voting in person at, the AGM and the Class Meetings for the holders of the H Shares and the Domestic Shares or at any adjourned meeting if you so wish.

Reply slips for each of the AGM and the Class Meetings are also enclosed. You are reminded to complete and sign the relevant reply slips (if you are entitled to attend the relevant meetings) and return the signed slips in accordance with the instructions printed thereon.

\* *for identification purpose only*

---

## CHARACTERISTICS OF GEM

---

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	5
1. Introduction .....	5
2. Shares Consolidation .....	6
3. Transfer of Listing .....	8
4. The Articles Amendments .....	9
5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments .....	11
6. Re-election of Retiring Directors .....	12
7. Proposed Declaration of Final Dividend for the year ended 31 December 2011 .....	13
8. Proposed issue of Debt Instruments in the PRC .....	14
9. The AGM and the Class Meetings .....	16
10. Recommendations .....	18
<b>Appendix I — General Information</b> .....	19
<b>Appendix II — Information on the Directors proposed for re-election</b> .....	24
<b>Notice of Annual General Meeting</b> .....	N-1
<b>Notice of Class Meeting of holders of H Shares</b> .....	N-12
<b>Notice of Class Meeting of holders of Domestic Shares</b> .....	N-21

---

## DEFINITIONS

---

*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“AGM”	the annual general meeting of the Company to be held at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao’an District, Shenzhen, the PRC on Monday, 25 June 2012 at 2:00 p.m.
“Announcement”	the announcement of the Company dated 18 April 2012 in relation to the proposed issue of Debt Instruments by the Company
“Articles Amendments”	the Articles Amendments (Shares Consolidation), the Articles Amendments (Transfer of Listing) and the Articles Amendments (Other)
“Articles Amendments (Other)”	the amendments proposed to be made to the Articles of Association to reduce the number of Directors from 10 Directors to 9 Directors
“Articles Amendments (Shares Consolidation)”	the amendments proposed to be made to the Articles of Association for implementing the Shares Consolidation
“Articles Amendments (Transfer of Listing)”	the amendments proposed to be made to the Articles of Association for implementing the Transfer of Listing and complying with the relevant requirements of the Main Board Listing Rules, which will become effective on the date of completion of the Transfer of Listing and the commencement in dealing of the H Shares on the Main Board in compliance with the requirements of the Main Board Listing Rules in replacement of the GEM Listing Rules
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC

---

## DEFINITIONS

---

“Class Meeting(s)”	the respective class meetings of the holders of the H Shares and the Domestic Shares to be convened and held for the purpose to approve, among other things, (i) the Shares Consolidation; (ii) the Transfer of Listing; (iii) the Articles Amendments; and (iv) authorising the Directors to do such acts or things and to take such steps as they consider necessary, desirable or expedient to carry out the above matters, including but not limited to the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing
“Company”	宝德科技集团股份有限公司 (Powerleader Science & Technology Group Limited*), a joint stock limited company incorporated in the PRC with limited liability and whose H Shares are currently listed on GEM
“Company Law”	The Company Law of the PRC enacted by the Eighth National People’s Congress of the PRC on 29 December 1993 and which became effective on 1 July 1994, as amended, supplemented or otherwise modified from time to time
“Consolidated Domestic Share(s)”	ordinary domestic share(s) with a nominal value of RMB1.00 each in the registered share capital of the Company after the proposed Shares Consolidation becoming effective
“Consolidated H Share(s)”	ordinary H share(s) with a nominal value of RMB1.00 each in the registered share capital of the Company after the proposed Shares Consolidation becoming effective
“Consolidated Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the registered share capital of the Company after the proposed Shares Consolidation becoming effective, including Consolidated Domestic Share(s) and Consolidated H Share(s)
“CSRC”	中國證券監督管理委員會 (China Securities Regulatory Commission)
“Debt Instruments”	bills and/or notes and/or company bonds and/or corporate bonds proposed to be issued by the Company with an aggregate principal amount of not exceeding RMB250 million, which may be issued within 2 years from the date on which the proposed issue of Debt Instruments is approved at the AGM in lump sum or in several tranches and the term for each issue shall not exceed 5 years from the date of issue (depending on the type of Debt Instruments to be issued)
“Director(s)”	the director(s) of the Company

---

## DEFINITIONS

---

“Domestic Share(s)”	the ordinary shares of RMB0.10 each issued by the Company, which are subscribed for or credited as fully paid up in RMB, and all of such shares are not listed on the Stock Exchange
“Domestic Stock Exchange”	the Shenzhen Stock Exchange and/or the Shanghai Stock Exchange
“Effective Date”	the effective date of the proposed Shares Consolidation
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing committee of GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of the Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“H Share(s)”	the overseas listed foreign invested ordinary shares of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in Hong Kong Dollars
“Latest Practicable Date”	4 May 2012, being the latest practicable date prior to the printing of the circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Main Board Listing Rules and/or the GEM Listing Rules (as the case may be)
“Main Board”	the main board of the Stock Exchange
“Main Board Listing Committee”	the listing committee of the Main Board
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

---

## DEFINITIONS

---

“Record Date”	means 11 July 2012, being the record date for the purpose of determining the entitlement of Shareholders to the proposed final dividend for the year ended 31 December 2011
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	shares of RMB0.10 each in the capital of the Company
“Shares Consolidation”	the consolidation of every 10 Shares in the registered share capital of the Company into one Consolidated Share in the registered share capital of the Company
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Special Regulations”	the PRC Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定), issued by the State Council on 4 August 1994, as amended, supplemented or otherwise modified from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer of Listing”	the proposed transfer of listing of the existing H shares of the Company from GEM to the Main Board
“ZQGAME”	深圳中青寶互動網絡股份有限公司, an associate in which the Group held 15.30% of its interest and is listed on the Growth Enterprise Market of the Shenzhen Stock Exchange



宝德科技集团股份有限公司

**POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED\***

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

**(Stock Code: 8236)**

*Executive Directors*

Mr. Zhang Yunxia (*Chairman*)  
Mr. Dong Weiping (*Chief executive officer*)  
Mr. Ma Zhumao

*Non-executive Directors*

Mr. Li Ruijie  
Mr. Sun Wei  
Mr. Li Donglei

*Independent Non-executive Directors*

Mr. Jiang Baijun  
Dr. Guo Wanda  
Mr. Chan Shiu Yuen Sammy

*Registered office*

Room 43A, 43rd Floor, Block C  
Electronics Science &  
Technology Building  
Shennan Road Central  
Futian District  
Shenzhen  
The PRC

*Principal place of business  
in Hong Kong*

Unit 105, 1/F,  
Sunbeam Centre,  
27 Shing Yip Street,  
Kwun Tong, Kowloon

9 May 2012

*To the Shareholders*

Dear Sir or Madam,

- (I) PROPOSED SHARES CONSOLIDATION;  
(II) PROPOSED TRANSFER OF LISTING FROM THE GROWTH  
ENTERPRISE MARKET TO THE MAIN BOARD OF THE STOCK  
EXCHANGE OF HONG KONG LIMITED;  
(III) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;  
(IV) RE-ELECTION OF RETIRING DIRECTORS;  
(V) PROPOSED DECLARATION OF FINAL DIVIDEND; AND  
(VI) PROPOSED ISSUE OF DEBT INSTRUMENTS IN THE PRC**

**1. INTRODUCTION**

The Company announced on 29 March 2012 that the Company plans to implement the Shares Consolidation and apply to the CSRC and the Stock Exchange respectively for the Transfer of Listing pursuant to the streamlined transfer of listing procedures under Chapter

\* *for identification purpose only*

---

## LETTER FROM THE BOARD

---

9A of the Main Board Listing Rules, subject to the conditions as set out in the section headed “CONDITIONS FOR SHARES CONSOLIDATION, TRANSFER OF LISTING AND ARTICLES AMENDMENTS” below.

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM and the Class Meetings (where applicable) for, among other things, (i) the implementation of the Shares Consolidation; (ii) the Transfer of Listing; (iii) the Articles Amendments; (iv) authorizing the Directors to do such acts or things and to take such steps as they consider necessary, desirable or expedient to carry out the above matters, including but not limited to the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; (v) the re-election of retiring Directors; (vi) the proposed declaration of final dividend for the year ended 31 December 2011; and (vii) the proposed issue of Debt Instruments in the PRC by the Company.

## 2. SHARES CONSOLIDATION

### Reasons for the Shares Consolidation

To facilitate the possible issue of A shares by the Company and pursuant to the general practice in the PRC securities market that A shares listed on the Domestic Stock Exchange are generally of a nominal value of RMB1.00 each, the Board proposes to implement the Shares Consolidation on the following terms and make amendments to the Articles of Association as a result of the implementation of the Shares Consolidation, subject to the conditions as set out in the sub-section headed “Conditions of the Shares Consolidation” in the section headed “CONDITIONS FOR SHARES CONSOLIDATION, TRANSFER OF LISTING AND ARTICLES AMENDMENTS” below.

### Proposed Shares Consolidation

As at the Latest Practicable Date, the registered share capital of the Company was RMB243,000,000, comprising 1,822,500,000 Domestic Shares and 607,500,000 H Shares of RMB0.10 each, all of which are in issue and fully paid.

The Company has no outstanding options, warrants, convertible notes, derivatives or other securities convertible into or exchangeable for the Shares. There is no other stock exchange on which any part of the equity or debt securities of the Company is listed or dealt in or which listing or permission to deal in is being or is proposed to be sought.

For the purpose of the Shares Consolidation, (i) every ten issued Domestic Shares of RMB0.10 each will be consolidated into one Consolidated Domestic Share of RMB1.00 and (ii) every ten issued H Shares of RMB0.10 each will be consolidated into one Consolidated H Share of RMB1.00. As a result, every ten issued Shares of RMB0.10 each will be consolidated into one Consolidated Share of RMB1.00 on the Effective Date.

---

## LETTER FROM THE BOARD

---

Based on the number of Shares in issue of the Company as at the Latest Practicable Date and on the assumption that there will be no further Shares issued by the Company from the Latest Practicable Date up to the Effective Date, the registered share capital of the Company on the Effective Date shall comprise of 182,250,000 Consolidated Domestic Shares and 60,750,000 Consolidated H shares of RMB1.00 each, all of which are in issue and fully paid on the Effective Date.

### **Effects of the Shares Consolidation**

The Consolidated Shares shall rank pari passu in all respects with each other.

The Board expects that other than the relevant expenses incurred and to be incurred, the implementation of the Shares Consolidation will have no impact on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operation, management or financial position of the Company or the interests and relative rights of the Shareholders. The Directors believe that the Shares Consolidation would not have any material adverse effect on the financial position of the Group and that the Shares Consolidation is in the interest of the Company and the Shareholders as a whole.

### **Application for Listing**

An application will be made by the Company to the GEM Listing Committee and/or the Main Board Listing Committee for the listing of, and permission to deal in, the Consolidated H Shares in issue upon the Shares Consolidation becoming effective. All necessary arrangements will be made for the Consolidated H Shares to be admitted into CCASS. The Consolidated H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

### **Change in board lot size**

As at the Latest Practicable Date, the H Shares are currently traded on GEM in board lots of 10,000 Shares. Upon the Shares Consolidation becoming effective, the Board proposes that the Consolidated H Shares will be traded in board lots of 1,000 Consolidated H Shares. Based on the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Latest Practicable Date, the board lot value is HK\$2,950. Theoretically, the change in board lot size to 1,000 Consolidated H Shares will keep the board lot value to HK\$2,950 (calculated based on the closing price of the H Shares as at the Latest Practicable Date and adjusted for the effect of the Shares Consolidation).

The change in the board lot size will not result in any change in the relative rights of the Shareholders. The Directors consider that the change in board lot size together with the Shares Consolidation is in the interests of the Company and the Shareholders as a whole.

---

## LETTER FROM THE BOARD

---

### **Expected Effective Date for the Shares Consolidation**

The Shares Consolidation is subject to the conditions as set out in the sub-section headed “Conditions of the Shares Consolidation” in the section headed “CONDITIONS FOR SHARES CONSOLIDATION, TRANSFER OF LISTING AND ARTICLES AMENDMENTS” below. At the current stage, the Company is unable to ascertain the exact date on which the above conditions would be satisfied. Therefore, the Effective Date of the Shares Consolidation cannot be determined as at the Latest Practicable Date.

Once the details of the arrangement and the expected timetable with regard to the parallel trading arrangement, the free exchange of Consolidated Share certificates and other matters regarding the Shares Consolidation are finalized, the Company will make further announcements as soon as practicable.

### **3. TRANSFER OF LISTING**

Upon review of the audited financial statements of the Group for the three financial years ended 31 December 2011, the Board is of the view that the Company should be able to meet all the qualifications for listing on the Main Board and an application for a transfer of listing from GEM to the Main Board is contemplated. To expedite such application, it was resolved at the meeting of the Board held on 29 March 2012 that the Company shall plan to apply to the CSRC and the Stock Exchange respectively for the Transfer of Listing pursuant to the streamlined transfer of listing procedures under Chapter 9A of the Main Board Listing Rules.

#### **Reasons for the Transfer of Listing**

The Group is a cloud computing products, solutions and service provider in the PRC. It engages in (i) Cloud Infrastructure as a Service (IaaS) — the design and development, manufacturing and sales of server system solutions related hardware; (ii) Cloud Module as a Service (MaaS) — cloud computing equipment related components value added agency distribution; (iii) Software and Platform as a Service (SaaS and PaaS) — the development and services of cloud computing related software and platform businesses, in the PRC and Hong Kong. Since the listing of the H Shares on the GEM on 12 December 2002, the business of the Group has grown steadily and the Group has improved its public profile. The Directors are of the view that a listing of the H Shares on the Main Board will facilitate an increase in the liquidity of the H Shares, further enhance the public profile of the Group and recognition from the investing public, including the institutional investors, which will be beneficial to the future growth, business development and financing flexibility of the Group.

The Directors do not contemplate any material change in the nature of business activities of the Company immediately following the Transfer of Listing. The Transfer of Listing will not involve any placing of H Shares by the Company.

---

## LETTER FROM THE BOARD

---

### **Requirements under the PRC Regulations**

Under the existing Articles of Association and the relevant PRC laws and regulations, Shareholders' approval is required for the Transfer of Listing, the Articles Amendments (Transfer of Listing) and the Company's application to the CSRC. Subject to the passing of the special resolutions by the Shareholders in each of the AGM and the Class Meetings to approve the Transfer of Listing and the Articles Amendments (Transfer of Listing), the Company will make a formal application to the CSRC for the approval of the Transfer of Listing, and at appropriate time, the Company will make a formal application to the Stock Exchange in relation to the Transfer of Listing.

#### **4. THE ARTICLES AMENDMENTS**

##### **Reasons and conditions for the Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing)**

In view of the Shares Consolidation, the Transfer of Listing and for the purpose of complying with the GEM Listing Rules and/or the Main Board Listing Rules (as the case may be) and the relevant laws and regulations in the PRC and Hong Kong, special resolutions will be proposed at the AGM and the Class Meetings for the Shareholders to approve the Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing) on a conditional basis. The Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing) are subject to the passing of the said special resolutions at the AGM and the Class Meetings. As the Shares Consolidation is conditional upon the completion of the Transfer of Listing and the Articles Amendments (Shares Consolidation) will only become effective upon the Shares Consolidation becoming effective, the Articles Amendments (Shares Consolidation) will not take effect earlier than the Articles Amendments (Transfer of Listing). Prior to the Articles Amendments (Transfer of Listing) becoming effective, the current Articles of Association (subject to any subsequent amendment(s) approved by the Shareholders) will continue to be in force. In the event that the Articles Amendments (Transfer of Listing) takes effect earlier than the Articles Amendments (Shares Consolidation), the Articles of Association (subject to any subsequent amendment(s) approved by the Shareholders) as amended to reflect the consequential amendments as a result of the Transfer of Listing will be adopted as the Articles of Association of the Company. In the event that both the Articles Amendments (Transfer of Listing) and the Articles Amendments (Shares Consolidation) take effect eventually, the Articles of Association (subject to any subsequent amendment(s) approved by the Shareholders) as amended to reflect the consequential amendments as a result of the Transfer of Listing and the Shares Consolidation will be adopted as the Articles of Association of the Company.

---

## LETTER FROM THE BOARD

---

### **Reasons and conditions for the Articles Amendments (Other)**

As Rule 5.05A of the GEM Listing Rules requires an issuer to have independent non-executive directors representing at least one-third of the board by 31 December 2012, the Board proposed that amendments be made to the Articles of Association, where appropriate, to reduce the number of Directors from 10 Directors to 9 Directors.

### **Proposed Amendments to the Articles of Association**

The Articles Amendments will be made for the purpose of complying with the relevant regulations in the PRC and Hong Kong.

Changes will be made to the Articles of Association, where appropriate, to reflect the Company's implementation of the Transfer of Listing, the Shares Consolidation and the reduction of the number of Directors from 10 Directors to 9 Directors. The Articles Amendments (Transfer of Listing) will become effective upon the Transfer of Listing becoming effective. The Articles Amendments (Shares Consolidation) will become effective upon the Shares Consolidation becoming effective. The Articles Amendments (Other) will become effective upon being approved by (i) the Shareholders at the AGM and (ii) the relevant regulatory authorities in the PRC for its registration.

Set out below are the details of the significant amendments to be incorporated into the Articles of Association in respect of the Transfer of Listing and the Shares Consolidation:

1. the Articles Amendments (Transfer of Listing) will become effective on the date of completion of the Transfer of Listing and the commencement in dealing of the H Shares on the Main Board in compliance with the requirements of the Main Board Listing Rules in replacement of the GEM Listing Rules;
2. changes will be made, where appropriate, in order to comply with the requirements of Appendix 3 and Appendix 13 of the Main Board Listing Rules;
3. changes will be made, where appropriate, in order to comply with the requirements of the Main Board Listing Rules relating to financial reporting;
4. reference to any provisions of the GEM Listing Rules will be replaced by that to the corresponding provisions of the Main Board Listing Rules as far as applicable; and
5. any consequential amendments to the Articles of Association as a result of the Transfer of Listing and the Shares Consolidation and/or any other amendments to the Articles of Association as the Directors may consider necessary to comply with the requirements of the Main Board Listing Rules.

---

## LETTER FROM THE BOARD

---

### 5. CONDITIONS FOR SHARES CONSOLIDATION, TRANSFER OF LISTING AND ARTICLES AMENDMENTS

#### Conditions of the Shares Consolidation

The Shares Consolidation is subject to the following conditions:

1. the passing of special resolutions by the Shareholders at the AGM to approve the Shares Consolidation, the Transfer of Listing, the Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing);
2. the passing of special resolutions by the holders of Domestic Shares and the H Shares at the respective Class Meetings to approve the Shares Consolidation, the Transfer of Listing, the Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing);
3. the granting of the relevant approval by the CSRC in connection with the Articles Amendments (Shares Consolidation) and the Articles Amendments (Transfer of Listing) (if necessary);
4. the granting of the approval by the GEM Listing Committee or the Main Board Listing Committee (as the case may be) for the Transfer of Listing and the listing of and permission to deal in the Consolidated H Shares; and
5. the obtaining of all other relevant consent or approval (if any) which are required in connection with the Shares Consolidation and the fulfillment of all conditions which may be attached to such consents or approvals.

#### Conditions of the Transfer of Listing

The Transfer of Listing is subject to the following conditions:

1. the fulfillment of all the applicable listing requirements on the Main Board as stipulated in the relevant rules and regulations of the PRC and the Main Board Listing Rules by the Company;
2. the passing of special resolutions by the Shareholders at the AGM to approve the Transfer of Listing, the Articles Amendments (Transfer of Listing) and the Company's application to the CSRC and the Stock Exchange for the Transfer of Listing;
3. the passing of special resolutions by the holders of Domestic Shares and the H Shares at the respective Class Meetings to approve the Transfer of Listing, the Articles Amendments (Transfer of Listing) and the Company's application to the CSRC and the Stock Exchange for the Transfer of Listing;
4. the granting of the relevant approval by the CSRC in connection with the Transfer of Listing and the Articles Amendments (Transfer of Listing);

---

## LETTER FROM THE BOARD

---

5. the granting of the approval by the Main Board Listing Committee for the listing of and permission to deal in the existing H Shares or the Consolidated H Shares (as the case may be) on the Main Board; and
6. the obtaining of all other relevant consent or approval (if any) which are required in connection with the Transfer of Listing and the fulfillment of all conditions which may be attached to such consents or approvals.

The Company will make further announcements as and when it deems necessary or appropriate, to keep the Shareholders and potential investors informed on the latest progress of the proposed Transfer of Listing. An announcement as required by the Rule 9A.08 of the Main Board Listing Rules will be published after formal approval for the Transfer of Listing has been received from the Stock Exchange.

### **Conditions of the Articles Amendments (Other)**

The Articles Amendments (Other) is subject to (i) the passing of a special resolution by the Shareholders at the AGM to approve the Articles Amendments (Other) and (ii) the approval of the Articles Amendments (Other) by the relevant regulatory authorities in the PRC.

### **Warning:**

**The Company would like to emphasize that (i) preparations relating to the Shares Consolidation and the Transfer of Listing are at a preliminary stage and a definite timetable for the Shares Consolidation and the Transfer of Listing has not yet been finalised; (ii) no applications relating thereto have been made to the CSRC and/or the Stock Exchange; (iii) there is no assurance that the Company will be able to obtain the relevant approvals for the Shares Consolidation and the Transfer of Listing from, among others, the CSRC, the Stock Exchange and the Shareholders in the AGM and the Class Meetings. Shareholders and potential investors should be aware that the Company may or may not proceed with the Transfer of Listing, which is subject to, among others, the granting of the relevant approval by the CSRC and the Stock Exchange, together with other conditions and regulatory requirements to be fulfilled by the Company. Shareholders and potential investors are therefore advised to exercise caution when dealing in the H Shares.**

## **6. RE-ELECTION OF RETIRING DIRECTORS**

As at the Latest Practicable Date, the Board comprises nine directors of which three are executive directors, namely Ms. Zhang Yunxia, Mr. Dong Weiping and Mr. Ma Zhumao; three are non-executive directors, namely Mr. Li Ruijie, Mr. Sun Wei and Mr. Li Donglei; three are independent non-executive directors, namely Mr. Jiang Baijun, Dr. Guo Wanda and Mr. Chan Shiu Yuen Sammy.

Pursuant to Article 92 of the Articles of Association, Ms. Zhang Yunxia, Mr. Ma Zhumao and Dr. Guo Wanda shall retire from their office by rotation and shall then be eligible to offer themselves for re-election.

---

## LETTER FROM THE BOARD

---

Particulars of retiring Directors proposed to be re-elected are set out in Appendix II to this circular.

### **7. PROPOSED DECLARATION OF FINAL DIVIDEND FOR THE YEAR ENDED 31 DECEMBER 2011**

According to the 2011 annual results announcement of the Company dated 28 March 2012, the Board proposed the payment of final dividend for the year ended 31 December 2011 of RMB0.005 (including tax) per Share to the Shareholders whose names appear on the register of members of the Company on the Record Date. For distribution of such dividend, dividend for Domestic Shares will be paid in RMB while dividend for H Shares will be paid in Hong Kong dollars.

Subject to the approval of the Shareholders at the AGM, the payment of final dividend for the year ended 31 December 2011 aforesaid will be distributed and the final dividend cheques will be dispatched to the Shareholders whose names appear on the register of members of the Company on the Record Date.

As far as the Company is aware, as at the Latest Practicable Date, there was no arrangement under which any Shareholder has waived or agreed to waive any dividend proposed to be distributed for the year ended 31 December 2011.

Pursuant to the “PRC Corporate Income Tax Law” (《中華人民共和國企業所得稅法》), the “PRC Implementation Regulations of the Corporate Income Tax Law” (《中華人民共和國企業所得稅法實施條例》), the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative)” ([Guo Shui Fa 2009] No. 124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》([國稅發2009]124號)) and other relevant laws and regulations in respect of holders of H Shares which are non-resident enterprises, the Company shall withhold and pay the corporate income tax in respect of the dividends to which they are entitled in accordance with the tax rate of 10%.

Pursuant to the “PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法》), the “PRC Implementation Regulations of the Individual Income Tax Law” (《中華人民共和國個人所得稅法實施條例》), the “Notice of the Ministry of Finance, State Administration of Taxation in relation to certain policy issues in respect of individual income tax” ([Cai Shui Zi 1994] No.020) (《財政部、國家稅務總局關於個人稅若干政策問題的通知》([財稅字1994] 020號)) and other relevant laws and regulations, no PRC individual income tax for individual holders of H Shares will be withheld in respect of the dividends obtained by the individual holders of H Shares from the Company (an enterprise with foreign investment within the PRC). As such, any H Shares which are not registered in the name(s) of individual(s) (which, for this purpose, includes H Shares registered in the name of HKSCC Nominees Limited, other nominees, trustees, or other organisations or groups) shall be deemed to be H Shares held by non-resident enterprise shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon.

---

## LETTER FROM THE BOARD

---

### Closure of Register of Members of the Company

Subject to the approval of the Shareholders at the AGM and for the purpose of ascertaining the Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2011, the register of members of the Company will be closed from Friday, 6 July 2012 to Wednesday, 11 July 2012, both dates inclusive, during which period no transfers of Shares will be effected. In order to be qualified for the payment of proposed final dividend for the year ended 31 December 2011, all transfer instruments accompanied by the relevant share certificates must be lodged by holders of H Shares with the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 5 July 2012. All transfers of the Domestic Shares together with the relevant share certificates must be delivered at the Company's registered address at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC no later than 4:30 p.m. on Thursday, 5 July 2012.

### 8. PROPOSED ISSUE OF DEBT INSTRUMENTS IN THE PRC

Reference is made to the Announcement.

On 18 April 2012, the Board resolved to seek the Shareholders' approval at the AGM for the proposed issue of the Debt Instruments in the PRC with an aggregate principal amount of not exceeding RMB250 million.

Particulars of the proposed issue of the Debt Instruments are as follows:

Aggregate principal amount:	Not exceeding RMB250 million, to be issued within 2 years from the date on which the proposed issue of the Debt Instruments is approved at the AGM in lump sum or in several tranches depending on the prevailing market conditions at the time of issue
Term:	To be determined based on the prevailing market conditions at the time of issue, but the term for each issue shall not exceed 5 years from the date of issue (depending on the type of Debt Instruments to be issued)
Interest rate:	To be determined based on the prevailing market conditions at the time of issue, but in any event not higher than the upper limit (if any) set by the relevant regulatory authorities
Target:	To qualified institutional investors and/or individual investors in the PRC, save for those prohibited by PRC laws or regulations from subscription
Issue method:	To be arranged and underwritten by qualified financial institution(s) engaged by the Company (where applicable)

---

## LETTER FROM THE BOARD

---

Use of proceeds: It is proposed that the proceeds of the issue of the Debt Instruments will be applied towards the operational needs of the Group, including but not limited to the financing of capital expenditure, to supplement working capital and the repayment of existing bank loans

### **Conditions**

According to the PRC law and the Articles of Association, the proposed issue of the Debt Instruments shall be subject to the Shareholders' approval by way of special resolution at the AGM and shall be conditional upon obtaining necessary approvals from the relevant PRC regulatory authorities.

### **Warning:**

**As the proposed issue of the Debt Instruments may or may not occur, Shareholders and investors are reminded to exercise caution when dealing in the Shares.**

### **Proposed Granting of Authorisation to the Board**

In order to ensure that the proposed issue of the Debt Instruments will duly comply with the applicable legal and regulatory requirements, and to enable the Board to carry out the proposed issue of the Debt Instruments smoothly, it is proposed that the authorisation to be granted to the Board or any one Director by the Shareholders at the AGM shall include but not limited to the following:

- (a) to determine the terms of the issue of the Debt Instruments, including but not limited to the size of issue, issue price, term of the Debt Instruments, timing of issuance, maturity, method(s) of the issue, interest rate(s) and the method to determine the interest rate(s), security matters, etc.;
- (b) to select and engage qualified professional intermediaries, including but not limited to selecting and engaging underwriting institution(s) and credit rating authority(ies);
- (c) to undergo all necessary negotiations, amend and execute all relevant contracts, agreements and other necessary documents (including but not limited to the applications for approvals of the issue of the Debt Instruments, registration report(s), offering document(s), underwriting agreement(s), announcement(s) and document(s) for disclosures as required under applicable legal and/or regulatory requirement(s));
- (d) to apply for all necessary approvals and conduct all necessary filings and registrations in connection with the proposed issue of the Debt Instruments, including but not limited to submitting relevant application(s) to the relevant PRC regulatory authorities and making all necessary amendments to the

---

## LETTER FROM THE BOARD

---

application(s) and document(s) and making submissions to the relevant PRC regulatory authorities on any queries which they may have in relation to the issue of the Debt Instruments; and

- (e) to take all necessary actions and steps for and to deal with or make decisions on all matters relevant to the issue of the Debt Instruments.

### **Reasons for the proposed issue of the Debt Instruments**

The Board believes that the proposed issue of the Debt Instruments will provide the Company with additional source of funds for the operational needs of the Group. Through the issue of the Debt Instruments, the Company can enhance its financial strength and reduce its funding costs.

Therefore, the Board considers that the proposed issue of the Debt Instruments is in the interests of the Company and the Shareholders as a whole.

### **9. THE AGM AND THE CLASS MEETINGS**

Shareholders should note that the approval by the Shareholders of, inter alia, (i) the Transfer of Listing; (ii) the Articles Amendments (Transfer of Listing) at the AGM and the Class Meetings is the prerequisite for making an application to the CSRC in respect of the Transfer of Listing.

Therefore, for the purpose of enabling the Company to make the CSRC application and/or for the purpose of implementing the Shares Consolidation and the proposed issue of Debt Instruments, the Board intends to convene the AGM and the Class Meetings (where applicable) on 25 June 2012 for the Shareholders to consider and approve, if thought fit, among other things, (i) the Shares Consolidation; (ii) the Transfer of Listing; (iii) the Articles Amendments; (iv) authorising the Directors to do such acts or things and take such steps as they consider necessary, desirable and expedient to carry out and/or give effect to the above matters, including but not limited to the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; and (v) the proposed issue of the Debt Instruments.

The notice of AGM is set out on pages N-1 to N-11 of this circular. A proxy form for use at the AGM to be held at 2:00 p.m. on 25 June 2012 at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao'an District, Shenzhen, the PRC is enclosed. Whether or not you intend to attend the AGM, you are requested to complete the accompanying proxy form for use at the AGM in accordance with the instructions printed thereon and return the same to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company's registered address at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC (for the holders of the Domestic Shares only) as soon as possible but in any event not less than 24 hours before the time fixed for

---

## LETTER FROM THE BOARD

---

holding the AGM or at any adjournment thereof. Completion and delivery of the said proxy form will not prevent you from attending, and voting in person at, the AGM or at any adjourned meeting if you so wish.

The notices of the Class Meetings for the holders of the H Shares and the Domestic Shares are set out on pages N-12 to N-29 of this circular. Proxy forms for use at the Class Meetings for the holders of the H Shares and Domestic Shares to be held at 3:00 p.m. and 4:00 p.m. respectively on 25 June 2012 at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao'an District, Shenzhen, the PRC are enclosed. Whether or not you intend to attend the Class Meetings for the holders of the H Shares and the Domestic Shares, you are requested to complete the accompanying proxy form for use at the Class Meeting for the holders of the H Shares (for the holders of the H Shares only) or proxy form for use at the Class Meeting for the holders of the Domestic Shares (for the holders of the Domestic Shares only) in accordance with the instructions printed thereon and return the same to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (for the holders of the H Shares only) or the Company's registered address at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC (for the holders of the Domestic Shares only) as soon as possible but in any event not less than 24 hours before the respective time fixed for holding the Class Meetings for the holders of the H Shares and Domestic Shares or at any adjournment thereof. Completion and delivery of the said proxy form will not prevent you from attending, and voting in person at, the Class Meetings for the holders of the H Shares and the Domestic Shares or at any adjourned meeting if you so wish.

Reply slips for each of the AGM and the Class Meetings are also enclosed. You are reminded to complete and sign the relevant reply slips (if you are entitled to attend the relevant meetings) and return the signed slips to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company's registered address at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC (for the holders of the Domestic Shares only) not later than 20 days before the date of the AGM (i.e. on or before 5 June 2012) in accordance with the instructions printed thereon.

In the event that based on the written replies received from the Shareholders indicating that they intend to attend the AGM, the number of shares with the voting rights as are held by the Shareholders attending the meeting represents not more than half of the total number of Shares with voting rights of that relevant meeting, the Company shall within 5 days thereafter re-notify its Shareholders of the proposed matters for consideration at the relevant meeting and the date and venue of the relevant meeting. The relevant meeting may be convened after such notice has been given.

---

## LETTER FROM THE BOARD

---

### **Closure of Register of Members of the Company**

The register of members in Hong Kong will be closed from Friday, 25 May 2012 to Monday, 25 June 2012, both days inclusive, during which period no transfer of the H Shares of the Company will be effected. In order to be eligible to attend the AGM and the Class Meetings for the holders of the H Shares, and to vote as the Shareholders, all transfers of the H Shares together with the relevant share certificates must be delivered at the Company's H Share registrar's transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 24 May 2012. All transfers of the Domestic Shares together with the relevant share certificates must be delivered at the Company's registered address at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC no later than 4:30 p.m. on Thursday, 24 May 2012.

### **10. RECOMMENDATIONS**

The Board is of the view that the Shares Consolidation, the Transfer of Listing, the Articles Amendments, the re-election of retiring Directors, the declaration of final dividend for the year ended 31 December 2011 and the proposed issue of Debt Instruments are in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the AGM and the Class Meetings.

Yours faithfully,  
By Order of the Board  
**Powerleader Science & Technology Group Limited\***  
**Zhang Yunxia**  
*Chairman*

\* *for identification purpose only*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests and short positions of Directors, chief executives and supervisors of the Company in the share capital of the Company and its associated corporations

As at the Latest Practicable Date, the Directors, chief executives and supervisors of the Company have the following interests and short positions in the shares, debentures or underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) (Chapter 571 of the Laws of Hong Kong)) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which have been required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which have been required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange:

#### *Long positions in shares*

##### *Domestic shares*

Name of Director	Capacity in which shares were held	Number of Domestic Shares	Approximate percentage of the Company’s issued Domestic Shares	Approximate percentage of the Company’s total issued shares
Ms. Zhang Yunxia	Corporate and Family ( <i>Note</i> )	1,021,845,000	56.07%	42.05%
Mr. Li Ruijie	Corporate and Family ( <i>Note</i> )	1,021,845,000	56.07%	42.05%

#### *Note:*

Mr. Li Ruijie is the husband of Ms. Zhang Yun Xia. They hold in aggregate 1,021,845,000 Domestic Shares through 深圳市宝德投資控股有限公司 (Powerleader Investment Holding Company Limited\*) (“Powerleader Investment”) which is held by Mr. Li Ruijie and Ms. Zhang Yunxia as to 87.5% and 12.5% respectively.

\* for identification purpose only

Save as disclosed above, as at the Latest Practicable Date, none of the directors of the Company, supervisors and chief executive of the Company nor their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under relevant provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

**(b) Interests of substantial shareholders**

So far as was known to the Directors, as at the Latest Practicable Date, the following persons (not being a Director or chief executive or supervisor of the Company) have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions of 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be entered in the register referred to therein, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

*Long positions in shares*

*Domestic shares*

Name of Shareholder	Capacity in which shares were held	Number of Domestic Shares	Approximate percentage of the Company's issued Domestic Shares	Approximate percentage of the Company's total issued shares
Powerleader Investment	Beneficial owner	1,021,845,000	56.07%	42.05%
深圳市恆通達遠電子有限公司	Beneficial owner	239,580,000	13.15%	9.86%
哈爾濱世紀龍翔科技開發有限公司	Beneficial owner	159,637,500	8.76%	6.57%
北京雅利安達科技發展有限公司	Beneficial owner	125,642,500	6.89%	5.17%

Save as disclosed above, so far as was known to the Directors, supervisors or chief executives of the Company, as at the Latest Practicable Date, none of the persons or companies (other than a Director, supervisor or chief executive of the Company) had

interests or short positions in the shares, underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be entered in the register referred to therein, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### **3. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### **4. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors, the controlling Shareholder, nor their respective associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or, any other conflicts of interest with the Group.

### **5. DIRECTORS' INTEREST IN ASSETS AND CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of or leased by any member of the Group since 31 December 2011, being the date to which the latest published audited accounts of the Company were made up.

There was no contract or arrangement subsisting at the Latest Practicable Date in which any of the Directors was materially interested in and which was significant in relation to the business of the Group.

### **6. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that they were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, being the date to which the latest published audited financial statements of the Group were made up.

## 7. ISSUES RELATING TO ACQUIRER OF SHARES

The Company shall instruct and cause each of its share registrars not to register the subscription, purchase or transfer of any of its shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such shares bearing statements to the following effect:

- (1) The acquirer of shares agrees with the Company and each Shareholder, and the Company agrees with each Shareholder, to observe and comply with the Company Law, the Special Regulations and the Articles of Association.
- (2) The acquirer of shares agrees with the Company, each Shareholder, Director, supervisor, manager and officer of the Company and the Company acting for itself and for each Director, supervisor, manager and officer agrees with each Shareholder to refer all differences and claims arising from the Articles of Association or any right or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorise the arbitration tribunal to conduct hearing in open session and to publish its award. Such arbitration shall be final and conclusive.
- (3) The acquirer of shares agrees with the Company and each Shareholder that shares in the Company are freely transferable by the holder thereof.
- (4) The acquirer authorises the Company to enter into a contract on his behalf with each Director and officer whereby such Directors and officers undertake to observe and comply with their obligations to Shareholders stipulated in the Articles of Association.

## 8. GENERAL

- i The registered office of the Company is located at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC.
- ii The company secretary of the Company is Mr. Xu Yueming, CICPA.
- iii The Company's H Share registrar's transfer office in Hong Kong is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong.
- iv Unless otherwise specified, the English text of this circular shall prevail over the Chinese text.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours on any weekday (except Saturdays and public holidays) at the Company's principal place of business in Hong Kong at Unit 105, 1/F, Sunbeam Centre, 27 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, from the date of this circular up to and including the date of the AGM and Class Meetings:

- i the existing Articles of Association;
- ii the amended Articles of Association for, among others, the Shares Consolidation and the Transfer of Listing;
- iii Annual Report of the Company for the year ended 31 December 2011; and
- iv Annual Report of the Company for the year ended 31 December 2010.

The particulars of Ms. Zhang Yunxia, Mr. Ma Zhumao and Dr. Guo Wanda, who will offer themselves for re-election at the AGM, disclosed pursuant to Rule 17.46A of the GEM Listing Rules are as follows:

**PARTICULARS OF MS. ZHANG YUNXIA**

Ms. Zhang Yunxia, aged 46, is an executive Director and the chairman of the Board. Ms. Zhang graduated from the Faculty of Computer Engineering in Software of Nankai University in 1988 and then obtained a master degree in tourism business management from the same university. Ms. Zhang has extensive experience in computer engineering industry. Prior to joining the Company in August 1997, she has worked for Shenzhen Wan Tong Software Engineering Co., Ltd. and Shenzhen Xin Le He Computer Co. Ltd. between 1990 and 1997 and is currently responsible for administration and research and development of the Company. Ms. Zhang is currently the vice president of the Shenzhen Software Industry Association.

Ms. Zhang is a director of ZQGAME. Ms. Zhang and Mr. Li Ruijie (“Mr. Li”) hold in aggregate 25.50% of the interest in ZQGAME through Powerleader Investment Holding Company Limited (深圳市宝德投資控股有限公司). Save as disclosed herein, Ms. Zhang has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Ms. Zhang and Mr. Li hold in aggregate 1,021,845,000 Domestic Shares through Powerleader Investment Holding Company Limited (深圳市宝德投資控股有限公司), which is held by Ms. Zhang and Mr. Li as to 12.5% and 87.5% respectively (representing approximately 42.05% and 56.07% of the issued share capital and the issued Domestic Shares of the Company respectively as at the Latest Practicable Date).

Ms. Zhang is the wife of Mr. Li, an non-executive Director and the vice chairman of the Board. Save as disclosed herein, Ms. Zhang has no relationship with the directors, senior management, substantial shareholders and controlling shareholders of the Company.

Ms. Zhang has entered into a service agreement with the Company for a term of three years commencing from 31 August 2009. She is entitled to a basic monthly remuneration of RMB20,000 which is determined with reference to market remuneration standards. Under the service contract, Ms. Zhang is also entitled to an annual management bonus, the amount of which is to be determined by the Board from time to time with reference to the performance results of the Group and its associated companies.

Save as disclosed above, Ms. Zhang has confirmed that there is no other information required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that should be brought to the attention of the Shareholders in relation to her appointment.

**PARTICULARS OF MR. MA ZHUMAO**

Mr. Ma Zhumao, aged 47, is an executive Director. He graduated with a master degree in Computer Architecture from Tianjin University (天津大學) in 1988 and then obtained a master degree in Business Administration of Peking University. Mr. Ma was previously an executive director of the Company from September 1999 to March 2002, and then joined TCL Computer Co., Ltd. He has worked for a number of IT companies and has extensive experience in IT industry. Prior to joining the Company in October 2005, he has worked for Clustars Supercomputing Co., Ltd as President.

Save as disclosed herein, Mr. Ma has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Ma has no relationship with the directors, senior management, substantial shareholders and controlling shareholders of the Company. As at the date hereof, he is not interested in any shares of the Company within the meaning of Part XV of the SFO.

Mr. Ma has entered into a service agreement with the Company for a term of three years commencing from 31 August 2009. He is entitled to a basic monthly remuneration of RMB20,000 which is determined with reference to his duty and responsibility with the Company. Under the service contract, Mr. Ma Zhumao is also entitled to an annual management bonus, the amount of which is to be determined by the Board from time to time with reference to the performance results of the Group and its associated companies.

Save as disclosed above, Mr. Ma Zhumao has confirmed that there is no other information required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that should be brought to the attention of the Shareholders in relation to his appointment.

**PARTICULARS OF DR. GUO WANDA**

Dr. Guo Wanda, aged 46, is an independent non-executive Director. He obtained his Doctor of Philosophy in Economics from Nan Kai University in 1991. He is the vice president of China Development Institute of Shenzhen. He is also the chairman of Shenzhen Association of Management Consultants and a committee member of the advisory committee of Shenzhen municipal government. He has been an independent non-executive director of Shenzhen FIYTA Holdings Limited, a company whose shares are listed on the Shenzhen Stock Exchange since 2005. He was specialized in China macroeconomic & industrial policy studies and enterprises strategy analysis and was appointed to be an independent non-executive director on 6 June 2008.

Save as disclosed herein, Dr. Guo has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Dr. Guo has no relationship with the directors, senior management, substantial shareholders and controlling shareholders of the Company. As at the date hereof, he is not interested in any shares of the Company within the meaning of Part XV of the SFO.

Dr. Guo has entered into a service agreement with the Company for a term of three years for the period from 7 June 2010 to 6 June 2013 entitled to a basic monthly remuneration of RMB5,000 which is determined with reference to his duty and responsibility with the Company. In addition, Dr. Guo Wanda is not entitled to receive any discretionary bonus.

Save as disclosed above, Dr. Guo Wanda has confirmed that there is no other information required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and there are no other matters that should be brought to the attention of the Shareholders in relation to his appointment.



宝德科技集团股份有限公司

**POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED\***

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

**(Stock Code: 8236)**

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of Powerleader Science & Technology Group Limited (the “**Company**”) will be convened and held at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao’an District, Shenzhen, the PRC on Monday, 25 June 2012 at 2:00 p.m., for the following purposes:

1. To consider and approve the report of the directors of the Company (the “**Directors**”) for the year ended 31 December 2011;
2. To consider and approve the report of the supervisors of the Company for the year ended 31 December 2011;
3. To consider and approve the audited financial statements of the Group for the year ended 31 December 2011;
4. To consider and approve the re-appointment of Shinewing (HK) CPA Limited as the Company’s auditors for the year ending 31 December 2012 and to authorize the Directors to fix their remuneration;
5. To re-elect the retiring Directors and to authorize the board of Directors to fix their remuneration;
6. To consider and approve the proposed declaration of final dividend for the year ended 31 December 2011;
7. To consider, and if thought fit, pass with or without modifications, the following resolutions as special resolutions:
  - (1) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Shares Consolidation” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the circular of the Company dated 9 May 2012 (the “**Circular**”), a copy of which is produced to the meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification),

\* *for identification purpose only*

---

## NOTICE OF ANNUAL GENERAL MEETING

---

the consolidation of every ten (10) shares of RMB 0.10 each into (1) consolidated share of RMB1.00 each (the “**Shares Consolidation**”) be and is hereby approved.”

- (2) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Transfer of Listing” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the Circular), the possible transfer of listing from the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to the Main Board of the Stock Exchange (the “**Main Board**”) (the “**Transfer of Listing**”) be and is hereby approved.”
- (3) “**THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Shares Consolidation (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the “**Shares Consolidation Amended Articles**”) (a copy of which is produced to the meeting marked “B” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the articles of association of the Company (the “**Existing Articles**”), which shall take effect upon obtaining necessary approval from relevant regulatory authorities and the listing of the H shares on the Main Board. The details of the amendments set out in the Shares Consolidation Amended Articles are as follows:
- (i) Article 14 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “The shares issued by the Company are with par value. The par value of each share is RMB1.00.”;
- (ii) Article 18 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “With the approval of the China Securities Regulatory Commission, the Company’s existing share structure consists of 243,000,000 ordinary shares, among which:
- (1) shareholders of domestic shares hold 182,250,000 shares in aggregate, representing 75% of the issued share capital of the Company:
- 1) Powerleader Investment Holding Company Limited (深圳市宝德投資控股有限公司) holds 102,184,500 shares, representing 42.05% of the issued share capital of the Company;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- 2) 哈爾濱世紀龍翔科技開發有限公司 (Harbin Shijilongxiang Technology Development Co., Ltd\*) holds 15,963,750 shares, representing 6.57% of the issued share capital of the Company;
  - 3) 深圳市綠恒科技有限公司 (Shenzhen Eternal Green Technology Co., Ltd\*) holds 10,329,500 shares, representing 4.25% of the issued share capital of the Company;
  - 4) 北京雅利安達科技發展有限公司 (Beijing Yali Anda Technology Development Co., Ltd\*) holds 12,564,250 shares, representing 5.17% of the issued share capital of the Company;
  - 5) 深圳市恒通達遠電子有限公司 (Shenzhen Hengtongdayuan Electronics Co., Ltd\*) holds 23,958,000 shares, representing 9.86% of the issued share capital of the Company;
  - 6) 深圳市金博利通投資合夥企業(有限合夥) (Shenzhen Jinbolitong Investment Partnership (limited partnership)\*) holds 7,250,000 shares, representing 2.98% of the issued share capital of the Company;
  - 7) 深圳市志正立達投資合夥企業(有限合夥) (Shenzhen Zhizhenglida Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
  - 8) 深圳市嘉創聯合投資合夥企業(有限合夥) (Shenzhen Jiachuang Joint Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
- (2) shareholders of overseas listed shares hold 60,750,000 shares in aggregate, representing 25% of the issued share capital of the Company.”

---

## NOTICE OF ANNUAL GENERAL MEETING

---

(4) “**THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Transfer of Listing (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the “**Transfer of Listing Amended Articles**”) (a copy of which is produced to the meeting marked “C” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the Existing Articles, with effect from the date of listing of the H shares on the Main Board. The details of the amendments set out in the Transfer of Listing Amended Articles are as follows:

(i) note 2 of Article 1 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“2 “A” refers to the “Appendix of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited”;

(ii) the first sentence of Article 6 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“This Articles of Association will take effect upon obtaining the passing of the special resolutions at the shareholders’ meeting of the Company, obtaining the approval from the relevant authority in charge and on the date of listing of the H shares of the Company on the Main Board of the Stock Exchange.”;

(iii) the second sentence of paragraph 3 of Article 16 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“Overseas listed foreign shares can be listed on the Main Board of the Stock Exchange.”;

(iv) the following paragraph shall be inserted after Article 27 of the Existing Articles:

“Article 27A In respect of the purchase for redemption a redeemable share by the Company:

a) If purchase is not made through the market or by tender, the price of such purchase shall be limited to a maximum price as approved by the meeting of the Shareholders;

b) If purchases are by tender, tenders shall be available to all shareholders alike.”;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (v) the following paragraph shall be inserted before the first paragraph of Article 68 of the Existing Articles:

“In respect of each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting.”;

- (vi) the following paragraph shall be inserted after the second paragraph of Article 87 of the Existing Articles:

“The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.”;

- (vii) the second paragraph of Article 92 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“The length of the period during which notice to the Company of the intention to propose a person for election as a director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least seven days. Such period for lodgement of notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.”

- (viii) the following paragraph shall be inserted after the last paragraph of Article 93 of the Existing Articles:

“The functions of non-executive directors should include but should not be limited to the following:

- (a) participating in board meetings of the Company to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
- (b) taking the lead where potential conflicts of interests arise;
- (c) serving on the audit, remuneration, nomination and other governance committees, if invited; and
- (d) scrutinizing the Company’s performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.”;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (ix) the first sentence of the first paragraph of Article 96 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“Meetings of the board of Directors shall be convened at least four times every year. Such meetings shall be convened by the chairman of the board of Directors.”;

- (x) the following sentence shall be inserted after the first paragraph of Article 96 of the Existing Articles:

“Such regular meeting does not include the practice of obtaining board consent through the circulation of written resolutions.”;

- (xi) the words “ten days” in the first paragraph of Article 97 of the Existing Articles shall be deleted and replaced with the words “fourteen days”;

- (xii) the fourth paragraph of Article 98 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates (as defined in the Rules governing the listing of securities on the Main Board) has a material interest nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (1) the giving of any security or indemnity either:

(a) to the director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

- (2) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (3) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
  - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his associate(s) may benefit; or
  - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (4) any contract or arrangement in which the director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company."

- (xiii) the following paragraph shall be inserted after Article 99 of the Existing Articles:

"Article 99A There should be a procedure agreed by the board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expense. The board should resolve to provide separate independent professional advice to Directors to assist the relevant Director or Directors to discharge his/their duties to the Company.";

- (xiv) Article 146 of the Existing Articles shall be deleted in its entirety and replaced by the following:

"The Company shall despatch two financial reports for each accounting year, i.e. despatch its interim report (the compilation of such interim report shall also comply with the requirements set out in the Rules governing the listing of securities on the Main Board) within 60 days after the end of the first six months of the accounting year and despatch its annual report within 120 days after the end of the accounting year. Apart from complying with the above requirements, the Company shall also despatch the Directors' report and its annual accounts and the auditors' report for the purpose of its annual accounts to the shareholders at least 21 days before the date of the annual general meeting and within 4 months after the end of the accounting year.";

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (xv) the consequential amendments to the effect that all references to “the Hong Kong GEM Listing Rules” in the Existing Articles shall be deleted and replaced with “Rules governing the listing of securities on the Main Board”;
  - (xvi) the consequential amendments to the effect that all references to “the GEM Board” in the Existing Articles shall be deleted and replaced by “the Main Board”.
- (5) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the proposed Shares Consolidation and the transactions contemplated thereunder, with such changes as the Directors may consider necessary, desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the proposed Shares Consolidation;
  - (2) determine and implement at its discretion with full authority the proposed Shares Consolidation, including but not limited to the specific timing of the Shares Consolidation, the issue of the relevant announcements, the application for the listing of, and permission to deal in, the Consolidated H Shares and the application for the acceptance of the Consolidated H Shares as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in The Central Clearing and Settlement System;
  - (3) determine the board lot size for trading in the H Shares in accordance with the requirements of the relevant authorities and the Company’s own situation;
  - (4) amending the Shares Consolidation Amended Articles further, as the Directors may deem appropriate and necessary;
  - (5) filing or registering the Shares Consolidation Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (6) attending to and handling all other necessary procedures and registrations relating to or as a result of the proposed Shares Consolidation.”

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (6) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the possible Transfer of Listing and the transactions contemplated thereunder, with such changes as the Directors may consider necessary desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the possible Transfer of Listing;
  - (2) making any applications and submissions to the Stock Exchange and the China Securities Regulatory Commission (“**CSRC**”) for the Transfer of Listing;
  - (3) amending the Transfer of Listing Amended Articles further, as the Directors may deem appropriate and necessary;
  - (4) filing or registering the Transfer of Listing Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (5) attending to and handling all other necessary procedures and registrations relating to or as a result of the possible Transfer of Listing.”
- (7) “**THAT** the following amendments to the Existing Articles be and are hereby made with effect from the relevant regulatory authorities in the PRC granting approval for the registration of such amendments (and the Directors be and are hereby authorized to make any further amendments to the articles of association of the Company, which in their opinion may be necessary to give effect to (or in connection with) reducing the number of Directors to 9 Directors):
- (i) the second sentence of Article 90 of the Existing Articles shall be deleted in its entirety and replaced by the following:  
  
“The Board of Directors shall comprise of 9 directors including a chairman, a vice chairman and seven directors (three of whom shall be independent non-executive directors).”

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (8) “**THAT** the Company be and is hereby approved and authorised to issue bills and/or notes and/or company bonds and/or corporate bonds (the “Debt Instruments”) in the aggregate principal amount not exceeding RMB250 million in the PRC within 2 years from the date on which this special resolution is passed by the shareholders of the Company in lump sum or in several tranches, details of which are set out in the circular of the Company dated 9 May 2012, and to authorise the directors of the Company to generally and unconditionally deal with all matters relating to and/or in connection with the issue of the Debt Instruments (including but not limited to the matters which are set out in pages 15 to 16 of the Circular).”

By Order of the Board  
**Powerleader Science & Technology Group Limited\***  
**Zhang Yunxia**  
*Chairman*

9 May 2012  
Shenzhen, the PRC

**Notes:**

1. The register of members of the Company will be closed from 25 May 2012 to 25 June 2012 (both days inclusive) during which no transfer of shares will be registered during the period. Holders of domestic shares and H shares whose names appeared on the register of the Company on or before 4:30 p.m. on 24 May 2012 are entitled to attend and vote at the AGM and may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the signed form of proxy must be deposited by hand or by post, at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong (for holders of H shares), or at the registered address of the Company (for holders of domestic shares) not less than 24 hours before the time for holding the AGM or any adjournment thereof. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Shareholders or their proxies who intend to attend the AGM should complete the enclosed reply slip and return it by hand or by post to the H share registrar of the Company (for holders of H shares) or to the registered address of the Company (for holders of domestic shares) on or before 5 June 2012. Please refer to the reply slip for details of the instructions.
4. Shareholders or their proxies shall produce their identity documents when attending the AGM.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

5. The AGM is expected to last for two hours. Shareholders of the Company and their proxies attending the meeting shall be responsible for their own travel and accommodation expenses.

6. Details of the registered address of the Company are as follows:

Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC

Tel: (86-755) 8328 7692

Fax: (86-755) 8327 3380

Postal Code: 518031

Contact person: Mr. Xu Yueming

\* *for identification purposes only*



宝德科技集团股份有限公司

**POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED\***

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

**(Stock Code: 8236)**

**NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES**

**NOTICE IS HEREBY GIVEN** that a class meeting of holders of the H shares of Powerleader Science & Technology Group Limited (the “**Company**”) will be convened and held at 3:00 p.m. (or immediately after the annual general meeting to be convened and held on the same date and at the same place) on Monday, 25 June 2012 at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao’an District, Shenzhen, the PRC, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as special resolutions:

- (1) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Shares Consolidation” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the circular of the Company dated 9 May 2012 (the “**Circular**”), a copy of which is produced to the meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification), the consolidation of every ten (10) shares of RMB0.10 each into (1) consolidated share of RMB1.00 each (the “**Shares Consolidation**”) be and is hereby approved.”
- (2) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Transfer of Listing” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the Circular), the possible transfer of listing from the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to the Main Board of the Stock Exchange (the “**Main Board**”) (the “**Transfer of Listing**”) be and is hereby approved.”
- (3) “**THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Shares Consolidation (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the “**Shares Consolidation Amended Articles**”) (a copy of which is produced to the meeting marked “B” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the articles of association of the Company (the “**Existing Articles**”), which shall take effect upon obtaining

\* *for identification purpose only*

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

necessary approval from relevant regulatory authorities and the listing of the H shares on the Main Board. The details of the amendments set out in the Shares Consolidation Amended Articles are as follows:

- (i) Article 14 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“The shares issued by the Company are with par value. The par value of each share is RMB1.00.”;

- (ii) Article 18 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“With the approval of the China Securities Regulatory Commission, the Company’s existing share structure consists of 243,000,000 ordinary shares, among which:

- (1) shareholders of domestic shares hold 182,250,000 shares in aggregate, representing 75% of the issued share capital of the Company:
- 1) Powerleader Investment Holding Company Limited (深圳市宝德投資控股有限公司) holds 102,184,500 shares, representing 42.05% of the issued share capital of the Company;
  - 2) 哈爾濱世紀龍翔科技開發有限公司 (Harbin Shijilongxiang Technology Development Co., Ltd\*) holds 15,963,750 shares, representing 6.57% of the issued share capital of the Company;
  - 3) 深圳市綠恒科技有限公司 (Shenzhen Eternal Green Technology Co., Ltd\*) holds 10,329,500 shares, representing 4.25% of the issued share capital of the Company;
  - 4) 北京雅利安達科技發展有限公司 (Beijing Yali Anda Technology Development Co., Ltd\*) holds 12,564,250 shares, representing 5.17% of the issued share capital of the Company;
  - 5) 深圳市恒通達遠電子有限公司 (Shenzhen Hengtongdayuan Electronics Co., Ltd\*) holds 23,958,000 shares, representing 9.86% of the issued share capital of the Company;
  - 6) 深圳市金博利通投資合夥企業(有限合夥) (Shenzhen Jinbolitong Investment Partnership (limited partnership)\*) holds 7,250,000 shares, representing 2.98% of the issued share capital of the Company;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

- 7) 深圳市志正立達投資合夥企業(有限合夥) (Shenzhen Zhizhenglida Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
- 8) 深圳市嘉創聯合投資合夥企業(有限合夥) (Shenzhen Jiachuang Joint Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
- (2) shareholders of overseas listed shares hold 60,750,000 shares in aggregate, representing 25% of the issued share capital of the Company.”
- (4) **“THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Transfer of Listing (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the **“Transfer of Listing Amended Articles”**) (a copy of which is produced to the meeting marked “C” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the Existing Articles, with effect from the date of listing of the H shares on the Main Board. The details of the amendments set out in the Transfer of Listing Amended Articles are as follows:
- (i) note 2 of Article 1 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “2 “A” refers to the “Appendix of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited”;
- (ii) the first sentence of Article 6 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “This Articles of Association will take effect upon obtaining the passing of the special resolutions at the shareholders’ meeting of the Company, obtaining the approval from the relevant authority in charge and on the date of listing of the H shares of the Company on the Main Board of the Stock Exchange.”;
- (iii) the second sentence of paragraph 3 of Article 16 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “Overseas listed foreign shares can be listed on the Main Board of the Stock Exchange.”;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

- (iv) the following paragraph shall be inserted after Article 27 of the Existing Articles:

“Article 27A In respect of the purchase for redemption a redeemable share by the Company:

- a) If purchase is not made through the market or by tender, the price of such purchase shall be limited to a maximum price as approved by the meeting of the Shareholders;
- b) If purchases are by tender, tenders shall be available to all shareholders alike.”;

- (v) the following paragraph shall be inserted before the first paragraph of Article 68 of the Existing Articles:

“In respect of each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting.”;

- (vi) the following paragraph shall be inserted after the second paragraph of Article 87 of the Existing Articles:

“The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.”;

- (vii) the second paragraph of Article 92 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“The length of the period during which notice to the Company of the intention to propose a person for election as a director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least seven days. Such period for lodgement of notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.”

- (viii) the following paragraph shall be inserted after the last paragraph of Article 93 of the Existing Articles:

“The functions of non-executive directors should include but should not be limited to the following:

- (a) participating in board meetings of the Company to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
- (b) taking the lead where potential conflicts of interests arise;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

- (c) serving on the audit, remuneration, nomination and other governance committees, if invited; and
  - (d) scrutinizing the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.”;
- (ix) the first sentence of the first paragraph of Article 96 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “Meetings of the board of Directors shall be convened at least four times every year. Such meetings shall be convened by the chairman of the board of Directors.”;
- (x) the following sentence shall be inserted after the first paragraph of Article 96 of the Existing Articles:
- “Such regular meeting does not include the practice of obtaining board consent through the circulation of written resolutions.”;
- (xi) the words “ten days” in the first paragraph of Article 97 of the Existing Articles shall be deleted and replaced with the words “fourteen days”;
- (xii) the fourth paragraph of Article 98 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates (as defined in the Rules governing the listing of securities on the Main Board) has a material interest nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:
- (1) the giving of any security or indemnity either:
    - (a) to the director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
    - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

- (2) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
  - (3) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
    - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his associate(s) may benefit; or
    - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
  - (4) any contract or arrangement in which the director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”
- (xiii) the following paragraph shall be inserted after Article 99 of the Existing Articles:
- “Article 99A There should be a procedure agreed by the board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company’s expense. The board should resolve to provide separate independent professional advice to Directors to assist the relevant Director or Directors to discharge his/their duties to the Company.”;
- (xiv) Article 146 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “The Company shall despatch two financial reports for each accounting year, i.e. despatch its interim report (the compilation of such interim report shall also comply with the requirements set out in the Rules governing the listing of securities on the Main Board) within 60 days after the end of the first six months of the accounting year and despatch its annual report within 120 days after the end of the accounting year. Apart from complying with the above requirements, the Company shall also despatch the Directors’ report and its

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

annual accounts and the auditors' report for the purpose of its annual accounts to the shareholders at least 21 days before the date of the annual general meeting and within 4 months after the end of the accounting year.”;

- (xv) the consequential amendments to the effect that all references to “the Hong Kong GEM Listing Rules” in the Existing Articles shall be deleted and replaced with “Rules governing the listing of securities on the Main Board”;
  - (xvi) the consequential amendments to the effect that all references to “the GEM Board” in the Existing Articles shall be deleted and replaced by “the Main Board”.”
- (5) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the proposed Shares Consolidation and the transactions contemplated thereunder, with such changes as the Directors may consider necessary desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the proposed Shares Consolidation;
  - (2) determine and implement at its discretion with full authority the proposed Shares Consolidation, including but not limited to the specific timing of the Shares Consolidation, the issue of the relevant announcements, the application for the listing of, and permission to deal in, the Consolidated H Shares and the application for the acceptance of the Consolidated H Shares as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in The Central Clearing and Settlement System;
  - (3) determine the board lot size for trading in the H Shares in accordance with the requirements of the relevant authorities and the Company's own situation;
  - (4) amending the Shares Consolidation Amended Articles further, as the Directors may deem appropriate and necessary;
  - (5) filing or registering the Shares Consolidation Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (6) attending to and handling all other necessary procedures and registrations relating to or as a result of the proposed Shares Consolidation.”

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

- (6) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the possible Transfer of Listing and the transactions contemplated thereunder, with such changes as the Directors may consider necessary desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the possible Transfer of Listing;
  - (2) making any applications and submissions to the Stock Exchange and the China Securities Regulatory Commission (“CSRC”) for the Transfer of Listing;
  - (3) amending the Transfer of Listing Amended Articles further, as the Directors may deem appropriate and necessary;
  - (4) filing or registering the Transfer of Listing Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (5) attending to and handling all other necessary procedures and registrations relating to or as a result of the possible Transfer of Listing.”

By Order of the Board  
**Powerleader Science & Technology Group Limited\***  
**Zhang Yunxia**  
*Chairman*

9 May 2012  
Shenzhen, the PRC

*Branch share registrar and transfer office in Hong Kong:*  
Computershare Hong Kong Investor Services Limited  
Shops 1712–1716  
17th Floor, Hopewell Centre  
183 Queen Road East  
Wanchai, Hong Kong

---

## NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

---

**Notes:**

1. The register of the members of the Company will be closed from 25 May 2012 to 25 June 2012 (both days inclusive) during which no transfer of shares will be registered during the period. Holders of H shares whose names appeared on the register of the Company on or before 4:30 p.m. on 24 May 2012 are entitled to attend and vote at the H Class Meeting and may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the signed form of proxy must be deposited by hand or by post, at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the H Class Meeting or any adjournment thereof. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Holders of H shares or their proxies who intend to attend the H Class Meeting should complete the enclosed reply slip and return it by hand or by post to the H share registrar of the Company on or before 5 June 2012. Please refer to the reply slip for details of the instructions.
4. Holders of H shares or their proxies shall produce their identity documents when attending the H Class Meeting.
5. The H Class Meeting is expected to last for half an hour. Holders of H shares and their proxies attending the meeting shall be responsible for their own travel and accommodation expenses.



宝德科技集团股份有限公司

**POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED\***

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

**(Stock Code: 8236)**

**NOTICE OF CLASS MEETING OF HOLDERS OF  
DOMESTIC SHARES**

**NOTICE IS HEREBY GIVEN** that a class meeting of holders of the domestic shares of Powerleader Science & Technology Group Limited (the “**Company**”) will be convened and held at 4:00 p.m. on Monday, 25 June 2012 (or immediately after the class meeting of holders of H shares of the Company to be convened and held on the same date and at the same place) at 4th Floor, Research and Development Building, Powerleader Technology Research and Production Base, Guanlan Hi-Tech Industrial Park, Bao’an District, Shenzhen, the PRC, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as special resolutions:

- (1) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Shares Consolidation” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the circular of the Company dated 9 May 2012 (the “**Circular**”), a copy of which is produced to the meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification), the consolidation of every ten (10) shares of RMB 0.10 each into (1) consolidated share of RMB 1.00 each (the “**Shares Consolidation**”) be and is hereby approved.”
- (2) “**THAT** subject to and conditional upon the conditions (as set out in the paragraph headed “Conditions of the Transfer of Listing” in the section titled “5. Conditions for Shares Consolidation, Transfer of Listing and Articles Amendments” in the Circular), the possible transfer of listing from the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to the Main Board of the Stock Exchange (the “**Main Board**”)(the “**Transfer of Listing**”) be and is hereby approved.”
- (3) “**THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Shares Consolidation (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the “**Shares Consolidation Amended Articles**”) (a copy of which is produced to the meeting marked “B” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the articles of association of

\* *for identification purpose only*

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

the Company (the “Existing Articles”), which shall take effect upon obtaining necessary approval from relevant regulatory authorities and the listing of the H shares on the Main Board. The details of the amendments set out in the Shares Consolidation Amended Articles are as follows:

- (i) Article 14 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“The shares issued by the Company are with par value. The par value of each share is RMB1.00.”;

- (ii) Article 18 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“With the approval of the China Securities Regulatory Commission, the Company’s existing share structure consists of 243,000,000 ordinary shares, among which:

- (1) shareholders of domestic shares hold 182,250,000 shares in aggregate, representing 75% of the issued share capital of the Company:

- 1) Powerleader Investment Holding Company Limited (深圳市宝德投資控股有限公司) holds 102,184,500 shares, representing 42.05% of the issued share capital of the Company;
- 2) 哈爾濱世紀龍翔科技開發有限公司 (Harbin Shijilongxiang Technology Development Co., Ltd\*) holds 15,963,750 shares, representing 6.57% of the issued share capital of the Company;
- 3) 深圳市綠恒科技有限公司 (Shenzhen Eternal Green Technology Co., Ltd\*) holds 10,329,500 shares, representing 4.25% of the issued share capital of the Company;
- 4) 北京雅利安達科技發展有限公司 (Beijing Yali Anda Technology Development Co., Ltd\*) holds 12,564,250 shares, representing 5.17% of the issued share capital of the Company;
- 5) 深圳市恒通達遠電子有限公司 (Shenzhen Hengtongdayuan Electronics Co., Ltd\*) holds 23,958,000 shares, representing 9.86% of the issued share capital of the Company;
- 6) 深圳市金博利通投資合夥企業(有限合夥) (Shenzhen Jinbolitong Investment Partnership (limited partnership)\*) holds 7,250,000 shares, representing 2.98% of the issued share capital of the Company;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- 7) 深圳市志正立達投資合夥企業(有限合夥) (Shenzhen Zhizhenglida Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
- 8) 深圳市嘉創聯合投資合夥企業(有限合夥) (Shenzhen Jiachuang Joint Investment Partnership (limited partnership)\*) holds 5,000,000 shares, representing 2.06% of the issued share capital of the Company;
- (2) shareholders of overseas listed shares hold 60,750,000 shares in aggregate, representing 25% of the issued share capital of the Company.”
- (4) **“THAT** the consequential amendments to the articles of association of the Company as a result of the proposed Transfer of Listing (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the shareholders of the Company) (the **“Transfer of Listing Amended Articles”**) (a copy of which is produced to the meeting marked “C” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby incorporated into the Existing Articles, with effect from the date of listing of the H shares on the Main Board. The details of the amendments set out in the Transfer of Listing Amended Articles are as follows:
- (i) note 2 of Article 1 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “2 “A” refers to the “Appendix of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited”;
- (ii) the first sentence of Article 6 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “This Articles of Association will take effect upon obtaining the passing of the special resolutions at the shareholders’ meeting of the Company, obtaining the approval from the relevant authority in charge and on the date of listing of the H shares of the Company on the Main Board of the Stock Exchange.”;
- (iii) the second sentence of paragraph 3 of Article 16 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “Overseas listed foreign shares can be listed on the Main Board of the Stock Exchange.”;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- (iv) the following paragraph shall be inserted after Article 27 of the Existing Articles:

“Article 27A In respect of the purchase for redemption a redeemable share by the Company:

- a) If purchase is not made through the market or by tender, the price of such purchase shall be limited to a maximum price as approved by the meeting of the Shareholders;
- b) If purchases are by tender, tenders shall be available to all shareholders alike.”;

- (v) the following paragraph shall be inserted before the first paragraph of Article 68 of the Existing Articles:

“In respect of each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting.”;

- (vi) the following paragraph shall be inserted after the second paragraph of Article 87 of the Existing Articles:

“The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.”;

- (vii) the second paragraph of Article 92 of the Existing Articles shall be deleted in its entirety and replaced by the following:

“The length of the period during which notice to the Company of the intention to propose a person for election as a director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least seven days. Such period for lodgement of notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.”

- (viii) the following paragraph shall be inserted after the last paragraph of Article 93 of the Existing Articles:

“The functions of non-executive directors should include but should not be limited to the following:

- (a) participating in board meetings of the Company to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
- (b) taking the lead where potential conflicts of interests arise;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- (c) serving on the audit, remuneration, nomination and other governance committees, if invited; and
  - (d) scrutinizing the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.”;
- (ix) the first sentence of the first paragraph of Article 96 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “Meetings of the board of Directors shall be convened at least four times every year. Such meetings shall be convened by the chairman of the board of Directors.”;
- (x) the following sentence shall be inserted after the first paragraph of Article 96 of the Existing Articles:
- “Such regular meeting does not include the practice of obtaining board consent through the circulation of written resolutions.”;
- (xi) the words “ten days” in the first paragraph of Article 97 of the Existing Articles shall be deleted and replaced with the words “fourteen days”;
- (xii) the fourth paragraph of Article 98 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates (as defined in the Rules governing the listing of securities on the Main Board) has a material interest nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:
- (1) the giving of any security or indemnity either:
    - (a) to the director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
    - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- (2) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
  - (3) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
    - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his associate(s) may benefit; or
    - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
  - (4) any contract or arrangement in which the director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”
- (xiii) the following paragraph shall be inserted after Article 99 of the Existing Articles:
- “Article 99A There should be a procedure agreed by the board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company’s expense. The board should resolve to provide separate independent professional advice to Directors to assist the relevant Director or Directors to discharge his/their duties to the Company.”;
- (xiv) Article 146 of the Existing Articles shall be deleted in its entirety and replaced by the following:
- “The Company shall despatch two financial reports for each accounting year, i.e. despatch its interim report (the compilation of such interim report shall also comply with the requirements set out in the Rules governing the listing of securities on the Main Board) within 60 days after the end of the first six months of the accounting year and despatch its annual report within 120 days after the end of the accounting year. Apart from complying with the above requirements, the Company shall also despatch the Directors’ report and its

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

annual accounts and the auditors' report for the purpose of its annual accounts to the shareholders at least 21 days before the date of the annual general meeting and within 4 months after the end of the accounting year.”;

- (xv) the consequential amendments to the effect that all references to “the Hong Kong GEM Listing Rules” in the Existing Articles shall be deleted and replaced with “Rules governing the listing of securities on the Main Board”;
  - (xvi) the consequential amendments to the effect that all references to “the GEM Board” in the Existing Articles shall be deleted and replaced by “the Main Board”.”
- (5) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the proposed Shares Consolidation and the transactions contemplated thereunder, with such changes as the Directors may consider necessary desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the proposed Shares Consolidation;
  - (2) determine and implement at its discretion with full authority the proposed Shares Consolidation, including but not limited to the specific timing of the Shares Consolidation, the issue of the relevant announcements, the application for the listing of, and permission to deal in, the Consolidated H Shares and the application for the acceptance of the Consolidated H Shares as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in The Central Clearing and Settlement System;
  - (3) determine the board lot size for trading in the H Shares in accordance with the requirements of the relevant authorities and the Company's own situation;
  - (4) amending the Shares Consolidation Amended Articles further, as the Directors may deem appropriate and necessary;
  - (5) filing or registering the Shares Consolidation Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (6) attending to and handling all other necessary procedures and registrations relating to or as a result of the proposed Shares Consolidation.”

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

- (6) “**THAT** the Directors be and are hereby authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the possible Transfer of Listing and the transactions contemplated thereunder, with such changes as the Directors may consider necessary desirable or expedient, which include but are not limited to:
- (1) setting up a board committee comprising of any two Directors to handle and decide on matters relating to the possible Transfer of Listing;
  - (2) making any applications and submissions to the Stock Exchange and the China Securities Regulatory Commission (“CSRC”) for the Transfer of Listing;
  - (3) amending the Transfer of Listing Amended Articles further, as the Directors may deem appropriate and necessary;
  - (4) filing or registering the Transfer of Listing Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the shareholders of the Company) with the relevant approval authorities of the PRC and Hong Kong, if required; and
  - (5) attending to and handling all other necessary procedures and registrations relating to or as a result of the possible Transfer of Listing.”

By Order of the Board  
**Powerleader Science & Technology Group Limited\***  
**Zhang Yunxia**  
*Chairman*

9 May 2012  
Shenzhen, the PRC

*Registered address in PRC:*  
Room 43A, 43rd Floor, Block C  
Electronic Science & Technology Building Shennan Road Central  
Futian District  
Shenzhen  
The PRC

---

## NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

---

**Notes:**

1. The register of the members of the Company will be closed from 25 May 2012 to 25 June 2012 (both days inclusive) during which no transfer of shares will be registered during the period. Holders of domestic shares whose names appeared on the register of the Company on or before 4:30 p.m. on 24 May 2012 are entitled to attend and vote at the Domestic Class Meeting and may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the signed form of proxy must be deposited by hand or by post, at the registered address of the Company not less than 24 hours before the time for holding the Domestic Class Meeting or any adjournment thereof. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Holders of domestic shares or their proxies who intend to attend the Domestic Class Meeting should complete the enclosed reply slip and return it by hand or by post to the registered address of the Company on or before 5 June 2012. Please refer to the reply slip for details of the instructions.
4. Holders of domestic shares or their proxies shall produce their identity documents when attending the AGM.
5. The Domestic Class Meeting is expected to last for half an hour. Holders of domestic shares and their proxies attending the meeting shall be responsible for their own travel and accommodation expenses.

\* *for identification purpose only*