

DAPAI INTERNATIONAL HOLDINGS CO. LTD.

(Company Registration No. 41211)

(Incorporated in Bermuda)

**PROPOSED PLACEMENT AND MEMORANDUM OF UNDERSTANDING ("MOU")
- DISCUSSIONS ON EXTENSION OF TIME**

The Board of Directors of Dapai International Holdings Co. Ltd. ("**Company**") refers to its announcements dated 16 February 2016 and 28 March 2016 ("**Announcements**") in respect of the Proposed Placement and the MOU in relation to the Proposed Acquisition. Capitalised terms used herein shall, unless otherwise defined, have the meanings ascribed in the Announcements.

The Company wishes to update that the conditions precedent for the Proposed Placement and the MOU was not satisfied before 31 March 2016. The Company wishes to update that in good faith, the Company is currently in discussions with the Placees and SM Controlling Shareholder on an extension of time till a further date, mutually agreeable by all parties, to complete the Proposed Placement and to enter into definitive agreement(s) in relation to the Proposed Acquisition, respectively. Save as being discussed above, the terms of the Placement Agreement and MOU are expected to remain unchanged.

The Company will continue to keep shareholders updated as and when appropriate.

In the meantime, shareholders of the Company and potential investors should exercise caution when trading in the shares, and where in doubt as to the action they should take, they should consult their financial, tax, legal or other professional advisers.

By Order of the Board

Chen Xizhong
Executive Chairman

1 April 2016