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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)

**DELAY IN PUBLICATION OF THE AUDITED ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2019 AND
THE 2019 ANNUAL REPORT**

Reference is made to the unaudited annual results announcement of Powerleader Science & Technology Group Limited* (the “**Company**”) dated 31 March 2020 and the announcement of the Company dated 29 April 2020 in relation to the delay in publication of the results announcement of the Company.

As stated in these announcements, the reporting and auditing procedures for the annual financial statement of the Group for the year ended 31 December 2019 and the preparation work of the 2019 annual report of the Company (the “**Annual Report**”) were affected due to the outbreak of COVID-19 recently.

According to the provisions of the Further Guidance on the Joint Statement in relation to Results Announcements in light of the COVID-19 Pandemic and the Joint Statement in relation to Results Announcements in light of Travel Restrictions related to the Severe Respiratory Disease associated with a Novel Infectious Agent, and the Frequently Asked

Questions on the Joint Statement in relation to Results Announcements in light of Travel Restrictions related to the Severe Respiratory Disease associated with a Novel Infectious Agent (Joint Statement) (FAQ), the Company published the Unaudited Annual Results Announcement for the Year ended 31 March 2019 on 31 March 2020, and the Update on Publication of Annual Results and Despatch of Annual Report on 29 April 2020 to disclose the delay in publication of the annual results announcement and the annual report. According to the above guidances, the Company wishes to explain (i) the reasons for further delay; and (ii) details of the plan for preparing and publishing the annual report. The Company conducted a special review on the aforementioned disclosures in relation to the delay in publication of the annual report, and the relevant information is explained as follows:

I. REASONS FOR FAILURE TO ISSUE AUDITING REPORT AS SCHEDULED

1. Delay in resumption of work of key financial personnel in severely-affected epidemic areas

The head of the financial department of the Company, accountants and other key financial personnel of the subsidiaries were all stranded in severely-affected epidemic areas in Hubei Province and resumed to work in the Company's office at the end of March.

2. Restrictions in auditing works such as replies and visits

As the Company's customers are fragmented and affected by the epidemic, the external verification procedures have not been completed, which are mainly due to the followings: the relevant personnel could not be reached as they were not fully resumed to work and resigned in responding to the requirements for epidemic prevention and control in certain areas, resulting in failure to reply the external verification in a timely manner. A number of sizable Beijing-based customers were unable to resume work normally, reply the external confirmation and be visited and interviewed; meanwhile, on the occasion where the issued confirmation letters were lost, the special audit team needed to issue a second letter; all of which led to a failure to issue the auditing report as scheduled.

II. MEASURES TAKEN

Due to the outbreak of novel coronavirus pneumonia, the accounting firm has taken various measures such as remote auditing. After entering the site, the Company arranged the financial, securities and legal departments and other relevant departments to fully cooperate with the on-site auditing work. Meanwhile, for significant accounting items, the feasibility of various alternatives without affecting the quality of the audit is considered, so the auditing report would be issued on time.

III. PROGRESS ON AUDITING WORK AND ESTIMATED COMPLETION TIME OF AUDITING REPORT

According to progress of auditing, the accounting firm collects the necessary received and issued confirmation letters on goods before 20 May, so as to complete the major verification procedures and ensure the recognition of important items such as inventory items and current items, and the accountants issue the auditing report draft. The accounting firm carries out internal auditing procedures from 20 May to 25 May and issues the auditing report draft on 25 May. The Company edits, translates and finalise the results report and annual report from 25 May to 29 May and expects to publish its 2019 audited results announcement and the annual report on 29 May 2020.

IV. OTHER CIRCUMSTANCES REQUIRED TO SPECIFY

Pursuant to the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the Articles of Association of the Company, the issuer shall hold the annual general meeting within six months after the end of the financial year. The Company will hold the annual general meeting before 30 June 2020 in accordance with the GEM Listing Rules.

The Company has applied to the Stock Exchange and obtained an approval on delay in publication of the 2019 audited annual results and the 2019 annual report. Should there is any other major progress regarding the publication of the 2019 audited annual results and the 2019 annual report, the Company will make further announcement as and when necessary.

* *For identification purposes only*

By order of the board
Powerleader Science & Technology Group Limited
Dong Weiping
Company Secretary

Shenzhen, the PRC
28 May 2020

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, 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 GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, 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 this announcement or any statement herein 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.