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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) CHANGE OF CHAIRMAN, EXECUTIVE DIRECTOR, CEO,
AUTHORISED REPRESENTATIVE AND PROCESS AGENT;
AND
(2) CHANGE IN COMPOSITION OF BOARD COMMITTEES**

RESIGNATION OF CHAIRMAN, EXECUTIVE DIRECTOR, CEO, AUTHORISED REPRESENTATIVE AND PROCESS AGENT

The Board (the “**Board**”) of directors (the “**Directors**”) of Success Dragon International Holdings Limited (the “**Company**”) announced that Mr. TAN Teng Hong (“**Mr. Tan**”) has tendered his resignation as (i) the chairman of the Company (the “**Chairman**”); (ii) an executive Director; (iii) the chief executive officer of the Company (the “**CEO**”); (iv) the authorised representative of the Company (the “**Authorised Representative**”) under Rule 3.05 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and (v) the authorised representative to accept on the Company’s behalf service of process and notices as required under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Process Agent**”) with effect from 3 July 2018 due to his decision to focus his time and effort on the other business. Upon Mr. Tan’s resignation, Mr. Tan also resigned from his roles as the chairman of each of the executive committee, the investment committee and the nomination committee, and as a member of the remuneration committee of the Board.

Mr. Tan 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 of the Company (the “**Shareholders**”) in relation to his resignation.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Tan for his valuable contribution to the Company during his tenure of office as the Chairman, an executive Director, the CEO, an Authorised Representative and a Process Agent.

APPOINTMENT OF CHAIRMAN, EXECUTIVE DIRECTOR, CEO, AUTHORISED REPRESENTATIVE AND PROCESS AGENT

Following the resignation of Mr. Tan, the Board further announces that Mr. KWAN Chun Wai Roy (“**Mr. Kwan**”) is appointed as the Chairman, an executive Director and the CEO with effect from 3 July 2018. Mr. Kwan is also appointed as an Authorised Representative and a Process Agent. Upon Mr. Kwan’s appointment, Mr. Kwan will also serve as the chairman of each of the executive committee, the investment committee and the nomination committee, and as a member of the remuneration committee of the Board.

Mr. Kwan, aged 42, holds a Bachelor of Science in Computer Science and Economics awarded by University of Michigan, Ann Arbor. He also holds Master of Science in Engineering Economic Systems and Operations Research awarded by Stanford University. Mr. Kwan has extensive experiences in banking, financial and technology sectors and strategic management consultancy experiences in various industries such as pharmaceutical, consumer goods and financial services. Mr. Kwan had held senior positions in various multinational organisations.

Mr. Kwan does not hold any directorships in other listed companies in Hong Kong or overseas during the three years preceding the date of this announcement, or any other major appointments or professional qualifications. Mr. Kwan is not related to any directors, senior management, or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Kwan 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.

Mr. Kwan has entered into employment contract as the Chairman, an executive Director and the CEO. Pursuant to the employment contract, Mr. Kwan shall commence his service as the Chairman, an executive Director and the CEO from 3 July 2018 and will continue thereafter until a notice of termination is served by either party. However, Mr. Kwan’s appointment is subject to normal retirement and re-election by the Shareholders pursuant to the bye-laws of the Company. Under the employment contract, Mr. Kwan shall be entitled to receive a director’s emolument of HK\$130,000 per month with discretionary bonus 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. Kwan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any matter that needs to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to welcome Mr. Kwan to the Board.

DEVIATION FROM THE CORPORATE GOVERNANCE CODE

As Mr. Kwan 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 to 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 five 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.

By order of the Board
Success Dragon International Holdings Limited
DING Lei
Executive Director

Hong Kong, 4 July 2018

As at the date of this announcement and following the above resignation and appointment of directors, the Board comprises two executive Directors, namely Mr. KWAN Chun Wai Roy and Mr. DING Lei; and five independent non-executive Directors, namely Mr. YONG Peng Tak, Mr. CHUNG Yuk Lun, Mr. CHI Dong Eun, Mr. DENG Yougao and Ms. WONG Chi Yan.