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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) POLL RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 16 MAY 2022 AND (2) GRANT OF WHITEWASH WAIVER

The Board is pleased to announce that the Resolutions were duly passed by the Independent Shareholders by way of poll at the SGM.

The Executive has granted the Whitewash Waiver on 12 May 2022, subject to the fulfilment of the conditions set out therein and detailed in this announcement.

The Rights Issue will proceed in accordance with the expected timetable set out in the Circular. Pursuant to the expected timetable, it is expected that the last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue will be Tuesday, 17 May 2022 and the Shares will be dealt in on an ex-rights basis from Wednesday, 18 May 2022. The Prospectus Documents are expected to be despatched to the Qualifying Shareholders (or the Prospectus is expected to be despatched to the Non-Qualifying Shareholders for information only) on Friday, 27 May 2022.

Reference is made to the supplemental announcement dated 10 May 2022, the notice of the special general meeting (the “**SGM**”) dated 22 April 2022 (the “**Notice**”) and the circular of Success Dragon International Holdings Limited (the “**Company**”) dated 22 April 2022 (the “**Circular**”) in relation to the Rights Issue, the Placing Agreement, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder. Capitalised terms used herein shall have the same meanings as those defined in the Circular unless stated otherwise.

POLL RESULTS OF THE SGM

The Board is pleased to announce that the resolutions to approve the Rights Issue, the Placing Agreement, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder as set out in the Notice (the “**Resolutions**”) were duly passed by the Independent Shareholders by way of poll at the SGM.

As at the date of the SGM, the total number of issued Shares was 139,807,827.

Tricor Secretaries Limited, the Company’s Hong Kong branch share registrar, was appointed as the scrutineer for the vote-taking at the SGM.

In accordance with the Listing Rules and the Takeovers Code, Mr. Liu, his associates and any parties acting in concert with him (including Stone Steps), and Shareholders who are involved in, or interested in (other than by being a Shareholder), and/or have a material interest in the Rights Issue, the Placing Agreement, the Underwriting Agreement and/or the Whitewash Waiver were required to and had abstained from voting on the Resolutions at the SGM.

As at the date of the SGM, Mr. Liu and parties acting in concert with him (including Stone Steps) are interested in an aggregate of 38,268,694 Shares, representing approximately 27.4% of the total number of issued Shares.

Save as disclosed above, no Shareholder was required to abstain from voting on the Resolutions at the SGM and the total number of Shares entitling the Independent Shareholders to attend and vote on the Resolutions at the SGM was 101,539,133. There were no Shares entitling the holder to attend and abstain from voting in favour of the Resolutions as stipulated under Rule 13.40 of the Listing Rules at the SGM. No Shareholders had stated their intention in the Circular to vote against or to abstain from voting on the Resolutions at the SGM.

The Directors’ attendance at the SGM is as follows:

The SGM was chaired by Mr. CHONG Lok Man, an independent non-executive Director, who attended the SGM in person. All other members of the Board including Mr. DING Lei and Ms. DENG Ganghui (being executive Directors) and Mr. DENG Yougao and Ms. WONG Chi Yan (being independent non-executive Directors) attended the SGM through the live webcast.

The poll results in respect of the Resolutions are set out below:

ORDINARY RESOLUTION <i>(Note)</i>		Number of votes (approximate % of total number of votes cast)	
		For	Against
1.	To approve, confirm and ratify the Underwriting Agreement, Rights Issue, the Placing Agreement and the transactions contemplated thereunder.	24,969,083 (99.99%)	31 (0.01%)
SPECIAL RESOLUTION <i>(Note)</i>		For	Against
2.	To approve the Whitewash Waiver and the transactions contemplated thereunder.	24,969,083 (99.99%)	31 (0.01%)

Note: The full texts of the Resolutions were set out in the Notice.

As (i) more than 50% of the independent votes were cast in favour of the proposed resolution numbered 1; and (ii) at least 75% of the independent votes were cast in favour of the proposed resolution numbered 2, the proposed resolution numbered 1 and the proposed resolution numbered 2 were duly passed as an ordinary resolution and a special resolution respectively by the Independent Shareholders at the SGM.

GRANT OF WHITEWASH WAIVER

The Executive has granted the Whitewash Waiver on 12 May 2022, subject to (i) the Whitewash Waiver and the underlying transactions (i.e. the Rights Issue, the Placing Agreement, the Underwriting Agreement, and the transactions contemplated thereunder) being separately approved by at least 75% and more than 50% respectively of the independent vote (as defined in Note 1 on dispensations from Rule 26 of the Takeovers Code) that are cast either in person or by proxy at a general meeting of the Company, to be taken on a poll; and (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights being made by Mr. Liu and parties acting in concert with him between the date of the Announcement and the completion of the Rights Issue.

As at the date of this announcement, the aforesaid condition (i) has been fulfilled.

EFFECTS OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) as at the date of the SGM; and (ii) immediately following completion of the Rights Issue in different scenarios, in each case assuming no new issue or repurchase of Shares up to completion of the Rights Issue save for the Rights Shares. The scenarios assume:

(a) full acceptance of the Rights Shares by all the Qualifying Shareholders;

- (b) nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Mr. Liu and Stone Steps pursuant to the Irrevocable Undertaking) and 100% of the Unsubscribed Rights Shares are fully placed to the Placees under the Compensatory Arrangements; and
- (c) nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Mr. Liu and Stone Steps pursuant to the Irrevocable Undertaking) and 100% of the Untaken Rights Shares are taken up by the Underwriter.

	(i) As at the date of the SGM		(ii) Immediately following completion of the Rights Issue, and assuming scenario:					
			(a)		(b)		(c)	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Liu	30,118,694	21.6%	75,296,735	21.6%	75,296,735	21.6%	227,605,434	65.1%
Stone Steps (<i>Note 1</i>)	8,150,000	5.8%	20,375,000	5.8%	20,375,000	5.8%	20,375,000	5.8%
Mr. Liu and parties acting in concert or presumed acting in concert with him	38,268,694	27.4%	95,671,735	27.4%	95,671,735	27.4%	247,980,434	70.9%
The Placees	–	–	–	–	152,308,699	43.6%	–	–
Other public Shareholders	101,539,133	72.6%	253,847,832	72.6%	101,539,133	29.0%	101,539,133	29.1%
Total	139,807,827	100.0%	349,519,567	100.0%	349,519,567	100.0%	349,519,567	100.0%

Notes:

- Stone Steps is wholly and beneficially owned by Mr. Liu who is a substantial shareholder of the Company.
- Certain figures and percentage included in the above tables have been subjected to rounding.

COMMENCEMENT OF DEALINGS IN THE SHARES ON AN EX-RIGHTS BASIS AND DESPATCH OF THE PROSPECTUS DOCUMENTS

The Rights Issue will proceed in accordance with the expected timetable set out in the Circular of the Company dated 22 April 2022. Pursuant to the expected timetable, it is expected that the last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue will be Tuesday, 17 May 2022 and the Shares will be dealt in on an ex-rights basis from Wednesday, 18 May 2022. The Prospectus Documents are expected to be despatched to the Qualifying Shareholders (or the Prospectus is expected to be despatched to the Non-Qualifying Shareholders for information only) on Friday, 27 May 2022.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among other things, the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in the Circular). Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Wednesday, 18 May 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from Tuesday, 31 May 2022 to Wednesday, 8 June 2022. Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or the nil-paid Rights Shares until all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares or the nil-paid Rights Shares.

By Order of the Board
Success Dragon International Holdings Limited
DING Lei
Chairman, chief executive officer and executive Director

Hong Kong, 16 May 2022

As at the date of this announcement, the executive Directors are Mr. DING Lei and Ms. DENG Ganghui; and the independent non-executive Directors are Ms. WONG Chi Yan, Mr. DENG Yougao and Mr. CHONG Lok Man.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.