



DRAGON GROUP INTERNATIONAL LIMITED

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

BUSINESS OPERATIONS UPDATE FROM ASSOCIATED COMPANY

The Board of Directors (the “**Board**”) of Dragon Group International Limited (“**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce updates on Eocell, Inc. (“**Eocell**”), an associate of the Company.

Background:

1. Eocell, an associate company led by CEO Dato’ Michael Loh Soon Gnee (“**DML**”) since 2019. DML also serves as the current Chairman of EoCell and was previously the Ex-Chairman and Ex-CEO of the Company.
2. The Company’s previous Management and certain Board members extended loans to Eocell on 30 June 2023, with a maturity of 15 days, which remain outstanding and unpaid as of today.
3. Eocell has been insolvent since 2022.

Current Business Operations Update from Eocell:

1. On 30 April 2024, Eocell held an emergency board meeting to update its board on its financial and business position.
2. Eocell management has disclosed that Eocell has missed payroll obligations and is uncertain if it could raise additional funds.
3. As of 2 May 2024, the employees of Eocell have been placed on a 15-day furlough.
4. All contracts and MOUs previously signed by Eocell have either been terminated or remain open with no definitive date.
5. Eocell will be actively pursuing alternatives for financing its operations.

The Company’s Action Plan:

1. In view of the current operational issues faced by Eocell, the Company is engaging with Eocell's management to gain an understanding and update on the current situation and Eocell’s upcoming action plan for the next 15 days.
2. The Board is seeking legal advice on plans to recover the unpaid loans from Eocell.

3. The Company will keep shareholders informed of material developments in this regard and will make further announcements as and when appropriate.

By Order of the Board
DRAGON GROUP INTERNATIONAL LIMITED

Kho Cheow Wah
Executive Director
3 May 2024