



DRAGON GROUP INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199306761C)

ANNOUNCEMENT

RECEIPT OF NOTICE OF HEARING AND COMPLAINT

The board of directors (the "**Board**") of Dragon Group International Limited (the "**Company**") and together with its subsidiaries, collectively the "**Group**") refers to the Company's announcements dated 1 March 2019 and 14 May 2019 and the Annual Report released on 30 July 2019 ("**Previous Announcements**").

Further to the Previous Announcements, the Company wishes to announce that its associated company, Eocell. Inc., ("**Eocell**") had previously received a Notice of Claim and Conference on 18 June 2019 (the "**June Notice**") from the Labour Commissioner Office, Department of Industrial Relations of the State of California ("**Labour Commissioner**") in relation to a dispute from Michael Pak who is a former employee of Eocell. While the June Notice required Eocell to attend a settlement conference on 30 September 2019, Eocell's lawyers, Sheppard Mullin Richter & Hampton LLP ("**Sheppard Mullin**"), wrote in to reschedule the conference. Ultimately, the Labour Commissioner informed Eocell that they would reschedule the dispute for a hearing.

The Company now wishes to inform its shareholders that it has received a Notice of Hearing and Complaint on 19 November 2019 ("**November Notice**") from the Labour Commissioner and Eocell is required to attend a hearing scheduled on 13 December 2019 for the sum of US\$1,552,884.80 allegedly owed to Michael Pak for unpaid commissions from 10 August 2017 to 10 September 2018, production bonuses from 20 October 2017 to 25 October 2018 and waiting time penalties. Sheppard Mullin has since written in to adjourn the hearing and the Labour Commissioner has agreed to reschedule the hearing to 19 February 2020.

The Company will release further announcements as and when there are material developments on this matter.

Shareholders and other investors are reminded to exercise caution while dealing in the shares of the Company. In the event that shareholders and other investors are in doubt when dealing in the share of the Company, they should consult their stockbrokers, bank managers, solicitors, accountants or other profession advisers.

The Company would like to notify all its shareholders and business partners that the Group's business shall continue as usual.

BY ORDER OF THE BOARD

Dato' Michael Loh Soon Gnee
Executive Chairman & Group CEO
17 December 2019