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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 (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 and other information currently available to the Board, the Group’s unaudited net loss after tax for the year ended 31 December 2018 is expected to increase significantly as compared with the corresponding period in 2017. The increase in loss-making position for the year ended 31 December 2018 was mainly attributable to (i) the decrease in revenue of the Group’s restaurants operating in Hong Kong resulted from the downturn of the domestic property and stock markets in the second half of 2018 which affected the consumption sentiment of customers and resulting in the increase in the operating loss; (ii) the decrease in revenue of the Group’s restaurant operating in Shanghai due to the Sino-US trade war in the second half of 2018 which affected the consumption sentiment of customers and resulting in an increase in its operating loss; (iii) the operating loss incurred by the two newly operated restaurants in Kwai Chung and Wan Chai, which were opened in May and August 2018 respectively, during their initial stage of operation; (iv) the one-off loss of the Group from disposing the items of property, plant and equipment due to the closure of the restaurant in Wan Chai; (v) the one-off discretionary bonus paid to the Group’s employees; and (vi) the impairment loss of property, plant and equipment and trade receivables of the Group.

The Board wishes to state that 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 year ended 31 December 2018, 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 annual results for the year ended 31 December 2018 which are expected to be published on 22 March 2019. Shareholders and potential investors are advised to read carefully the announcement of the Company's annual results for the year ended 31 December 2018 when it is published.

**Shareholders and potential investors of the Company 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, 13 March 2019

*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](http://www.hkexnews.hk) on the "Latest 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](http://www.dragonkinggroup.com).*