



## **DRAGON GROUP INTERNATIONAL LIMITED**

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

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### **RECEIPT OF NOTICE OF ARBITRATION FROM SPUTNIK ENERGY LTD**

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The Board of Directors (the “Board”) of Dragon Group International Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the Company’s announcement dated 17 December 2019 (the “Previous Announcement”).

Further to the Previous Announcement, the Company wishes to update its shareholders that it has received a Notice of Arbitration on 21 June 2024 (“NOA”) from Sputnik Energy Ltd (“SEL”) through the Hong Kong International Arbitration Centre. The NOA is against the Company and its associated company, EoCell Ltd (“ELTD”), claiming the sum of USD 10,000,000, representing the value of shares allegedly due to SEL for its pivotal role in securing the investment from Zhuhai Yinlong Energy Co., Ltd (“YLE”).

#### **Background:**

1. ELTD is an associated company led by Chairman (“CM”) Mr. Michael Soon Gnee Loh (“Mr. Loh”) since 2019. Mr. Loh is currently still the CM of ELTD and was previously the Chairman and CEO of the Company and the Group.
2. On 30 May 2015, ELTD executed a Joint Venture Agreement with the Company and SEL, where the founder and owner of SEL, Mr. Pak (“PAK”), was appointed as the Chief Operating Officer (“COO”) and subsequently Chief Executive Officer (“CEO”) of ELTD on 1 June 2017.
3. Under a Share Subscription Agreement (“SSA”) executed on 10 August 2017, 20% of ELTD’s shares were allegedly to be distributed to SEL, or by extension PAK, once new investments were made to ELTD.
4. However, prior to the completion of the Shareholders Agreement (“SHA”) with YLE, Mr. Loh, in his capacity as the CM of ELTD, allegedly devised a deliberate scheme to delay the execution of the SHA and abruptly terminated the employment of PAK on 5 July 2018.
5. The 20% of shares agreed to be transferred to SEL were allegedly diverted to KSMC Limited (“KSMC”), a company which is reportedly an investment vehicle for Mr. Loh, the sole shareholder of KSMC.

The Company is currently assessing the basis and allegations of the NOA and will seek legal advice accordingly. The Company will keep shareholders informed of any material developments and will make further announcements as appropriate.

The Company believes that the NOA will not affect the continued business operations of the Group.

The shares of the Company have been suspended from trading on the Singapore Exchange Securities Trading Limited since 10 May 2018.

Shareholders are advised to exercise caution when dealing or trading in the shares of the Company. Shareholders are advised to read this Announcement, previous announcements, and any further announcements by the Company carefully. When in doubt as to the action they should take, shareholders should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers.

**By Order of the Board**  
**DRAGON GROUP INTERNATIONAL LIMITED**

Kho Cheow Wah  
Executive Director  
21 June 2024