



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

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

Introduction

Dragon Group International Limited (the "**Company**", and together with its subsidiaries, the "**Group**") was placed on the watch-list under financial entry criteria pursuant to Rule 1311(1) of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 4 March 2015.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the "**Board**") wishes to provide an update on the financial situation of the Company and the Group in respect of the period ended 30 September 2021.

Update on Unaudited Financial Performance and Financial Position

The revenue of US\$1.7 million in 9M2021 was higher than last year, mainly due to higher customers' demands. The gross profit margin increased from 17.9% to 21.3% due to changes in the sales mix.

Other operating income decreased for the period due to lesser government incentives and grant income received.

As at 30 September 2021, the Group's shareholders' equity was US\$2.5 million.

As at 30 September 2021, the Group's cash and cash equivalents amounted to US\$1.0 million.

The Group utilised US\$0.7 million for its operating activities.

Please refer to our result announcement for the financial period ended 30 September 2021 released on 14 November 2021 for full details.

Update on Future Direction and Other Material Development

The Company was placed on the watch-list under the 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**") was 3rd March 2017 pursuant to Rule 1315 of the Listing Manual. On 14 August 2017, the Company announced that SGX-ST had granted the Company an extension of time until 3rd March 2018 to meet the Financial Exit Criteria (the "**Extended Deadline**"). As the Company was unable to satisfy the Financial Exit Criteria on or before the expiry of the Extended Deadline, a Delisting Notification was issued by SGX-ST to the Company on 11 April 2018. Trading in the Company's securities was ceased on 5pm, 10 May 2018 and trading will remain suspended until the completion of the exit offer.

Further to the Company's previous announcement on 12 April 2018, the Company has been informed by the SGX-ST that the Company's subsequent application for an extension of time to meet the financial exit criteria set out in Rule 1314(1) of the Listing Manual has been rejected. The Company will hence be required to delist from the Main Board of the SGX-ST.

Pursuant to Listing Rule 1306, the Company or its controlling shareholder(s) must comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) to provide a reasonable exit offer to shareholders.

Work on the exit proposal is on-going and we will keep our shareholders updated at the appropriate time.

BY ORDER OF THE BOARD

Chong Man Sui
Acting Chairman
14 November 2021