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Dragon Rise Group Holdings Limited **龍昇集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6829)

PROFIT WARNING

This announcement is made by Dragon Rise Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the nine months ended 31 December 2018 and the information currently made available to the Board, it is anticipated that the profit attributable to the Shareholders for the year ending 31 March 2019 is expected to decrease by approximately 75% to 85% as compared to that for the year ended 31 March 2018. Based on the information currently available, the expected decrease in the unaudited consolidated profit attributable to the Shareholders would be mainly attributable to the following factors:

- (i) substantial decrease in contracting revenue by approximately 50% to 60% mainly due to (i) the delay in commencement of new projects being awarded to the Group and (ii) substantial completion of the projects on hand during the year ended 31 March 2018;
- (ii) decrease in gross profit margin for the Group’s business as a result of an increase in overall construction costs; and
- (iii) keen competition in the market for new projects.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the nine months ended 31 December 2018 and information currently available to the Board, which have not been reviewed by or discussed with the auditors of the Company and the actual results of the Group for the year ending 31 March 2019 may be different from what is disclosed in this announcement. The annual results announcement of the Company for the year ending 31 March 2019 is expected to be released in June 2019 pursuant to the requirements of the Listing Rules.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Dragon Rise Group Holdings Limited
Yip Yuk Kit
Chairman and Executive Director

Hong Kong, 21 February 2019

As at the date of this announcement, the Board comprises Mr. Yip Yuk Kit and Mr. Cheung Chun Fai as executive Directors; and Mr. Lo Chi Wang, Mr. Chan Ka Yu and Mr. Lee Kwok Lun as independent non-executive Directors.