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China Ludao Technology Company Limited

中國綠島科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2023)

ANNOUNCEMENT PURSUANT TO RULE 13.51(B)(2) OF THE LISTING RULES

This announcement is made pursuant to Rule 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

China Ludao Technology Company Ltd. (the "Company" together with its subsidiaries, the "Group") received a notice dated 20 May 2016 from Mr. Wong Chi Wai ("Mr. Wong"), an independent non-executive director of the Company, advising that the United States Public Company Accounting Oversight Board is censuring Mr. Wong, barring him from being an associated person of a registered public accounting firm which has audit responsibilities for public companies in the United States of America ("US"), and imposing a civil money penalty against him of US$10,000 on the basis of its findings that in connection with the audits of one U.S. issuer client of his firm, AWC (CPA) Limited, Mr. Wong violated certain US laws, rules and standards relating to the audit requirements of a US issuer client. Mr. Wong may file a petition to associate with a registered public accounting firm after two years from the date of the order.

The board of directors of the Company (the "Board") confirm that the above order against Mr. Wong is unrelated to the Group. The Board does not consider that the above order would have any impact on Mr. Wong's discharge of his duties as an independent non-executive director, the chairman of the audit committee and the remuneration committee and a member of the nomination committee of the Company. Mr. Wong has confirmed to the Company that save as disclosed in this announcement, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

On behalf of the Board
China Ludao Technology Company Limited
Yu Yuerong
Chairman and Executive Director

Hong Kong, 20 May 2016

As of the date of this announcement, the Board comprises Mr. Yu Yuerong, Mr. Chen Baoyuan, Ms. Pan Yili, Ms. Wang Jinfei and Mr. Wang Xiaobing as the executive Directors, and Mr. Wong Chi Wai, Ms. Cho Mei Ting and Mr. Ruan Lianfa as the independent non-executive Directors.