Scorching Dragon Holdings Limited
炙龍控股有限公司

(Formerly known as 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)

(1) QUARTERLY UPDATE ON BUSINESS PROGRESS AND STATUS OF RESUMPTION;
(2) QUARTERLY PROGRESS UPDATE ON THE ACTION PLAN TO ADDRESS THE DISCLAIMER OF OPINION IN THE 2024 ANNUAL REPORT;
AND
(3) CONTINUED SUSPENSION OF TRADING

This announcement is made by Scorching Dragon Holdings Limited (the "**Company**" together with its subsidiaries, the "**Group**") pursuant to Rules 17.10 and 17.26A of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (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, Laws of Hong Kong).

Reference is made to (i) the annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**"); (ii) the Company's quarterly update announcements dated 31 July 2025, 31 October 2025 and 30 January 2026 (the "**Quarterly Update Announcements**"); (iii) the circular of the Company dated 26 September 2025 (the "**Circular**"); and (iv) the Company's announcement dated 19 January 2026 in relation to resumption guidance issued by the Stock Exchange (the "**RG Announcement**"). Terms used herein shall have the same meanings as defined in the 2024 Annual Report, the Quarterly Update Announcements, the Circular, and the RG Announcement, unless otherwise stated.

RESUMPTION GUIDANCE

On 9 January 2026, the Company received a letter (the "**Letter**") from the Stock Exchange setting out the guidance for the resumption of trading in the Shares on the Stock Exchange (the "**Resumption Guidance**"). Pursuant to the Resumption Guidance, the Company shall:

(i) demonstrate its compliance with GEM Rule 17.26;

(ii) re-comply with GEM Rules 5.05(1) and 5.28; and

(iii) inform the market of all material information for the Company's shareholders and investors to appraise its position.

The Company must meet all the Resumption Guidance, remedy the issues causing its trading suspension, and fully comply with the GEM Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume.

If the Company fails to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the GEM Listing Rules to the Stock Exchange's satisfaction and resume trading in its Shares by 19 October 2026, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing.

QUARTERLY UPDATE ON BUSINESS PROGRESS

Reference is made to the Company's announcement dated 17 October 2025. The then only operating Chinese restaurant of the Group had been forced to suspend its business operation due to the failure of the repayment of an outstanding judgment debt. Since then, the management of the Company has been trying its best effort to work out a viable business strategy towards the future business development of the Group's Chinese restaurant.

Reference is made to the Company's announcement dated 23 December 2025 and 19 January 2026. The Group's Chinese restaurant under the brand name of "旺角(龍皇)海鮮菜館 (Mong Kok (Dragon King) Seafood Restaurant)" (the "**Mong Kok Restaurant**"), offering Cantonese cuisine which features fresh seafood, soups, and exquisite fried dishes suitable for group dining, corporate hospitality and casual meals for small number of individuals, commenced operations in January 2026.

Reference is also made to the announcement of the Company dated 26 March 2026. The Group's Chinese restaurant under the brand name of "Tong Arch (唐坊)" (the "**Lai Chi Kok Restaurant**"), offers Cantonese cuisine and features hand-made dim sum, roasted meat ("siu mei"), fresh seafood, soups, and signature dishes suitable for group dining, traditional Chinese banquets and casual meals for individuals and families. As at the date of this announcement, the Lai Chi Kok Restaurant is under renovation, and it is expected that it is able to commence business in mid of May 2026.

Reference is also made to the announcement of the Company dated 16 April 2026. It is expected that the Group's latest Chinese restaurant under the brand name of "Tong Arch Pavilion (唐坊火鍋私房菜)" (the "**Yaumatei Restaurant**"), offering Cantonese cuisine which features exclusive home-style gourmet dishes and sumptuous hotpot meal with fresh and seasonal seafood, meat, specialty soups, and signature dishes that blend nostalgic flavours with modern techniques is able to be opened within May 2026.

UPDATE ON PROGRESS OF FULFILMENT OF RESUMPTION GUIDANCE

The Board would like to provide the following updates on the status of the satisfaction of the resumption conditions pursuant to the Resumption Guidance:

Resumption Condition (i) – demonstrate its compliance with GEM Rule 17.26

The Company is an investment holding company. The Group is a Cantonese restaurant group operating Cantonese cuisines restaurant under its self-owned brand. In line with its strategy to provide high quality food and services and to diversify its cuisine offerings and revenue base, the Group has been actively identifying quality restaurant businesses in the Cantonese and Asia-Pacific cuisine segments to expand its business footprint.

At present, the Group has opened and will be opening three different styles Chinese restaurants, from exquisite Chinese fried dishes suitable for small group gathering; Chinese home-style gourmet dishes and hotpot; to traditional full service Chinese restaurant in different prime locations in Hong Kong capable to serve different classes of customers.

Additionally, once the Group's Chinese catering business is firmly revitalised, it will explore business or investment opportunities in other dining categories in order to diversify business risks associated with focusing solely on the Chinese catering industry and to adapt to the ever-changing consumer preferences, ultimately striking for the best interest of the Company and its shareholders.

The Board remains fully committed to the Company and will closely monitor the business operations and financial position of the Company, take appropriate measures and make further announcement(s) as and when appropriate. The Directors believe that the Group is now well prepared to demonstrate that its business operations are sufficiently robust to comply with GEM Rule 17.26.

Resumption Condition (ii) – re-comply with GEM Rules 5.05(1) and 5.28

The Company has fulfilled resumption condition (ii) since 16 January 2026.

Resumption Condition (iii) – inform the market of all material information for the Company's shareholders and investors to appraise its position

To the best of the Directors' knowledge, information and belief, the Company has disclosed all material information for its shareholders and potential investors to appraise the Company's position. The Company will continue to make announcement(s) as and when appropriate in accordance with the GEM Listing Rules to keep its shareholders and potential investors informed of all material information of the Group.

QUARTERLY UPDATE ON THE ACTION PLAN TO BE TAKEN BY THE COMPANY TO ADDRESS THE DISCLAIMER OF OPINION IN THE 2024 ANNUAL REPORT

As disclosed in the 2024 Annual Report and the Quarterly Update Announcements, the Company has formulated an action plan to address the Disclaimer of Opinion. The Board wishes to provide a quarterly update on the latest progress of such action plan and the measures implemented by the management to improve the Group's financial position and to address the underlying factors leading to the Disclaimer of Opinion. The updated progress of the key measures is summarised below:

(i) Planning for equity fundraising exercise

As disclosed in the 2024 Annual Report, the Company is in the process of contemplating equity fundraising exercises including but not limited to rights issue, issue of new shares and/or convertible bonds. The Company intends to apply the proceeds for the repayment of the liabilities and for further expansion of the Group's existing business segment.

As disclosed in the Quarterly Update Announcements, the effective date of the Share Consolidation, together with other dates set out in the expected timetable in the Circular, will be postponed to later dates to be announced by the Company. The completion of the Capital Reduction and the Share Sub-division is also still subject to various conditions as set out in the Circular.

The Company will use its best endeavours to explore further fundraising opportunities, targeting to conduct another equity fundraising exercise in due course. Further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

(ii) Seeking extension for repayment of liabilities

The Company has been maintaining regular communication with its banks and other creditors.

The Company reached an alternative repayment arrangement with one of its creditors in December 2025 and will continue to liaise with its other creditors to assess the feasibility of extending or deferring repayment obligations, or to consider other alternative repayment arrangements. The Group will continue to seek appropriate legal and financial advice in this regard. The Board believes that the potential improvements arising from recent business development opportunities in relation to the Group's operations, together with the Hong Kong Government's continued efforts to promote tourism, will provide a favourable environment for the renewal or extension of the Group's loan facilities.

(iii) Developing and exploring different business opportunities in relation to its operation

The Company will continue to monitor market conditions in the food and beverage sector and identify suitable opportunities for expansion.

The Group has resumed its operation of Chinese restaurant under the brand name of "旺角(龍皇)海鮮菜館 (Mong Kok (Dragon King) Seafood Restaurant)" offering Cantonese cuisine which features fresh seafood, soups, and exquisite fried dishes suitable for group dining, corporate hospitality, and casual meals for small number of individuals. The Mong Kok Restaurant officially opened on 22 January 2026. The opening of this restaurant represents the determination of the Board to proactively re-formulate and redevelop the Group's business operations.

On 26 March 2026, the Group has entered into letter of offer with AEON Stores (Hong Kong) Co., Limited, as licensor in respect of the opening of the Lai Chi Kok Restaurant. It is expected that the Lai Chi Kok Restaurant will be opened in mid of May 2026.

On 16 April 2026, the Group took further steps to open a new restaurant under the brand name of "Tong Arch Pavilion (唐坊火鍋私房菜)" (the "**Yaumatei Restaurant**"), offering Cantonese cuisine which features exclusive home-style gourmet dishes and sumptuous hotpot meal with fresh and seasonal seafood, meat, specialty soups, and signature dishes that blend nostalgic flavours with modern techniques. It is expected that the Yaumatei Restaurant is able to be opened within May 2026.

The Board remains fully committed to the Company and will closely monitor the business operations and financial position of the Company, take appropriate measures, and make further announcement(s) as and when appropriate.

(iv) Enforcing cost-saving measures

The Company will continue to implement different cost-saving measures to improve operational efficiency and address the going concern issue. These measures include ongoing efforts to reduce administrative and operating expenses through supplier re-negotiations, enhanced inventory and energy management, and optimisation of manpower deployment.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 20 October 2025 and will remain suspended until further notice pending the fulfilment of the Resumption Guidance. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

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

By order of the Board
Scorching Dragon Holdings Limited
Chan Yuen Lung Alfred
Executive Director and Chairman

Hong Kong, 17 April 2026

As at the date of this announcement, the Board comprises Mr. Chan Yuen Lung Alfred, Mr. Li Tao and Ms. Tang Po Yee Joey as executive Directors; and Mr. Chow Yik, Mr. Yu Kwan Tseung Alvin and Mr. Tam Tsz Hin as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited 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 "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the day of its publication and on the website of the Company.