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宝德科技集团股份有限公司

POWERLEADER SCIENCE & TECHNOLOGY GROUP LIMITED*

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

(Stock code: 8236)

**ANNOUNCEMENT ON PROGRESS STATUS OF
CHANGE IN ACCOUNTING POLICY**

This announcement is made by Powerleader Science and Technology Group Limited* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.50(2) of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 20 October 2017 relating to the change in accounting policy. Unless otherwise stated, terms used in this announcement shall have the same meaning as those used in the Announcement.

On 20 October 2017, an extraordinary meeting of the board of directors of the Company considered and passed the Resolution on Change in Accounting Policy, consenting to the Company, based on Accounting Standards for Enterprises No. 28 — Changes in Accounting Policies and Estimates and Corrections of Errors, changing the accounting policy (this “**Change in Accounting Policy**”) for the method of measurement of investment real estate from historical cost measurement to fair value measurement. The financial impact of this Change in Accounting Policy, based on the latest results of assessment and audit, is disclosed as follows:

Pursuant to the requirements of Accounting Standards for Enterprises No. 3 — Investment Real Estate and Accounting Standards for Enterprises No. 28 — Changes in Accounting Policies and Estimates and Corrections of Errors, it is necessary that this Change in Accounting Policy conducts retrospective adjustment to the Company’s 2017 financial statements.

The specific impact of this Change in Accounting Policy to the Company's 2016 financial report and 2017 financial report is as follows:

Expressed in: RMB

	1 January 2016 (restated)	31 December 2016 (restated)	31 December 2017
Increase in investment real estate	19,213,984.70	57,844,300.89	99,566,932.82
Increase in other comprehensive income	—	37,054,461.19	93,853,127.82
Increase in undistributed profits	19,213,984.70	20,789,839.70	5,713,805.00

This Change in Accounting Policy increases the consolidated equity of the Company's shareholders and other equity holders by RMB99,566,932.82, and the impact on the latest audited consolidated equity of the Company's shareholders and other equity holders is 8.11%; it increases the consolidated net profit of the Company's shareholders and other equity holders for 2017 by RMB4,856,734.25, and the impact on the audited consolidated net profit of the Company's shareholders and other equity holders is 2.22%.

By Order of the Board
Powerleader Science & Technology Group Limited*
(宝德科技集团股份有限公司)
Zhang Yunxia
Chairman

Shenzhen, the PRC
4 April 2018

As at the date of this announcement, the Board comprises 6 Directors, including executive Directors Ms. Zhang Yunxia and Mr. Dong Weiping; non-executive Director Mr. Li Ruijie and independent non-executive Directors Mr. Chan Shiu Yuen Sammy, Dr. Guo Wanda and Mr. Jiang Baijun.

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*