
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Success Dragon International Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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) PROPOSED RE-ELECTION OF DIRECTORS;
(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 19/F., Guangdong Finance Building, 88 Connaught Road West, Hong Kong on Friday, 22 September 2023 at 11:00 a.m. or at any adjournment thereof is set out on pages 16 to 20 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you intend to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting (i.e. no later than Wednesday, 20 September 2023 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the annual general meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at 19/F., Guangdong Finance Building, 88 Connaught Road West, Hong Kong on Friday, 22 September 2023 at 11:00 a.m. to consider and, if thought fit, approve, among other things, the re-election of Directors, the proposed grant of the General Mandate and the Repurchase Mandate
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-law(s)”	the bye-law(s) of the Company, as amended from time to time
“Close associates”	has the same meaning ascribed to it under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Success Dragon International Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Core connected person”	has the same meaning ascribed to it under the Listing Rules
“Current General Mandate”	the general mandate approved at the annual general meeting of the Company held on 23 September 2022 authorising the Directors to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting of the general mandate
“Current Repurchase Mandate”	the repurchase mandate approved at the annual general meeting of the Company held on 23 September 2022 authorising the Directors to repurchase up to 10% of the issued share capital of the Company as at the date of granting of the repurchase mandate
“Directors”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the number of Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate

DEFINITIONS

“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the total number of issued Shares as at the date of the AGM and any additional Shares repurchased by the Company pursuant to the Repurchase Mandate granted to the Directors as at the date of the AGM
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 July 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the general repurchase mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

Success Dragon International Holdings Limited

勝龍國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

Executive Directors:

LIU Shiwei

WANG Baozhi

DING Lei

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent non-executive Directors:

DENG Yougao

WONG Chi Yan

CHEUNG Ka Yue

Principal place of business in Hong Kong:

19/F., Guangdong Finance Building

88 Connaught Road West

Hong Kong

27 July 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED RE-ELECTION OF DIRECTORS;
(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM for the approval of, inter alia, the (i) proposed re-election of Directors, and (ii) granting of each of the General Mandate, the Repurchase Mandate, the Extension Mandate.

2. PROPOSED RE-ELECTION OF DIRECTORS

According to Bye-laws 87(1) and 87(2), at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

LETTER FROM THE BOARD

According to Bye-law 86(2), the Directors shall have the power to appoint any person as a Director from time to time and at any time, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Directors so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.

In accordance with Bye-laws 87(1) and 87(2), Mr. DING Lei (“**Mr. Ding**”) and Ms. Wong Chi Yan (“**Ms. Wong**”) shall retire from office by rotation at the AGM, and being eligible, will offer themselves for re-election as (i) executive Director and (ii) independent non-executive Director, respectively.

Dr. Cheung Ka Yue (“**Dr. Cheung**”) was appointed as independent non-executive Director on 19 October 2022. In accordance with Bye-law 86(2), Dr. Cheung will hold office until the forthcoming AGM and being eligible, have offered himself for re-election at the AGM.

When identifying suitable candidates for directorship, the nomination committee of the Company carries out the selection process by making reference to the skills, experience, background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company’s needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval. Ms. Wong and Dr. Cheung are existing independent non-executive Directors. Each of Ms. Wong and Dr. Cheung, being an independent non-executive Director eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules.

At the AGM, ordinary resolutions will be proposed to re-elect Mr. Ding Lei as executive Director, and Ms. Wong and Dr. Cheung as independent non-executive Directors. Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular.

3. PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 23 September 2022, Shareholders approved, among other things, the Current General Mandate and the Current Repurchase Mandate. As at the Latest Practicable Date, no Shares have been allotted and issued under the Current General Mandate and no Shares have been repurchased by the Company under the Current Repurchase Mandate, whether on the Stock Exchange or otherwise.

As the Current General Mandate and the Current Repurchase Mandate will expire at the conclusion of the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate at the AGM.

LETTER FROM THE BOARD

General Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with, unissued Shares or underlying shares of the Company (other than by way of rights or pursuant to a share option scheme of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Bye-laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, not exceeding 20% of the total number of issued Shares as at the date of the AGM, provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the relevant resolution as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 349,519,567 Shares in issue. Subject to the passing of the resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 69,903,913 Shares.

Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate (i.e. the Repurchase Mandate) to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of Shares as at the date of the AGM provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be repurchased pursuant to the relevant resolution as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 34,951,956 Shares.

LETTER FROM THE BOARD

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act or any applicable laws of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

As at the Latest Practicable Date, the Company does not have any outstanding options granted under the share options scheme of the Company convertible into Shares or other convertible securities which entitle the holders thereof to convert the same into Shares.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

4. AGM

A notice convening the AGM to be held at 19/F., Guangdong Finance Building, 88 Connaught Road West, Hong Kong on Friday, 22 September 2023 at 11:00 a.m. is set out on pages 16 to 20 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, (i) the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate; and (ii) the re-election of Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. no later than Wednesday, 20 September 2023 on 11:00 a.m. (Hong Kong Time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointment a proxy shall be deemed to be revoked.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

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5. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 19 September 2023 to Friday, 22 September 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of Shareholders who are entitled to attend and vote at the AGM, all Share transfers accompanied by the relevant Share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 18 September 2023.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

7. RECOMMENDATION

The Directors believe that (i) the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate; and (ii) the proposed re-election of Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

8. GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM. The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.

LETTER FROM THE BOARD

9. MISCELLANEOUS

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully
For and on behalf of the Board of
Success Dragon International Holdings Limited
LIU Shiwei
Chairman and Executive Director

Details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

Mr. DING Lei (“Mr. Ding”)

Mr. DING Lei, aged 32, was appointed as an Executive Director of the Company on 1 April 2018. Mr. Ding was subsequently appointed as the Chairman and the Chief Executive Officer with effect from 20 September 2019. He was also appointed as the Authorised Representative and the Process Agent with effect from 20 September 2019. Mr. Ding was appointed as the chairman of the nomination committee of the Board, and as a member of the remuneration committee of the Board. Mr. Ding has been re-designated from the Chief Executive Officer of the Company to the Co-Chief Executive Officer with effect from 11 June 2020, and subsequently re-designated as Chief Executive Officer with effect from 19 July 2021. He has resigned as the Chairman and Chief Executive Officer and has been re-designated as the Chief Operating Officer with effect on 13 July 2022 and will continue thereafter until a notice of termination of not less than three months is served by either Mr. Ding or the Company.

Mr. Ding obtained a Master’s degree in Finance from The University of Texas at Dallas in December 2015 and a Bachelor’s degree in English language and Literature from Luoyang Institute of Technology* (洛陽理工學院) in July 2012.

Mr. Ding was an investment manager in the fixed income department in Sichuan Trust Co., Ltd.* (四川信託有限公司) from January 2016 to September 2017. He was the assistant general manager of mining business department of Bay Area Gold Group Limited (stock code: 1194) (In Liquidation), a company listed on the Main Board of the Stock Exchange. Mr. Ding was the director, general manager of Luanchuan Province Luanling Gold Mines Co., Ltd.* (樂川縣樂靈金礦有限公司). He was also a director of Chifeng Yongfeng Mining Co., Ltd.* (赤峰永豐礦業有限責任公司). He was also a supervisor of Shenzhen Munsun Asset Management Company Limited* (深圳市麥盛資產管理有限公司). He was a general manager of Luanchuan County Jinxing Mining Co., Ltd.* (樂川縣金興礦業有限責任公司) and executive deputy general manager of Shenzhen Baosheng Mining Industrial Co., Ltd.* (深圳保勝礦業控股有限責任公司).

Save that Mr. Ding is the nephew of Mr. Liu Shiwei (who is a substantial shareholder of the Company), Mr. Ding is not related to any Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules on the Stock Exchange) of the Company.

Save as disclosed above, Mr. Ding has confirmed that he does not (i) hold any other position in the Group; (ii) have any other relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) hold any other directorship in listed public companies in the last three years; and (iv) have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Ding has entered into a director's service agreement with the Company. Pursuant to the service agreement, Mr. Ding shall commence his service as an executive Director from 1 April 2018 and will continue thereafter until a notice of termination of not less than three months is served by either party. However, Mr. Ding's appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Bye-laws. Under the service agreement, Mr. Ding shall be entitled to receive a director's emolument of HKD500,000 per annum which was determined by reference to, among other factors, the operating results and requirements of the Group, his contribution to the performance of the Group and with reference to the recommendation of the remuneration committee of the Company (the "**Remuneration Committee**").

Save as disclosed above, there is no matter relating to the re-election of Mr. Ding that needs to be brought to the attention of the Shareholders and there is no information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Ms. WONG Chi Yan ("Ms. Wong")

Ms. WONG Chi Yan, aged 41, was appointed as an independent non-executive Director of the Company on 14 May 2018. She holds a Bachelor of Business Administration degree in Accounting awarded by Hong Kong Baptist University and a Master of Laws degree in International Corporate and Financial Law awarded by The University of Wolverhampton, the United Kingdom. She is an associate member of the Hong Kong Institute of Certified Public Accountants, and an associate member of the Hong Kong Institute of Chartered Secretaries and the Chartered Governance Institute. Ms. Wong has extensive experiences in auditing, accounting and financing as well as merger and acquisition.

Ms. Wong is currently an independent non-executive director of GET Holdings Limited (stock code: 8100), a company listed on the GEM of Stock Exchange, an independent non-executive director of China Hongbao Holdings Limited (formerly known as "Quantong Holdings Limited") (stock code: 8316), a company listed on the GEM of the Stock Exchange. Ms. Wong is also the company secretary and authorised representative of China Properties Investment Holdings Limited (stock code: 736), a company listed on the Stock Exchange.

Ms. Wong was an independent non-executive director of (i) Huiyin Holdings Group Limited from October 2017 to June 2020 (stock code: 1178), the shares of which were delisted from the Stock Exchange on 22 August 2022; and (ii) Bay Area Gold Group Limited (In Liquidation) from March 2019 to July 2021 and Asia Television Holdings Limited (stock code: 707), a company listed on the Main Board of the Stock Exchange from January 2019 to December 2022. She also served as the company secretary and authorised representative of Flyke International Holdings Ltd., the shares of which were delisted from the Stock Exchange (stock code: 1998), from March 2017 to December 2020.

Save as disclosed above and as at the date of this circular, Ms. Wong has confirmed that she does not (i) hold any other position in the Group; (ii) have any other relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) hold any other directorship in listed public companies in the last three years; and (iv) have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Ms. Wong has entered into a service agreement with the Company. Pursuant to the service agreement, Ms. Wong shall commence her service as an independent non-executive Director from 14 May 2018 and will continue thereafter until a notice of termination of not less than three months is served by either party. However, Ms. Wong's appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Bye-laws. Under the service agreement, Ms. Wong shall be entitled to receive a director's emolument of HKD120,000 per annum which was determined by reference to, among other factors, the operating results and requirements of the Group, her contribution to the performance of the Group and with reference to the recommendation of the Remuneration Committee.

Save as disclosed above, there is no matter relating to the re-election of Ms. Wong that needs to be brought to the attention of the Shareholders and there is no information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Dr. CHEUNG Ka Yue (“Dr. Cheung”)

Dr. Cheung Ka Yue, aged 51, has over 20 years of experience in strategic investment, business administration and commercial developments. Dr. Cheung has profound knowledge and extensive experience in the regulatory, corporate finance, compliance and corporate governance fields.

Dr. Cheung is active in public and community service. He is an adviser of Scout Association of Hong Kong New Territories East Region.

Dr. Cheung is a practicing accountant in Hong Kong. He holds a doctoral degree in business administration, a master's degree in education, a master's degree in laws, a master's degree in professional accountancy, and a bachelor's degree in accounting.

Dr. Cheung is currently an independent non-executive director of IAG Holdings Limited (listed on the GEM of Stock Exchange with stock code: 8513) and Crown International Corporation Limited (listed on the Main Board of Stock Exchange with stock code: 727); and has been (i) an independent non-executive director from 9 November 2021 to 30 November 2021; (ii) a non-executive director from 30 November 2021 to 26 April 2022; and (iii) an executive director since 26 April 2022 of Mayer Holdings Limited (listed on the Main Board of Stock Exchange with stock code: 1116).

The Company has entered into a service agreement with Dr. Cheung from 19 October 2022 and continue thereafter until a notice of termination of not less than three months is served by either party. Dr. Cheung is subject to retirement by rotation and/or re-election at general meetings in accordance with the Bye-laws. He is entitled to director's fee of HKD120,000 per annum, which is subject to review by the Board with reference to his duties and responsibilities with the Company and the recommendation of the remuneration committee of the Company.

Save as disclosed, Dr. Cheung has not held any other directorship in the last three years in other public company the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and does not hold any position of the Company and other companies within the Group.

Save as disclosed, Dr. Cheung did not have any other interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information relating to Dr. Cheung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter relating to the re-election of Dr. Cheung that needs to be brought to the attention of the Shareholders and the Stock Exchange.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a core connected person (as defined in the Listing Rules), that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective close associates (as defined in the Listing Rules) and a core connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 349,519,567 Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 34,951,956 fully paid Shares, representing approximately 10% of the total number of issued Shares as at the date of the AGM.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the Bermuda law and the memorandum of association of the Company and the Bye-laws and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 March 2023, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest closing prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Share Price	
	Highest (HK\$)	Lowest (HK\$)
2022		
July	0.62	0.50
August	0.55	0.40
September	0.42	0.30
October	0.30	0.24
November	0.34	0.26
December	0.31	0.28
2023		
January	0.31	0.29
February	0.31	0.27
March	0.30	0.24
April	0.26	0.24
May	0.24	0.18
June	0.19	0.18
July (up to and including the Latest Practicable Date)	0.18	0.18

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Bermuda.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. LIU Shiwei, the controlling shareholder of the Company, held 230,214,906 Shares, representing approximately 65.9% of the entire issued share capital of the Company, of which all 230,214,906 Shares (representing approximately 65.9% of the entire issued share capital of the Company as at the Latest Practicable Date) is held by Stone Steps Investments Limited, a company wholly and beneficially owned by him. On the basis of 349,519,567 Shares in issue, if the Repurchase Mandate is exercised in full, the percentage interest in the Company of Stone Step Investments Limited would increase to approximately 73.18% of the then issued share capital of the Company. Such increase would not result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

At as the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholder, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

NOTICE OF AGM

Success Dragon International Holdings Limited

勝龍國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1182)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Success Dragon International Holdings Limited (the “**Company**”) will be held at 19/F., Guangdong Finance Building, 88 Connaught Road West, Hong Kong on Friday, 22 September 2023 at 11:00 a.m. to transact the following:

To consider and, if thought fit, to pass, with or without amendments, the following resolutions as ordinary resolutions:

AS ORDINARY RESOLUTIONS:

1. To receive, consider and adopt the audited consolidated financial statements, the reports of the directors (the “**Director(s)**”) and auditors of the Company for the year ended 31 March 2023;
2.
 - (a) To re-elect Mr. Ding Lei as an executive Director;
 - (b) To re-elect Ms. Wong Chi Yan as an independent non-executive Director;
 - (c) To re-elect Dr. Cheung Ka Yue as an independent non-executive Director; and
 - (d) To authorise the board of Directors to fix the Directors’ remuneration.
3. To re-appoint CCTH CPA Limited as auditors of the Company and to authorise the Board to fix their remuneration;
4. To as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and all other applicable law, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “**Shares**”) in the share capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the total number of Shares in issue on the date of the passing of this resolution, provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum amount of Shares that may be issued pursuant to this resolution as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares repurchased by the Company subsequent to the passing of this resolution (up to limit approved by resolution no. 5), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) (the “**Companies Act**”) or any other applicable laws of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

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“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the total number of Shares in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly, provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum amount of Shares that may be purchased pursuant to this resolution as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act or any other applicable laws of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

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6. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

On behalf of the Board
LIU Shiwei
Chairman and Executive Director

Hong Kong, 27 July 2023

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
19/F., Guangdong Finance Building
88 Connaught Road West
Hong Kong

Notes:

1. A member entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the AGM (i.e. no later than Wednesday, 20 September 2023 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the AGM or any adjournment thereof, should he so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Where there are joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled to vote; but if more than one of such joint holders be present at the meeting in person or by proxy, then the one of such holders whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
4. For the purpose of determining shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 19 September 2023 to Friday, 22 September 2023 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch registrar and transfer office, Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 18 September 2023 (Hong Kong time).
5. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.

NOTICE OF AGM

6. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the circular of the Company dated 27 July 2023.
7. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning or “extreme conditions after super typhoons” announced by the Government of Hong Kong is/are in effect any time after 10:00 a.m. on the date of the AGM, the AGM will be postponed. The Company will publish an announcement on the website of the Company at <http://www.successdragonintl.com> and on the website of the Stock Exchange at <http://www.hkexnews.hk> to notify Shareholders of the date, time and venue of the rescheduled meeting.
8. In case of discrepancy between the English version and the Chinese version of the notice of the AGM, the English version shall prevail.