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 the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the "**Board**") of the Company hereby informs the shareholders of the Company ("**Shareholders**") and potential investors that, based on the information available to the Board, it is expected that there would be a significant deterioration in the operating results of the Group by a decrease of approximately 70% to 80% in net profit for the six months ended 30 September 2018 as compared to the six months ended 30 September 2017 (the "**Prior Period**"). Such result was primarily attributable to:

1. substantial decrease in contracting revenue due to (i) the delay in commencement of new projects being awarded to the Group and (ii) substantial completion of the projects on hand in the Prior Period;

2. decrease in gross profit margin for the Group's business as a result of an increase in overall construction costs; and

3. keen competition in the market for new projects.

As the Company is still in the process of finalising the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2018, the information contained in this announcement represents only a preliminary assessment by the Board with reference to the latest unaudited condensed consolidated management accounts of the Group and other information currently available, which have not been reviewed by the auditors of the Company, nor have been confirmed by the audit committee of the Company. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the six months ended 30 September 2018 which is expected to be published by the end of November 2018.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 5 November 2018

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.