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SUCCESS DRAGON INTERNATIONAL HOLDINGS LIMITED

勝龍國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

BUSINESS UPDATE

SIGNING OF A RENEWABLE ENERGY MANAGEMENT FRAMEWORK AGREEMENT

This announcement is made by Success Dragon International Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

Reference is made to the announcements of the Company dated 24 February 2017 and 24 March 2017, in relation to the Group’s investment in Primus Power Corporation (“**Primus**”). The board of directors (the “**Board**”) of the Company is pleased to announce that on 28 April 2016 (after trading hours), Success Dragon Asset Holdings Limited, a company incorporated in Hong Kong which is a direct wholly-owned subsidiary of the Company (“**Success Dragon Asset**”), entered into a renewable energy management framework agreement (the “**Agreement**”) with “東莞中化華美塑料有限公司” Dongguan Zhonghua Huamei Plastic Co., Ltd.*, a limited liability company registered in the People’s Republic of China (the “**PRC**”) (“**Zhonghua Huamei**”). Pursuant to the Agreement, Success Dragon Asset and Zhonghua Huamei will jointly develop a photovoltaic energy generation and storage project by applying Primus’s flow batteries technology in Guangdong, PRC for the next 25 years (“**Solar Project**”). The Board regards the Solar Project as the first pilot project since the completion of the investment in Primus for developing the renewable energy solution and storage business in PRC.

THE AGREEMENT

Date

28 April 2017

Parties

1. Success Dragon Asset Holdings Limited; and
2. 東莞中化華美塑料有限公司 (Dongguan Zhonghua Huamei Plastic Co., Ltd.*)

Material terms of the Agreement

Pursuant to the Agreement, Success Dragon Asset and Zhonghua Huamei agree to, among others, cooperate in the Solar Project in the following manner:

- Success Dragon is responsible to provide the energy storage solution of the Solar Project;
- Success Dragon Asset is responsible to invest in the construction of all relevant infrastructure of the Solar Project;
- Success Dragon Asset shall have ownership of the electric power generated from the Solar Project within 25 years starting from the date of commencement; and
- Zhonghua Huamei shall have preferential right to subscribe from Success Dragon Asset partial or whole of the electricity generated from the Solar Project.

REASONS FOR AND BENEFITS OF THE AGREEMENT

In the recent months, the Group has been seeking attractive investment and acquisition opportunities and expanding its business with a view to enhance its income stream and shareholders' value. As reflected in the announcements of the Company dated 24 February 2017 and 10 March 2017, the Company is intending to expand into the renewable energy solution businesses. The Solar Project marks an important milestone for the Group in first time successfully applying and introducing the Primus's flow batteries technology in the renewable energy solution and storage market in the PRC.

The directors of the Company (the "**Directors**") reckon that signing the Agreement will enhance the Company's business profile on developing renewable energy solution and storage system. Also, the Directors believe that the terms of the Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION OF THE GROUP

The principal activities of the Group are provision of services on management services including, among other things, the installation and servicing of the slot machines in the casinos and gaming areas in Macau, provision of management services for greyhound racing as well as the provision of information technology services in Vietnam, trading of packaging products for luxury goods and the new business, development of renewable energy solution and energy storage system.

INFORMATION OF ZHONGHUA HUAMEI

The largest shareholder of Zhonghua Huamei is Sinochem International Chemicals (Hong Kong) Limited, which is a subsidiary of Sinochem Group (a state-owned enterprise in the PRC). The principal activities of Zhonghua Huamei are production and sale and purchase of modified and dyeing plastics as well as provision of plastic raw materials.

Shareholders and investors of the Company should note that the transactions contemplated under the Agreement is subject to the entering into of the definitive agreement(s) by the parties and the relevant terms and conditions have not yet been finalized and therefore the transactions may or may not materialize. In the event any definitive agreement is entered into, further announcement(s) will be made if and when required or as appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Shareholders and investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Success Dragon International Holdings Limited
Li Xuehua
Chairperson and executive Director

Hong Kong, 28 April 2017

As at the date of this announcement, the executive Directors are Ms. LI Xuehua, Mr. JIANG Dan and Mr. GOH Hoon Leum; the independent non-executive Directors are Mr. YONG Peng Tak, Mr. ER Kwong Wah, Mr. ZHENG Jian Peng and Dr. JIA Limin.

* *The English translation of the Chinese name is for information only, and should not be regarded as the official English translation of such name.*