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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)

- (1) RESIGNATION OF CHAIRPERSON & EXECUTIVE DIRECTOR & AUTHORISED REPRESENTATIVE;**
- (2) RESIGNATION OF CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR;**
- (3) RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR;**
- (4) APPOINTMENT OF CHAIRMAN, CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR & AUTHORISED REPRESENTATIVE;**
- (5) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR; AND**
- (6) CEASE TO PURSUIT INVESTMENT OPPORTUNITIES**

RESIGNATION OF CHAIRPERSON & EXECUTIVE DIRECTOR & AUTHORISED REPRESENTATIVE

The board (the “**Board**”) of directors (the “**Directors**”) of the Success Dragon Holdings Limited (the “**Company**”) announces that Ms. LI Xuehua (“**Ms. Li**”) has tendered her resignation as the chairperson of the Company (the “**Chairperson**”) and an executive Director, and also resigned as the authorised representative of the Company under Rule 3.05 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) with effect from 7 June 2017, due to her decision to focus her time and effort on other business. Upon Ms. Li’s resignation, Ms. Li also resigned from her roles as the chairman of each of the executive committee and the investment committee, and as a member of each of the nomination committee and remuneration committee of the Company.

Ms. Li has confirmed that (i) she has no claim against the Company in respect of her resignation and there is no disagreement between her and the Board; and (ii) there are no matters that need to be brought to the attention of The Stock Exchange of Hong Kong Limited (“**the Stock Exchange**”) and the shareholders of the Company (the “**Shareholders**”) in relation to her resignation.

The Board would like to take this opportunity to express its sincere gratitude to Ms. Li for her valuable contribution to the Company during her tenure of office as the Chairperson and an executive Director.

RESIGNATION OF CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR

The Board also announces that Mr. JIANG Dan (“**Mr. Jiang**”) has tendered his resignation as the chief executive officer of the Company (the “**CEO**”) and as an executive Director with effect from 7 June 2017, due to his decision to focus his time and effort on other business. Upon Mr. Jiang’s resignation, Mr. Jiang also resigned from his roles as a member of each of the executive committee, investment committee, nomination committee and remuneration committee of the Company.

Mr. Jiang has confirmed that (i) he has no claim against the Company in respect of his resignation and there is no disagreement between him and the Board; and (ii) there are no matters that need to be brought to the attention of the Stock Exchange and the Shareholders in relation to his resignation.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Jiang for his valuable contribution to the Company during his tenure of office as the CEO and an executive Director.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board also announces that Dr. JIA Limin (“**Dr. Jia**”) has tendered his resignation as an independent non-executive Director with effect from 7 June 2017, due to his decision to focus his time and effort on other business. Upon Dr. Jia’s resignation, Dr. Jia also resigns from his roles as a member of each of the audit committee, nomination committee and remuneration committee of the Company.

Dr. Jia has confirmed that (i) he has no claim against the Company in respect of his resignation and there is no disagreement between him and the Board; and (ii) there are no matters that need to be brought to the attention of the Stock Exchange and the Shareholders in relation to his resignation.

The Board would like to take this opportunity to express its sincere gratitude to Dr. Jia for his valuable contribution to the Company during his tenure of office as an independent non-executive Director.

APPOINTMENT OF CHAIRMAN, CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR & AUTHORISED REPRESENTATIVE

Following the resignation of Ms. Li, the Board further announces that Mr. TAN Teng Hong (“**Mr. Tan**”) is appointed as the chairman of the Company, the CEO and as an executive Director of the Company with effect from 7 June 2017. Mr. Tan is also appointed the role of authorised representative of the Company under Rule 3.05 of the Listing Rules.

Mr. Tan, aged 41, holds a Bachelor's degree of Economics, triple majoring in Finance, Banking and Economics from the University of Western Australia. Mr. Tan is a member of the board of director of Banque de Développement de Guinée of Republic of Guinea. He also worked in a number of global reputable financial institutions' offices in Singapore and Hong Kong, engaging in securities research and private banking.

Mr. Tan does not hold any directorship in other listed company in Hong Kong or overseas during the three years preceding the date of this announcement. Mr. Tan is not related to any directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Tan is beneficially interested in 60,790,000 shares of HK\$0.01 each in the share capital of the Company, representing approximately 2.93% of the issued capital of the Company. Save and except of the above, he is not interested or deemed to be interested in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

Pursuant to the service agreement to be entered into between the Company and Mr. Tan, Mr. Tan shall commence his service as the Chairman, CEO, and an executive Director from 7 June 2017 and will continue thereafter until a notice of termination is served by either party. Mr. Tan's appointment is however subject to normal retirement and re-election by the Shareholders pursuant to the bye-laws of the Company. Under the service agreement, Mr. Tan shall be entitled to receive a director's emolument of HK\$200,000 per month which was determined by the Board with reference to the recommendation of the remuneration committee of the Company.

Save as disclosed above, there is no other information relating to the appointment of Mr. Tan in relation to his appointment as the Chairman, the CEO and an executive Director that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any matters that need to be brought to the attention of the Shareholders or the Stock Exchange.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board further announces that Mr. Chung Yuk Lun ("**Mr. Chung**") has been appointed as an independent non-executive Director with effect from 7 June 2017.

Mr. Chung, aged 56, is a fellow member of The Association of Chartered Certified Accountants, an associate member of The Hong Kong Institute of Certified Public Accountants and an Associate Chartered Accountants (England and Wales). Mr. Chung has over 20 years' experience in finance and investment.

Currently, Mr. Chung is an independent non-executive director of China Innovative Finance Group Limited, a company whose shares are listed on the Stock Exchange with the stock code 412.

Mr. Chung was an executive director of Fresh Express Delivery Holdings Group Co., Limited (Stock Code: 1175) for the period from 15 July 2016 to 1 December 2016, an executive director of Hengten Networks Group Limited (formerly known as Mascotte Holdings Limited) (Stock Code: 136) for the period from 7 May 2014 to 26 October 2015, an independent non-executive director of Rentian Technology Holdings Limited (formerly known as Forefront Group Limited) (Stock Code: 885) for the period from 26 April 2007 to 31 October 2015, an independent non-executive director of Dragonite International Limited (Stock Code: 329) for the period from 14 April 2010 to 2 September 2014, an independent non-executive director of Freeman Fintech Corporation Limited (formerly known as Freeman Financial Corporation Limited) (Stock Code: 279) for the period from 7 August 2013 to 21 June 2016, and an executive director of Imagi International Holdings Limited (Stock Code: 585) for the period from 1 May 2016 to 15 June 2016.

Save as disclosed above, Mr. Chung does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group. Mr. Chung does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the date of this announcement, he is not interested or deemed to be interested in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

The Company was informed by Mr. Chung that two private companies had been dissolved while he was a director at the relevant time, pursuant to Rule 13.51(2)(1), details of the two winding up provided by Mr. Chung are set out below.

Cupac Technology Limited, a private company incorporated in Bermuda which was an investment holding company, was put into compulsory liquidation because the company was insolvent and had an estimated deficiency of HK\$447,575,921. Its board of directors passed the resolution for winding up on 9 July 2009 and the winding up order was granted by the Bermuda Court on 21 August 2009 and the company was dissolved on 1 November 2012.

Cupac Finance Limited, a private company incorporated in Hong Kong where its principal activity was advancement of loans, was wound up by its board of directors and had a cash and bank balance of HK\$4,438. The company originally intended to have it being wound up by members winding up, but due to clerical errors, it was wound up by creditors winding up. Its board resolution for winding up was passed on 27 November 2009 and the company was dissolved on 3 December 2010.

Pursuant to the service agreement to be entered into between the Company and Mr. Chung, Mr. Chung is appointed as an independent non-executive Director with effect from 7 June 2017, and will continue thereafter until a notice of termination is served by either party. However, Mr. Chung's appointment is subject to normal retirement and re-election by the Shareholders pursuant to the bye-laws of the Company. Under the service agreement, Mr. Chung shall be entitled to receive a director's emolument of HK\$120,000 per annum which was determined by the Board with reference to the recommendation of the remuneration committee of the Company.

Save as disclosed above, there is no information relating to the appointment of Mr. Chung as an independent non-executive Director that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules nor any matters needed to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to welcome Mr. Tan and Mr. Chung to the Board.

DEVIATION FROM THE CORPORATE GOVERNANCE CODE

As Mr. Tan is appointed as both the Chairman and the CEO, such practice deviates from code provision A.2.1 of the Corporate Governance Code as set forth in Appendix 14 of the Listing Rules (the "**CG Code**"). The Board believes that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision A.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of two executive Directors and four independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders.

CEASE TO PURSUIT INVESTMENT OPPORTUNITIES

Reference is made to the announcement of the Company dated 24 February 2017 (the "**Primus Announcement**"), inter alia, the Company's investment into 20.82% of the issued share capital of Primus Power Corporation ("**Primus**"). As described in the Announcement, Success Dragon Asset Holdings Limited, a company incorporated in Hong Kong which is a direct wholly-owned subsidiary of the Company may (but not obliged to), at any time on or before 30 June 2017, further subscribe for up to 73,251,487 Series E Preferred Shares in Primus at a total consideration of US\$20,000,000 (equivalent to approximately HK\$155,000,000) or US\$0.273032 per each Series E Preferred Share ("**Primus Option**").

Further reference is made to the announcement of the Company dated 10 March 2017 in relation to, inter alia, the entering into a memorandum of understanding in respect of potential acquisition of companies engaging in energy related business in the People's Republic of China (the "**PRC**") and the announcement of the Company dated 28 April

2017 in relation to the signing of a renewable energy management framework agreement in respect of, inter alia, developing a photovoltaic energy generation and storage project by applying Primus's flow batteries technology in Guangdong, the PRC (collectively the "**Potential Investments**").

As at the date of this announcement, the Company has not entered into any definitive agreement in relation to the Primus Option or any of the Potential Investments. Following Mr. Jiang's resignation, it is the Board's decision not to exercise the Primus Option or enter into any definitive agreement in relation to any of the Potential Investments.

By order of the Board
Success Dragon International Holdings Limited
Goh Hoon Leum
Executive Director

Hong Kong, 7 June 2017

As at the date of this announcement, the executive Directors are Mr. TAN Teng Hong (Chairman & Chief Executive Officer) and Mr. GOH Hoon Leum; the independent non-executive Directors are Mr. YONG Peng Tak, Mr. ER Kwong Wah, Mr. ZHENG Jian Peng and Mr. CHUNG Yuk Lun.