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Yunbo Digital Synergy Group Limited

雲博產業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8050)

**ENTERING INTO OF THE LETTER OF INTENT
WITH PETROCHINA TRADING COMPANY LIMITED
AND CHINA TELECOM BESTPAY E-COMMERCE LTD.
AND
RESUMPTION OF TRADING**

This announcement is made by the Company pursuant to Rule 17.10(2) of the GEM Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The Board hereby announces that on 13 May 2014, Guangzhou YBDS, has entered into the Letter of Intent with PetroChina Trading and CT E-commerce.

Pursuant to the Letter of Intent, the parties thereto will jointly develop the mobile phone payment business together by sharing their respective strengths in a high-quality customer base, effective sales channels and resources.

Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on (Wednesday) 14 May 2014.

This announcement is made by Yunbo Digital Synergy Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) of The Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the “**SFO**”).

THE LETTER OF INTENT

The board of directors of the Company (the “**Board**”) is pleased to announce that on 13 May 2014, 廣州韻博信息科技有限公司 Guangzhou YBDS IT Co., Ltd.* (“**Guangzhou YBDS**”), an indirect wholly-owned subsidiary of the Company, has entered into a letter of intent (the “**Letter of Intent**”) with 中國石油天然氣股份有限公司銷售分公司 PetroChina Trading Company Limited* (“**PetroChina Trading**”) and 天翼電子商務有限公司 China Telecom Bestpay E-commerce Ltd.* (“**CT E-commerce**”).

The signing ceremony was held on 13 May 2014 in Beijing. The Letter of Intent was signed by Mr. Fu Bin, deputy general manager of PetroChina Trading, Mr. Gao Hung Liang, general manager of CT E-commerce and Mr. Wang Chaoyong, executive director of the Company. The honorable guests who have attended the signing ceremony include Mr. Wang Xiaochu, chairman of China Telecom Corporation Limited (“**China Telecom**”), Mr. Liao Yongyuan, general manager of China National Petroleum Corporation and Mr. Ni Guangnan, chief science and technology advisor of the Company.

The entering into of the Letter of Intent is an important step leading to an in-depth and all-rounded cooperation with the parties concerned. The parties complement each other in many respects and more particular in terms of customer base, sale channels and technology. By forming an alliance to share our advantages and resources, the parties hope to develop an innovative and industry leading business model. The relevant parties will also be able to fulfill their corporate social responsibilities of being a role model state-owned enterprise that provides quality products and services to the general public.

SUMMARY OF MAJOR TERMS

Pursuant to the Letter of Intent, the parties will fully cooperate with each other to jointly market the business of payment clearance and recharge of prepaid petrol cards, and promote its development to enhance products competitiveness and enrich their services to customers. CT E-commerce, a wholly owned subsidiary of China Telecom, through their Bestpay platform (“Bestpay”), will provide clearance services for non-cash payments to enabling PetroChina Company Limited’s (“**PetroChina**”) customers to pay for the purchase of petroleum through prepaid cards at the PetroChina’s sales network. In addition, CT E-commerce will install compatible point of sale (“**POS**”) terminals at PetroChina’s sales network to allow Bestpay users to settle payment through their mobile phones. Guangzhou YBDS, the wholly-owned subsidiary of the Company, will be responsible for the provision of POS terminals and relevant support services. As for the recharging of prepaid petrol card business, the parties will work together to establish online, offline and vocal channels to accept recharging requests from customers and provide the relevant support services. The parties will also cooperate together to unravel the market’s potential to expand its customer base by launching multimedia marketing campaigns and publicity events.

The parties will, based on the Letter of Intent, enter into definitive implementation agreement(s). The Letter of Intent is not legally binding on the parties thereto.

BACKGROUND INFORMATION OF THE PARTIES

PetroChina is the leading oil and gas manufacturer and distributor in the People’s Republic of China (the “**PRC**”) and one of the world’s largest oil enterprises. PetroChina has been focusing on the provision of high-quality, safe and clean oil and gas products and services to the general public. PetroChina has established a sales network across the world with over 20,000 gas stations in the PRC.

China Telecom is a joint stock limited company established in the PRC, with its H shares and ADRs listed on The Stock Exchange of Hong Kong Limited and on the New York Stock Exchange respectively. China Telecom is a comprehensive information provider as well as the world’s largest fixed telecommunication, CDMA and broadband internet operator. CT E-commerce uses various channels such as mobile phones, fixed line telephones, POS terminals for payment services to provide safe and convenient “communication and payment”, “payment and financial” services for individual and corporate users. China Telecom set out its strategic target of “Building a Brand New China Telecom” at the end of 2013. CT E-commerce, being the critical part of China Telecom’s new business strategy, is focused on building an online and offline payment platform targeting to provide all-rounded payment and internet finance services to its customers.

The Group's core business includes big data, unified communications, cloud computing, network security SDN, 4G new media, top-level network designs for e-finance platforms, and designs, maintains and operates back end support systems. The Group also designs, develops, manufactures and operates leading products for mobile networks as well as online and offline payment services. The Company is an innovative company being the first in the world to propose the new concept of providing services to the general public through the four-screen terminal network coverage of convenient cards. The Group has strong industry resources and is capable of performing data collection, analysis and consolidation. The Group also provides cloud sharing and big data analyzing services to numerous enterprises.

To the best of the knowledge, information and belief of the directors of the Company, and having made all reasonable enquiries, PetroChina Trading and CT E-commerce and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

REASONS FOR AND BENEFITS OF ENTERING INTO THE LETTER OF INTENT

The directors of the Company believe that the mobile phone has become the ultimate terminal for consumer mobile applications globally. The entering into of the Letter of Intent will enhance cooperation amongst the Group, PetroChina and China Telecom to provide consumer-friendly payment services and using the mobile phone as a terminal for mobile applications in business, entertainment, work, and in daily life. Irrespective of the transaction amounts involved, the cooperation serves as a stepping stone to expand our coverage for online and offline payment services, which is in line with the Group's strategy of designing, developing, manufacturing and operating leading products for mobile networks as well as online and offline payment services, and is expected to generate further revenue for the Group. Accordingly, the directors of the Company consider that the entering into of the Letter of Intent is in the interest of the Company and its shareholders as a whole.

RESUMPTION OF TRADING

At the request of the Company, trading of the Shares was halted with effect from 9:00 a.m. on Tuesday, 13 May 2014 pending the publication of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on (Wednesday) 14 May 2014.

By Order of the Board
Yunbo Digital Synergy Group Limited
Yau Hoi Kin
Director

Hong Kong, 13 May 2014

As at the date of this announcement, the executive directors of the Company are Mr. Wang Chaoyong, Mr. Yau Hoi Kin, Mr. Kwong Wai Ho Richard and Dr. Huang Youmin; the non-executive director of the Company is Mr. Hsu Chia-Chun; and the independent non-executive directors of the Company are Dr. Chow Ka Ming, Jimmy, Dr. Wong Wing Lit and Mr. Ngan Yu Loong.

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 the Growth Enterprise Market ("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 any statement herein or this announcement 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 the date of its posting and on the Company’s website at <http://www.ybds.com.hk>.

**For identification purpose only.*