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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)

VOLUNTARY ANNOUNCEMENT UPDATE ON BUSINESS DEVELOPMENT OF THE SUBSIDIARY OF THE COMPANY

This announcement is made by China Ludao Technology Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis. This announcement is intended to enable our shareholders and potential investors to understand the latest business development update of the Group.

The board of directors (the "**Board**") of the Company is pleased to announce that on 14 November 2018, Zhejiang Province Ludao Low VOC Environmental Aerosol Research Institute*(浙江省綠島低VOC環保氣霧劑研究院)(operating under Zhejiang Ludao Technology Co., Ltd. ("**Ludao PRC**"), a wholly-owned subsidiary of the Company) was recognised as a Provincial-Level Enterprise Research Institute by the Science Technology Department of Zhejiang Province, Zhejiang Provincial Development and Reform Commission, and Zhejiang Province Economic and Information Commission. The Board is of the view that as one of the few top leading manufacturers of the aerosol products in the People's Republic of China, the Group being recognised as a Provincial-Level Enterprise Research Institute is a full affirmation of its years of experience and efforts in aerosol research and development. In the future, the Group will continue to enhance its research & development and technology advantages and strengthen the aerosol products advantages of the Group.

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

Hong Kong, 21 November 2018

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Yu Yuerong, Mr. Tan Xiangdong, Mr. Chen Baoyuan, Ms. Pan Yili, and Mr. Wang Xiaobing; one non-executive director, namely Mr. Tian Tingshan; and three independent non-executive directors, namely Mr. Chan Yin Tsung, Mr. Ruan Lianfa and Ms. Yau Kit Kuen Jean.

* *For identification purposes only*