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Dragonite International Limited

叁龍國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 329)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by Dragonite International Limited (the “Company”, together with its subsidiaries referred to as the “Group”). The purpose of this announcement is to keep the shareholders of the Company (the “Shareholders”) and potential investors of the Company informed of the latest developments of the Company.

COMPLAINT FOR PATENT INFRINGEMENT — US PATENT NO. 7,832,410 (“410 PATENT”)

Reference is made to the Company’s voluntary announcements dated 13 January 2011, 28 January 2011, 1 August 2011, and 18 April 2012. The board of directors of the Company (the “Board”) is pleased to announce that all pending matters have been resolved and the cases for complaints of patent infringement of US Patent No. 7,832,410 have been closed.

Three of eleven defendants defaulted, namely, Smoking Everywhere Inc, Instead LLC and Load and Fold dba Magic Puffer. A number of other defendants, Jeffrey Orth dba Janty USA, Janty USA, LLC, CN Creative LTD, Intellicig USA, LLC, Gil Cyphert dba NU1s, and Vapor Corp., consented to judgment and injunctions in favour of Ruyan Investment (Holdings) Limited (the “Plaintiff”). Some of these resolutions, and a settlement agreement with BLEC, LLC, involved payment of monetary compensation to the Plaintiff.

GRANT OF THREE NEW UNITED STATES PATENTS IN EARLY 2013

The Board is pleased to announce that on 5 February 2013 and 19 February 2013, two new continuations of U.S. Patent No. 8,156,944, the Group's patent for the "Emulation Aerosol Sucker," have been issued respectively by the United States Patent and Trademark Office as United States Patent No. 8,365,742, (the "'742 Patent") and United States Patent No. 8,375,957, (the "'957 Patent").

The Board is further pleased to announce that on 12 March 2013, a continuation of the '410 Patent (the patent for the "Aerosol Electronic Cigarette") has been successfully issued in the United States by the United States Patent and Trademark Office as United States Patent No. 8,393,331, (the "'331 Patent").

All three new patents embody novel electronic cigarette technologies invented by Mr. Hon Lik, inventor of the electronic cigarette, executive director of the Company, and have been assigned in favour of Ruyan Investment (Holdings) Limited, a wholly owned subsidiary of the Company. These three new patents embody important additions to the Group's intellectual property and add to the breadth of the Company's already significant electronic cigarette patent portfolio. The three new patents are expected to assist the Company with future business development, including facilitating new manufacturing and supply agreements with customers in the near future.

The Company will keep the Shareholders and potential investors of the Company informed of any material development in connection with the patent portfolio of the Group by way of further announcement(s) as and when appropriate.

By order of the Board
Dragonite International Limited
Gary Drew Douglas
Managing Director

Hong Kong, 20 March 2013

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors

Mr. Wong Yin Sen (*Chairman*)
Mr. Gary Drew Douglas (*Managing Director*)
Mr. Hon Lik
Ms. Chan Mee Sze
Mr. Lam Suk Ping

Independent non-executive Directors

Mr. Chung Yuk Lun
Mr. Liu Kwong Sang
Mr. Lam Man Sum, Albert
Mr. Ho Tak Fun