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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)

INSIDE INFORMATION REGARDING BUSINESS DEVELOPMENT SERVICE AGREEMENTS

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 “**Stock Exchange**”) (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

BUSINESS DEVELOPMENT SERVICE AGREEMENTS

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that on 9 November 2018 (after trading hours of the Stock Exchange), Shengye Minghua Commercial Factoring (Shenzhen) Limited* (盛業銘華商業保理(深圳)有限公司) (“**Shengye Minghua**”), an indirect wholly-owned subsidiary of the Company, entered into a business development service agreement (the “**Service Agreement**”) with Shenzhen Qianhai Linklogis Financial Services Company Limited* (深圳前海聯易融金融服務有限公司) (“**Linklogis**”). In addition, on 9 November 2018 (after trading hours of the Stock Exchange), Shengye Minghua entered into a supplemental agreement to the Service Agreement (“**Supplemental Agreement**”) with Shenzhen Qianhai Weqi Blockchain Technology Limited* (深圳前海微企區塊鏈科技有限公司) (“**SQ Weqi**”), a wholly owned subsidiary of Linklogis. Pursuant to the Service Agreement and the Supplemental Agreement (collectively, the “**Agreements**”), the Group will provide business development services for WeQChain (微企鏈平台), a supply chain financing platform built by Linklogis based on blockchain technology. The Group agrees to source businesses with the need of supply chain financing services and procure them and their suppliers to use WeQChain for financing the accounts receivables held by the suppliers. SQ Weqi agrees to pay the Group a service fee every quarter during the term of the Agreements for the business development services provided by the Group. The Agreements have a term of two years from the date of the Agreements, which may be terminated by 30 days’ notice in writing served by either party on the other.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

Given that the Group's experience in business process management will be beneficial for Linklogis to expand its market share and maintain its leading position in the industry, Linklogis and SQ Weqi entered into the Agreements with the Group. Through entering into the Agreements, the Group wishes to leverage on the strength, resources and expertise of Linklogis to develop its knowledge and experience in blockchain and fintech, diversify its business operations and strengthen its information technology services business, thereby enhancing the profitability of the Group's business as a whole.

The Board considers that the Agreements were entered into on normal commercial terms after arm's length negotiation and are in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT LINKLOGIS AND WEQCHAIN

Initiated by senior executives with international financial and internet backgrounds, Linklogis was established in February 2016 in Qianhai Free Trade Zone, Shenzhen, Guangdong Province, China. In 2018, Linklogis received more than USD220 million in Series C financing. Shareholders of Linklogis include multinational companies and funds such as Tencent (騰訊), CITIC Capital (中信資本), Loyal Valley Capital (正心谷), GIC Pte. Ltd. (新加坡政府投資公司), Bertelsmann Asia Investments (貝塔斯曼), China Merchants Innovation Investment Management Limited Liability Company* (招商局創投), GLP (普洛斯), Skyworth (創維), Oceanwide Investment* (泛海投資) and Welight Capital (微光創投). At present, the accumulated asset transaction scale of Linklogis amounts to nearly RMB30 billion, and it is in a leading position in the supply chain asset-backed securities field.

WeQChain is a platform built by Linklogis based on the blockchain technology developed by Tencent, which provides supply chain financing services. Through WeQChain Linklogis aims to facilitate the financing transactions of accounts receivables held by the suppliers of core enterprises which are liable to settle the accounts receivables, liquidize accounts receivables of small and medium sized enterprises and support the development of small- and medium-sized enterprises and the economy as a whole. WeQChain will record digital securities created by the accounts payable of core enterprises in the shared ledger of blockchain and facilitate the transfer, financing and clearing of such digital securities.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Linklogis, SZ Weqi and their ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

GENERAL

The Agreements were entered into in the Company's ordinary and usual course of business, which do not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Success Dragon International Holdings Limited
KWAN Chun Wai Roy
Chairman, executive Director and chief executive officer

Hong Kong, 9 November 2018

The English transliteration of the Chinese name(s) in this announcement, which is indicated with “”, is included for information purpose only, and should not be regarded as the official English name(s) of the relevant entity(ies).*

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. KWAN Chun Wai Roy and Mr. DING Lei; and four independent non-executive Directors, namely Mr. AU Kin Wah, Mr. CHI Dong Eun, Mr. DENG Yougao and Ms. WONG Chi Yan.