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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)

SUPPLEMENTAL AND QUARTERLY UPDATE ANNOUNCEMENT TO THE 2024 ANNUAL REPORT AND CONTINUED SUSPENSION OF TRADING

Reference is made to (i) the annual report of Dragon King Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2024 (the "**2024 Annual Report**"); (ii) the Company's quarterly update announcement dated 31 July 2025 (the "**Quarterly Update Announcement**"); (iii) the circular of the Company dated 26 September 2025 (the "**Circular**"); and (iv) the Company's inside information announcement dated 17 October 2025 in relation to suspension of the Group's sole restaurant (the "**II Announcement**"). Terms used herein shall have the same meanings as defined in the 2024 Annual Report, the Quarterly Update Announcement, the Circular, and the II Announcement, unless otherwise stated.

UPDATE ON THE ACTION PLAN TO BE TAKEN BY THE COMPANY TO ADDRESS THE DISCLAIMER OF OPINION

As disclosed in the 2024 Annual Report and the Quarterly Update Announcement, the Company has formulated an action plan to address the Disclaimer of Opinion. The board (the "**Board**") of directors (the "**Director(s)**") of the Company 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 also for further expansion of the current business segments of the Group.

Reference is made to the Circular and the announcement of the Company dated 17 October 2025 in relation to the poll results of the EGM. As disclosed in the Circular, the Capital Reduction will reduce the par value of the Consolidated Shares, which will provide the Company with greater flexibility to accommodate the issue of new Shares in the future when necessary. The Capital Reorganisation would help attract more investors, extend the base of the Shareholders, and provide flexibility for equity fund raising of the Company in the future.

On 17 October 2025, the resolutions in respect of the Capital Reorganisation were duly passed. As disclosed in the Company's announcement dated 20 October 2025 in relation to the revision of timetable of the Share Consolidation, 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. However, no specific terms or agreement have been finalised with any banks and creditors as at the date of this announcement.

The Company had discussed with one of its creditors the possibility of alternative repayment arrangements but had not reached any agreement. The Company is seeking legal advice on the matter. In the meantime, the Company will continue to liaise with other creditors to assess the feasibility of extending or deferring repayment obligations, or to consider other alternative repayment arrangements.

The Board believes that the potential improvements arising from marketing campaigns and future business development opportunities, together with the Hong Kong government's continued efforts to promote tourism, will provide a favourable environment for loan renewal or extension. The Company wishes to emphasise that negotiations with its banks remain ongoing.

(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 business introduction agreement (the "**Business Introduction Agreement**") entered into in June 2025 between the Company and an independent business intermediary (the "**Introducer**") remains valid and effective for a term of six months from its signing date. The Introducer continues to assist in identifying potential restaurant business sellers for the Group's consideration. The Group retains full discretion as to whether to pursue any opportunity introduced under the Business Introduction Agreement, details of which are disclosed in the announcement of the Company dated 27 June 2025.

As disclosed in the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**"), traditional Chinese restaurants have been facing great pressure amid a challenging business environment and weak market sentiment. The Group will continue to seize opportunities to diversify its restaurant portfolio and expand its presence in the catering market. The Introducer has regularly introduced potential restaurant businesses of different cuisines to the Company during the past few months. The Group is now assessing these potential business opportunities.

On 28 August 2025, Scorching Dragon International Group Limited, a wholly-owned subsidiary of the Company, entered into a non-legally binding memorandum of understanding (the "**MOU**") with 1957 & Co. (Hospitality) HK Limited in respect of a possible acquisition of 70% of the issued share capital in Mango Tree (Kowloon) Limited, which operates a Thai cuisine restaurant under the trading name Mango Tree in Hong Kong. The possible acquisition remains at a preliminary stage, and there is no assurance that any definitive agreement will be entered into or that the transaction will proceed. The details of the MOU are disclosed in the announcement of the Company dated 28 August 2025.

The Group will continue to review and assess potential opportunities in the restaurant sector, including those relating to Asia-Pacific cuisines, where such opportunities are considered commercially viable and in line with the Group's overall development strategy.

(iv) Enforcing cost-saving measures

As disclosed in the 2025 Interim Report, other operating expenses reduced during the six months ended 30 June 2025. 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.

The Board believes that these cost-saving measures have contributed to more efficient resource utilisation and will continue to benefit the Group's overall financial performance in the forthcoming quarters.

The Board would also draw the attention of the Shareholders to the II Announcement. The Subject Restaurant, located in Wanchai, Hong Kong, has suspended its operation since 13 October 2025. The Subject Restaurant has been the sole operating restaurant of the Group. The Bailiff enforced the Warrant and seized goods and chattels of Premier Oriental at the business place of the Subject Restaurant. For further details, please refer to the II Announcement.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 20 October 2025 and will remain suspended until further notice.

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
Chan Yuen Lung, Alfred
Executive Director and Chairman

Hong Kong, 31 October 2025

As at the date of this announcement, the Board comprises Mr. Chan Yuen Lung, Alfred (Chairman), Mr. Li Tao and Ms. Tang Po Yee Joey as executive Directors; and Mr. Chow Yik and Mr. Tsung Ching Fung 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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.dragonkinggroup.com.