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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 ON THE PERFORMANCE OF THE DEED OF NON-COMPETITION

Reference is made to the prospectus (the "Prospectus") issued by China Ludao Technology Company Limited (the "Company", together with the subsidiaries, the "Group") dated 30 September 2013 relating to the placing and public offer of the Company's shares for the listing on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the annual report of the Company for the year ended 31 December 2013 (the "2013 Annual Report").

DEED OF NON-COMPETITION

Each of Mr. Yu Yuerong ("Mr. Yu") and Ludao China Investments Holdings Limited ("Ludao Investments") (together the "Controlling Shareholders"), had entered into a deed of non-competition dated 16 September 2013 (the "Deed of Non-competition") in favor of the Company (for itself and on behalf of all members of the Group), pursuant to which, each of the Controlling Shareholders would not, and would procure his/its associates not to (other than through the Group or in respect of each covenanter (together with his/its associates), as a holder of not more than 5% of the issued shares or stock of any class or debentures of any company listed on any recognized stock exchange) directly or indirectly carry on, engage or otherwise be interested (in each case whether as shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) in any business which may be in competition with the business carried on by the Group from time to time, except where the Company's approval is obtained.

In order to ensure the Controlling Shareholders have complied with the Deed of Non-competition, each of the Controlling Shareholders has provided to the Company a written confirmation (i) in respect of his/its compliance with the Deed of Non-competition for the year ended 31 December 2013 and no personal interests were ever declared by any Controlling Shareholders who are also Directors at the Directors' meetings; and (ii) stating that they have not entered into any business which may be in competition with the business carried on by the Group from time to time. As there was no change in terms of the undertaking since the Company's listing on the Exchange, the Board is of the view that the Controlling Shareholders have complied with the Deed of Non-competition and no matters is required to bring to the attention to the public.

By Order of the Board
China Ludao Technology Company Limited
Yu Yuerong
Chairman

Hong Kong, 18 July 2014

As at the date of this announcement, the Directors of the Company comprises Mr. Yu Yuerong, Mr. Han Jianhua, Ms. Pan Yili 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.