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Dragon King Group Holdings Limited

龍皇集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8493)

PROFIT WARNING

This announcement is made by Dragon King Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2020 and other information currently available to the Board, the Group expected to record a significant decrease in revenue for the three months ended 31 March 2020 of approximately 50.7% or HK\$59.3 million as compared to the corresponding period in 2019. The Group further expected to record a net loss of approximately HK\$9.1 million for the three months ended 31 March 2020 as compared to a profit of approximately HK\$0.5 million recorded in the corresponding period in 2019.

The Board considered that the significant decrease in revenue and the net loss was mainly attributable to the outbreak of the novel coronavirus (COVID-19) epidemic and the resulting anti-epidemic measures implemented which had adverse impacts on the number of customers in visiting our restaurants. Nevertheless, the Group has implemented cost-saving measures including but not limited to negotiating with our landlords for rent concession, unpaid leaves for the Group’s employees and some sales stimulating measures including but not limited to expanding the take-away services to partially offset the aforesaid impacts.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group for the three months ended 31 March 2020, which have not been audited or reviewed by the Company's independent auditor or the audit committee of the Company, and is subject to possible adjustments upon further review. The Company is still in the process of finalising its first quarterly results for the three months ended 31 March 2020 which are expected to be published in May 2020. Shareholders and potential investors are advised to read carefully the announcement of the Company's first quarterly results for the three months ended 31 March 2020 when it is published.

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

By order of the Board
Dragon King Group Holdings Limited
Lee Ching Nung Angel
Chairman and Executive Director

Hong Kong, 29 April 2020

As at the date of this announcement, the Board comprises Ms. Lee Ching Nung Angel, Mr. Wong Wing Chee and Mr. Wong Wing Hong as executive Directors; and Mr. Kwong Ping Man, Mr. Lin Zhisheng and Mr. Chang Cheuk Cheung Terence as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and will be published on the Company's website at www.dragonkinggroup.com.