

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

This announcement does not constitute, or form part of, an offer or invitation, or solicitation or inducement of an offer, to subscribe for or purchase any shares or other securities of the Company, nor is this announcement calculated to invite offers for any shares or other securities of the Company.



宝德科技集團股份有限公司

POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED*

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

(Stock Code: 8236)

ANNOUNCEMENT

PROPOSED ISSUE OF DEBT INSTRUMENTS IN THE PRC

The Board has on 18 April 2012 approved 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.

According to the PRC laws 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.

A circular containing details of the proposed issue of the Debt Instruments will be despatched to the Shareholders as soon as practicable.

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 ISSUE OF THE DEBT INSTRUMENTS

The Board has on 18 April 2012 approved 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 was 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)
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 laws 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 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.

GENERAL

A circular containing details of the proposed issue of the Debt Instruments will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“AGM”	the annual general meeting of the Company to be convened in year 2012
“Articles of Association”	the Articles of Association of the Company as may be amended from time to time
“Board”	the board of Directors
“Company”	宝德科技集团股份有限公司 (Powerleader Science & Technology Group Limited*), a foreign joint stock limited company incorporated in the PRC, the H Shares of which are listed on GEM

“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 the Debt Instruments was 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)
“Directors”	directors of the Company
“Domestic Share(s)”	ordinary domestic share(s) of nominal value of RMB0.10 each in the share capital of the Company which are subscribed for in RMB
“GEM”	the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM and amendments thereto from time to time
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) of nominal value of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in HK\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“PRC”	the People’s Republic of China, which for the purpose of this announcement excluding the regions of Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	shares of the Company, including the Domestic Shares and the H Shares, unless specified otherwise
“Shareholder(s)”	holder(s) of the Share(s) of the Company, including the holder(s) of the Domestic Share(s) and the H Share(s), unless specified otherwise

By order of the Board
Powerleader Science & Technology Group Limited
Xu Yueming
Company Secretary

Shenzhen, the PRC
18 April 2012

As at the date hereof, the Board comprises a total of 9 directors, including Ms. Zhang Yunxia, Mr. Dong Weiping and Mr. Ma Zhumao as executive directors, Mr. Li Ruijie, Mr. Sun Wei and Mr. Li Donglei as non-executive directors and Mr. Jiang Baijun, Dr. Guo Wanda and Mr. Chan Shiu Yuen Sammy as independent non-executive directors.

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

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from its date of publication and the Company’s website at www.powerleader.com.cn.

** for identification purpose only*