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 of the Company (the "**Board**") 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 and the information currently made available to the Board, the Group is expected to record a consolidated net loss within the range of approximately HK$18.0 million to HK$22.0 million for the year ended 31 March 2020 (the "**Period**"), as compared to the consolidated net profit of approximately HK$9.8 million for the year ended 31 March 2019.

Such expected consolidated net loss is mainly attributable to a decrease in gross profit margin for the Group's business due to (i) our continuing proactive pricing strategy in response to increasingly competitive market conditions; and (ii) an increase in direct costs incurred from (a) unexpected complexity arising from construction works for certain construction projects of the Group; and (b) delays in certain projects as a result of the outbreak of the novel coronavirus (COVID-19) epidemic during the Period.

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 March 2020, the information contained in this announcement is based solely on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available, which have neither been reviewed by the audit committee of the Company nor reviewed or audited by the Company's auditors. The above information may be subject to further adjustments upon final review by the Board and the Company's auditors. Shareholders and potential investors are advised to refer to the details in the annual results of the Group for the year ended 31 March 2020, which is expected to be published in late June 2020 in accordance with 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, 6 April 2020

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, Mr. Lee Kwok Lun and Mr. Chan Wa Shing as independent non-executive Directors.