



DRAGON GROUP INTERNATIONAL LIMITED

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

UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

The Board of Directors of Dragon Group International Limited (the "**Company**") refers to the announcement released on 28th February 2017 relating to Quarterly Update Pursuant to Rule 1313(2) of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Company was placed on the watch-list under financial entry criteria pursuant to Rule 1311(1) of the Listing Manual on 4th March 2015.

The deadline for the Company to meet the financial exit criteria set out in Rule 1314(1) of the Listing Manual (the "**Financial Exit Criteria**") is 3rd March 2017 pursuant to Rule 1315 of the Listing Manual (the "**Deadline**").

The Company wishes to inform that it was unable to record a consolidated pre-tax profit for the financial year ended 31st December 2015 and for the most recent financial year ended 31st December 2016. Further, the Company's average daily market capitalisation over the last 6 months did not exceed S\$40 million or more. Thus, the Company is not able to satisfy the Financial Exit Criteria on or before the expiry of the Deadline.

As a result, SGX-ST may either remove the Company from the Main Board of SGX-ST, or suspend trading of its listed securities (without the agreement of the Company) with a view to removing the Company from the Main Board of SGX-ST.

The Company has written to SGX-ST for a 12 months extension of time to meet the Financial Exit Criteria. The Company is presently considering several proposals which if materialised will enable it to meet the Financial Exit Criteria and exit the financial watch-list within the 12 months extension period.

The Company will provide further information and updates if definitive agreements are entered into in connection with the proposals or if there are material developments regarding the same. The Company will provide an update on the outcome of our request for extension of time with SGX-ST in due course.

BY ORDER OF THE BOARD

Dato' Michael Loh Soon Gnee
Chairman & CEO
3 March 2017