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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)

DISCLOSEABLE TRANSACTION IN RELATION TO OFFER TO LICENCE

LETTER OF OFFER

The Board is pleased to announce that on 26 March 2026, TF F&B, an indirect wholly-owned subsidiary of the Company as licensee, entered into the Letter of Offer with AEON as licensor to enter into Licence Agreement in respect of the licensed use of the Premises for a term of two years commencing from 1 April 2026 for the new Chinese restaurant to be opened by the Group.

GEM LISTING RULES IMPLICATIONS

As one or more of the percentage ratios calculated pursuant to Rule 19.06 of the GEM Listing Rules in respect of the value of the right-of-use asset under the Letter of Offer to enter into Licence Agreement exceeds 5% but all of the percentage ratios are less than 25%, the licensed use of the Premises constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 26 March 2026, TF F&B, an indirect wholly-owned subsidiary of the Company as licensee, entered into the Letter of Offer with AEON as licensor to enter into Licence Agreement in respect of the licensed use of the Premises for a term of two years commencing from 1 April 2026 for the new Chinese restaurant to be opened by the Group.

THE LETTER OF OFFER

Details of the principal terms of the Letter of Offer are set out below:

- Date : 26 March 2026
- Parties : (i) AEON, as the licensor; and
(ii) TF F&B, an indirect wholly-owned subsidiary of the Company, as the licensee.
- To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, AEON and its ultimate beneficial owner are Independent Third Parties.
- Premises : Shop No. L004 on the G/F of AEON Lai Chi Kok Store with gross floor area of approximately 7,410 square feet
- Use of licence : Restricted to operate Chinese restaurant under shop name Tong Arch 「唐坊」
- Licence Period : From 1 April 2026 to 31 March 2028 (both days inclusive)
- Licence fee : (a) **Basic fee**
HK\$100,000 per month (exclusive of management fee, rates and land rent), with a licence fee-free period of forty-five days commencing from 1 April 2026 to 15 May 2026 (both days inclusive).
- (b) **Turnover fee**
If the monthly gross receipts are more than HK\$1,500,000 during the term of the Licence Period, a turnover fee being a sum equal to 9% of the monthly gross receipts exceeding HK\$1,500,000 shall be payable in addition to the basic licence fee and shall be paid within 15 days after the last day of each calendar month.
- Management fee : HK\$30,180 per calendar month, or at such increased rates as the licensor shall from time to time decide.
- Promotional levy : HK\$14,820 per calendar month, or at such increased rates as the licensor shall from time to time decide.

- Rates : The rates charge as calculated by the licensor base on 5.0% of the licence fee quarterly within the month of January, April, July and October.
- Deposit : A cash deposit of HK\$600,000, which is equivalent to four months' basic licence fee, management fee, promotional levy and rates.
- Termination : The Licence Period of the Premises will be terminated in accordance with the terms and conditions of the Licence Agreement which is in the process of execution between TF F&B and AEON.

The terms under the Letter of Offer were determined after arm's length negotiations between TF F&B and AEON with reference to the prevailing market price for comparable premises in the vicinity of the Premises.

The monthly basic licence fee, management fee, promotional levy and the deposit will be paid by the Group's internal source of funding.

RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, the licensed use of the Premises will be recognized as right-of-use assets for an amount of approximately HK\$2.2 million, which is calculated with reference to the present value of the aggregated licence fee payments to be made under the Licence Agreement.

INFORMATION OF THE PARTIES

The Company

The Group is a Cantonese full-service 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.

TF F&B

TF F&B is a limited liability company incorporated under the laws of Hong Kong and is an indirect wholly-owned subsidiary of the Company. As at the date of this announcement, TF F&B currently does not have any operations and will be operating the new Chinese restaurant throughout the licensed use term under the Licence Agreement.

AEON

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, AEON Stores (Hong Kong) Co., Limited is a limited liability company incorporated under the laws of Hong Kong whose shares are listed on the Main Board of the Stock Exchange (stock code: 984) and is principally engaged in the operation of retail stores. The ultimate beneficial owners of AEON are the Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LETTER OF OFFER

Reference is made to the announcement of the Company 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 restaurants.

Reference is also made to the announcements of the Company dated 23 December 2025 and 19 January 2026. The Group's latest Chinese restaurant (the "**Mongkok 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, commenced operation in January 2026. The opening of the Mongkok Restaurant represents the determination of the Company to go all out to re-formulate and re-develop the Group's businesses.

The Group is keen to diversify its restaurant portfolio. Unlike the Mongkok Restaurant which is a street-level shop situated at one of the prime locations in Mong Kok, the Premises is situated inside a shopping mall of one of the prestige residential areas in Lai Chi Kok, surrounded by multiple residential building blocks of a mature middle-class residential area. The new Chinese restaurant is able to offer larger scale operation which can seat up to 200 people, operate with longer service hours and face more diverse customer base from various social classes. It is able to provide full Chinese catering services from dim sum during morning tea and lunch; exquisite Cantonese dishes for dinner to authentic Chinese banquet traditions. The new Chinese restaurant, with its well-equipped kitchen, is able to create delicious menus for every occasion and cater for individuals and families throughout the day. The current condition of the Premises does not necessitate major renovation, as the existing layout, utilities, and finishes are largely serviceable. With only minor preparatory work, the location can be made operational, allowing for a swift and cost-effective launch.

The Group plans to operate the new Chinese restaurant under the brand name of Tong Arch 「唐坊」 offering Cantonese cuisine which 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. It is expected that Tong Arch 「唐坊」 is able to be opened within May 2026.

The Directors, including the independent non-executive Directors, considered that the transactions contemplated under the Letter of Offer was entered into in the ordinary and usual course of business of the Group, and the Letter of Offer was entered into on normal commercial terms after arm's length negotiations with AEON, and the terms of the transactions contemplated under the Letter of Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“AEON”	AEON Stores (Hong Kong) Co., Limited, a limited liability company incorporated under the laws of Hong Kong, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 984)
“associate(s)”	having the meaning as given under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Company”	Scorching Dragon Holdings Limited (炙龍控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed and traded on GEM of the Stock Exchange (Stock Code: 8493)
“Directors”	the directors of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries from time to time

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is not connected persons of the Company and is third party independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Letter of Offer”	the offer letter dated 26 March 2026 and entered into between TF F&B and AEON to enter into Licence Agreement in respect of the licensed use of the Premises
“Licence Agreement”	the licence agreement to be entered into between TF F&B as licensee and AEON as licensor in respect of the occupying of the Premises to operate Chinese restaurant
“Main Board”	Main board of the Stock Exchange
“Premises”	Shop No. L004 on the G/F of AEON Lai Chi Kok Store
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholders”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TF F&B”	TF F&B Limited, a limited liability company incorporated under the laws of Hong Kong and is an indirect wholly-owned subsidiary of the Company
“%”	per cent

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.

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

Hong Kong, 26 March 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.