Success Dragon International Holdings Limited
勝龍國際控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1182)

INSIDE INFORMATION
EXPECTED SIGNIFICANT DECREASE IN LOSS

This announcement is made by Success Dragon International Holdings Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules"**) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the **"Board"**) wishes to inform the shareholders of the Company (the **"Shareholders"**) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group, the Group expects to record a substantial decrease in loss attributable to owners of the Company for the year ended 31 March 2020 as compared with the loss attributable to owners of the Company of approximately HK$38,898,000 for the year ended 31 March 2019. The expected decrease in the unaudited consolidated loss attributable to owners of the Company was mainly attributable to (i) the decrease in the depreciation of property, plant and equipment of approximately HK$8,093,000 as compared to the same period in last year; (ii) an absence of the recognition of impairment loss of property, plant and equipment of approximately HK$4,147,000 in the same period last year; (iii) the increase in the money lending business's revenue due to recognition of the revenue for the full financial year of 2020 as the money lending business commenced in December 2018 by the acquisition of entire equity interest in Powerful Finance Limited; and (iv) the decrease in the administrative and other operating expense as compared to the same period of the last year due to the cost control measures.

As the Company is still in the process of finalising the annual results of the Group for the reporting period, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the management accounts of the Group and on the information available for the time being. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for the reporting period.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.

By order of the Board
Success Dragon International Holdings Limited
DING Lei
Chairman, Co-Chief Executive Officer and Executive Director

Hong Kong, 22 June 2020

As at the date of this announcement, the Board comprises, three Executive Directors, namely Mr. DING Lei, Mr. ZHU Tianxiang and Ms. CHEUNG Nai Yuet; and three Independent Non-Executive Directors, namely Ms. WONG Chi Yan, Mr. DENG Yougao and Mr. CHONG Lok Man.