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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 A STRATEGIC COOPERATION AGREEMENT
WITH CHINA NATIONAL TRAVEL SERVICE (HK) GROUP CORPORATION
AND CHINA TELECOMMUNICATIONS CORPORATION
AND
RESUMPTION OF TRADING**

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

The Board is pleased to announce that on 26 August 2014, the Company, HKCTS Group and China Telecom entered into the Strategic Cooperation Agreement with respect to cooperation in tourism, hotels, ticketing, mobile payment and other areas within the business scope of HKCTS Group and the parties thereto will, in respect of the sales business within the business scope of HKCTS Group, jointly establish acceptance channels and customer service channels for, among others, online, offline and vocal business, and provide support and services for the related marketing operation.

Application has been made by the Company to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:00 a.m. on Wednesday, 27 August 2014.

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

STRATEGIC COOPERATION AGREEMENT

The board of directors of the Company (the “**Board**”) is pleased to announce that on 26 August 2014, the Company, China National Travel Service (HK) Group Corporation (中國港中旅集團公司)

(“**HKCTS Group**”) and China Telecommunications Corporation (中國電信集團公司) (“**China Telecom**”) entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with respect to cooperation in tourism, hotels, ticketing, mobile payment and other areas within the business scope of HKCTS Group.

SUMMARY OF MAJOR TERMS

Pursuant to the Strategic Cooperation Agreement, the parties will cooperate in tourism, hotels, ticketing and other areas within the business scope of HKCTS Group. China Telecom will, through its status as one of the leading mobile communications operators in the People’s Republic of China (the “**PRC**”), its tremendous users base and China Telecom Bestpay E-commerce Ltd.* (天翼電子商務有限公司) (“**CT E-commerce**”), its indirect subsidiary, which has obtained the licence for payment businesses issued by the People’s Bank of China, provide online and offline payment and acceptance. The Company will make use of its capability in software development to build a payment platform, providing HKCTS Group with an overall online and offline solution. The Company will at the same time collaborate with China Telecom to, among others, broaden payment channels for tourism, hotels, ticketing and other areas within the business scope of HKCTS Group, install point-of-sales (“**POS**”) terminals, develop mobile software, mobile two-dimensional code ticket certification. The parties will, in respect of the sales business within the business scope of HKCTS Group, jointly establish acceptance channels and customer services channels for, among others, online, offline and vocal business, and provide support and services for the related marketing operation. The parties will also hold joint marketing and promotional activities to explore the potential of their common customers, activate dormant users and expand common user groups.

The parties will enter into a further cooperation agreement with specific commercial terms such as specific rights and obligations of the parties, commission and payment methods and matters related to the execution of the Strategic Cooperation Agreement.

BACKGROUND INFORMATION OF THE PARTIES

HKCTS Group is a key large-scale state-owned enterprise (“**SOE**”) directly managed by the Central People's Government of the PRC and regulated by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. It is also the largest SOE in the tourism industry and one of the four largest Chinese-funded enterprises in Hong Kong. It has become a diversified enterprise with its core business in tourism and supporting businesses in industrial and commercial investments (iron and steel), real estate, logistics and trading. HKCTS Group is the only large-scale tourism enterprise in the PRC that provide the most comprehensive services throughout the whole value chain in the tourism industry. Furthermore, it is the only organisation commissioned by the Ministry of Public Security of the PRC to administer the "Mainland Travel Permit for Hong Kong and Macao Residents" (港澳居民來往內地通行證) and "Mainland Travel Permit for Taiwan Residents" (臺灣居民來往大陸通行證). China Travel International Investment Hong Kong Limited (香港中旅國際投資有限公司), a company controlled by HKCTS Group, is one of the Hang Seng China-Affiliated Corporations Index constituent stocks listed on the Stock Exchange (Stock Code: 308).

China Telecom is one of the three largest leading telecommunications operators in the PRC. China Telecom provides its customers with integrated information solutions including products such as mobile communications, broadband Internet access, information technology applications and fixed line phones. China Telecom has branch companies in 31 provinces (including autonomous regions and municipalities) of the PRC and major countries in Europe, America, Asia

Pacific and other regions. China Telecom has the world's largest broadband network and technologically leading mobile communications network, making it capable of providing its customers with cross-border and comprehensive integrated information services and client service channels globally. China Telecom Corporation Limited (中國電信股份有限公司) is a subsidiary of China Telecom, with its H shares listed on the Stock Exchange (stock code: 728). CT E-commerce, as an indirect subsidiary of China Telecom, has various channels for payment services such as mobile phones, fixed line telephones and POS terminals to provide safe and convenient financial information services such as "communication plus payment" (通信+支付), "payment plus financial management" (支付+理財) for individual and corporate users.

The Group's core businesses include mobile payment, big data, unified communications, cloud computing, network security SDN, 4G new media, top-level network designs for e-finance platforms, and design, maintenance and operation of 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 (便民卡) for mobile payment. The Group has strong industry resources and is capable of performing data collection, analysis and consolidation. The Group has also provided cloud sharing and big data analysis services to many enterprises.

To the best of the knowledge, information belief of the directors of the Company, and having made all reasonable enquiries, HKCTS Group, China Telecom 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 STRATEGIC COOPERATION AGREEMENT

The directors of the Company believe that mobile phone has become the terminal for consumer mobile applications globally. The entering into of the Strategic Cooperation Agreement will enhance the cooperation amongst the Company, HKCTS Group and China Telecom to make use of mobile phone as the terminal for mobile applications in tourism, hotels, ticketing and other areas, to provide consumer-friendly payment services for traveling and to expand the full coverage of online and offline application in consumption area, which is in line with the Group's strategy of designing, developing, manufacturing and operating leading products for 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 Strategic Cooperation Agreement is in the interests of the Company and its shareholders as a whole.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on Tuesday, 26 August 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 of the Company with effect from 9:00 a.m. on Wednesday, 27 August 2014.

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

Hong Kong, 26 August 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, Mr. Ngan Yu Loong and Mr. Tse Yee Hin, Tony.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 <http://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.