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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)

MAJOR TRANSACTION
ACQUISITION OF 55% EQUITY INTEREST IN THE TARGET COMPANY AND THE SALE LOAN

THE ACQUISITION

The Board is pleased to announce that on 25 November 2025 (after trading hours of the Stock Exchange), the Purchaser, being a wholly-owned subsidiary of the Company, entered into the SPA with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire the Sale Shares and take up the assignment of the Sale Loan, and the Vendor has conditionally agreed to sell the Sale Shares and to assign the Sale Loan to the Purchaser at a total cash consideration of HK$4,567,823.08.

GEM LISTING RULES IMPLICATIONS

As one or more of the percentage ratios set out in Rule 19.06 of the GEM Listing Rules in respect of the Acquisition exceeded 25% but was less than 100%, the Acquisition constitutes a major transaction for the Company under the GEM Listing Rules.

The SPA and the transactions contemplated thereunder are subject to the announcement and Shareholders' approval by way of poll at the EGM.

As no Shareholder has any material interest in the Acquisition which is different from other Shareholders, no Shareholder is required to abstain from voting at the EGM in respect of the approval of the SPA and the transactions contemplated thereunder.

GENERAL

As additional time is required to prepare the content to be included in the circular, in particular, the accountant report of the Target Company. A circular containing, among other things, (i) further details of the SPA and the transactions contemplated thereunder; and (ii) a notice convening the EGM will be despatched to the Shareholders on or before 31 December 2025.

As the Acquisition is subject to the fulfillment of the certain condition(s), the Acquisition may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

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THE SPA

The principal terms of the SPA were as follows:

Date: 25 November 2025 (after trading hours of the Stock Exchange)

Parties: (1) the Purchaser; and

(2) the Vendor

As at the date of this announcement, the Target Company is wholly-owned by the Vendor, and the ultimate beneficial owner of the Vendor is Mr. Chui Sang Derek. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor, Mr. Chui and the Target Company are Independent Third Parties.

Assets to be acquired

(i) the Sale Shares; and

(ii) the Sale Loan

Consideration and payment terms

The consideration payable by the Purchaser to the Vendor for the acquisition of the Sale Shares and the Sale Loan shall be HK$4,050,000 and HK$517,823.08 respectively, implying an aggregate consideration of approximately HK$4,567,823.08, which shall be payable by the Purchaser to the Vendor in cash in the following manners;

(i) HK$3,000,000 shall be paid by the Purchaser to the Vendor upon Completion; and

(ii) the remaining consideration of the Sale Shares of HK$1,050,000 and the Sale Loan shall be paid by the Purchaser to the Vendor sixty (60) days after Completion.

The Consideration will be funded by the internal resources of the Group.

Basis of the consideration

The consideration of the Sale Shares was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms taking into account of (i) the valuation ("**Valuation**") of 55% equity interest in the Target Company of approximately HK$3,775,000 as at 31 October 2025 prepared by the Valuer adopting the market approach; (ii) the financial information of the Target Company for the two financial years ended 31 March 2024 and 2025 and for the six months ended 30 September 2025; and (iii) the reasons for and benefits of the Acquisition as set out in the paragraph headed "Reasons for and Benefits of the Acquisition". The consideration for the Sale Shares, which is a result of arm's length negotiations between the Vendor and the Purchaser, represents a premium of approximately 7.3% over the Valuation. The Company noted that the Target Company has been planning and undergoing to relocate the "Sushi Kuu" Japanese restaurant to a more bustling area in Central from July 2025 until the grand opening of the relocated new restaurant in November 2025. During the transitional period, the operation and the business performance of the "Sushi Kuu" Japanese restaurant had, to a certain extent, been affected. The Company considers the affect brought by the relocation of "Sushi Kuu" Japanese restaurant is short-term and non-recurring in nature. Therefore, the consideration for the Sale Shares at a premium to the Valuation, which has taken into account the weaker financial performance of the Target Company during the relocation period, is considered to be fair and reasonable in this regard.

The consideration of the Sale Loan represents 55% of the amount owing by Target Company to the Vendor in the sum of HK$941,496.50 (i.e. HK$517,823.08) as at the date of this announcement, which was the rental deposit paid by the Vendor on behalf of the Target Company.

Details of the Valuation

The valuation of the Target Company was conducted by Times Appraisal Advisory Limited (the "**Valuer**"), an independent professional valuer, with 31 October 2025 (the "**Valuation Date**") as the valuation date. The Valuer arrived at the fair value of the 55% equity interest of the Target Company is approximately HK$3,775,000.

Qualification and independence of the Valuer

The Valuer is a professional business consulting company carrying out an independent valuation works in Hong Kong. It is formed by experienced professionals from accounting, finance and real estate with well-recognised qualifications including but not limited to HKICPA, CFA, MHKIS, RPS(GP) and MCIREA. The Valuer confirms its independence to the Company and the Target Company and that it has provided valuation services in relation to the Target Company, in a manner that is fully independent and impartial.

Valuation Assumptions of Business Enterprise Value Analysis

Before arriving at its opinion of value, the Valuer has considered the following principal factors:

- The Target Company will be operated with the corporate structure and operation model as expected by the Management;
- The financial and operating results of the Target Company;
- The economic outlook in general and the specific economic and competitive elements affecting the Target Company's business, their industry and their market;
- The nature and prospects of the industry of the Target Company is operating;
- The market-derived investment returns of entities engaged in a similar line of business and returns from other similar types of business;
- The stage of development of the Target Company's operation; and
- The business risks of the Target Company.

The Valuer has made a number of general assumptions in arriving at its value conclusion. The key assumptions adopted in this valuation include:

- There will be no major changes in the existing political, legal, fiscal and economic conditions in the countries that the Target Company is operating;

- There will be no major changes in the current taxation law in the countries that the Target Company is operating, that the rates of tax payable remain unchanged and that all applicable laws and regulations will be complied with;

- Exchange rates and interest rates will not differ materially from those presently prevailing; and

- The Target Company will retain and have competent management, key personnel, and technical staff to support its ongoing operation.

Valuation Approaches and Reasons for Selecting the Approach

There are three generally accepted approaches to appraise the fair value of the equity value of the Target Company, namely Asset Based Approach, Income Approach, and Market Approach. All three of them have been considered regarding the valuation of the Target Company:

Asset Based Approach	The Asset Based approach is based on the general concept that the earning power of a business entity is derived primarily from its existing assets. It measures the value of a business by reference to the value of individual assets and liabilities. The assumption of this approach is that the value of a business is primarily a factor of the values of their holdings and is commonly adopted in the area of property investment and share investment portfolio situations.
Income Approach	The Income Approach provides an indication of value based on the principle that an informed buyer would pay no more than the present value of anticipated future economic benefits generated by the subject asset. The fundamental method for Income Approach is the discounted cash flow ("**DCF**") method. Under the DCF method, the value depends on the present value of future economic benefits to be derived from ownership of the enterprise. Thus, an indication of the equity value is calculated as the present value of the future free cash flow of a company less outstanding interest-bearing debt, if any. The future cash flow is discounted at the market-derived rate of return appropriate for the risks and hazards of investing in a similar business.

Market Approach	The Market Approach provides an indication of value by comparing the subject asset to similar assets that have been sold in the market, with appropriate adjustments for the differences between the subject asset and the assets that are considered to be comparable to the subject asset. Under the Market Approach, the guideline public company method computes a price multiple for publicly listed companies that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset. The comparable transaction method computes a price multiple using recent sales and purchase transactions of assets that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset.

The Valuer has adopted the market approach in valuing the Target Company as it reflects the market expectations over the corresponding industry as the price multiples of the guideline companies were arrived from market consensus. Since there are sufficient public companies in similar nature and business to that of the Target Company, their market values are good indicators of the industry of the Target Company. The asset-based approach is not appropriate as it assumes the assets and liabilities of the Target Company are separable and can be sold separately. Besides, it fails to consider an adequate return on the assets used in the business. The income approach is not appropriate as plenty of assumptions are involved in formulating the financial projections of the Target Company, and the assumptions are unobservable and subjective. Given that improper assumptions will impose significant impact on the fair value, the income approach is not adopted. As such, the Valuer has considered the market approach to be the most appropriate and has been adopted. There are two methods commonly used in performing the market approach, namely comparable transactions method and guideline public company method. Given the fact that only a limited number of recent comparable transactions with sufficient publicly disclosed information can be identified, the Valuer considers that the multiple derived based on comparable transactions is not representable, and thus, the comparable transactions method is considered not appropriate for the Valuation. Guideline public company method was therefore selected as the primary method for the valuation of the entire equity interest in the Target Company.

Selection of Comparable Companies

The Valuer has selected market comparables based on the following selection criteria:

(a) the primary industry of the companies is being in the industry of Restaurants and Bars, under FactSet Revere Business Industry Classification System (RBICS) as extracted from FactSet;

(b) the principal business of the companies is engaged in restaurant operations offering Japanese or other international cuisines, excluding Chinese banquet restaurants and fast-food establishments;

(c) the principal business of the companies is based in Hong Kong; the companies are listed on Stock Exchange of Hong Kong; and

(d) the financial information of the companies is available to the public.

Based on the above selection criteria, on best effort basis, the Valuer have identified an exhaustive list of 6 comparable companies as follows:

	Company Name	Stock Code	Dominant Geographic Segment	Revenue Contribution from Business Segment relevant to the business of the Target Company[(1)]	Business Description
1	LH Group Limited	1978-HK	Hong Kong	99.4%	LH Group Ltd. is an investment holding company, which engages in the operations of full-service multi-brand restaurants chains specializing in Chinese, Japanese, and Korean cuisine. The company was founded on 9 June 2017 and is headquartered in Hong Kong.
2	MS Concept Ltd.	8447-HK	Hong Kong	100.0%	MS Concept Ltd. is an investment holding company, which engages in the provision of catering services. The company was founded by Tai Wah Kwong and Ching Yee Kwong on 8 November 2017 and is headquartered in Hong Kong.

	Company Name	Stock Code	Dominant Geographic Segment	Revenue Contribution from Business Segment relevant to the business of the Target Company[(1)]	Business Description
3	1957 & Co. (Hospitality) Limited	8495-HK	Hong Kong	99.3%	1957 & Co. (Hospitality) Ltd. is an investment holding company, which engages in the operation of restaurants and catering management and consultancy services. It operates through the Operation of Restaurants; and Catering Management and Consultancy Services. The company was founded by Chi Po Kwok on 3 February 2016 and is headquartered in Hong Kong.
4	Taste Gourmet Group Ltd.	8371-HK	Hong Kong	100.0%	Taste Gourmet Group Ltd. operates as an investment holding company, which engages in the operation of restaurants and kiosks. It owns and operates service restaurants offering under brands, such as La'taste Vientnamese Cuisine, Dab-Pa Peking & Szechuan Cuisine, Dab-Pa Peking & Szechuan Bistro, Dab-pa Modern Chinese Cuisine, Rakuraku Ramen, Urawa Japanese Restaurant, and Nabe Urawa. The company was founded by Wong Ngai Shan and Chan Wai Chun on 26 May 2017 and is headquartered in Hong Kong.

	Company Name	Stock Code	Dominant Geographic Segment	Revenue Contribution from Business Segment relevant to the business of the Target Company[(1)]	Business Description
5	China Demeter Financial Investments Limited	8120-HK	Hong Kong	87.4%	China Demeter Financial Investments Ltd. operates as an investment holding company. Its Food and Beverages segment provides its services in Hong Kong and Singapore. The company was founded on 22 September 2000 and is headquartered in Hong Kong.
6	Tasty Concepts Holding Limited	8096-HK	Hong Kong	100.0%	Tasty Concepts Holding Ltd. engages in the operation of Japanese ramen restaurants. It also focuses on its franchised restaurant. The company was founded by Chun Ho Tang in 2010 and is headquartered in Hong Kong.

Note:

(1) Based on the annual reports of the comparable companies.

Market multiples

After selecting the abovementioned guideline public companies, we have to determine the appropriate valuation multiples for the valuation of the Target Company, in which we have considered price-to-book ("**P/B**"), price-to-sales ("**P/S**"), enterprise value/sales ("**EV/S**"), price-to-earnings ("**P/E**") and enterprise value/earnings before interests, taxes, depreciation and amortisation ("**EV/EBITDA**") multiples.

P/B multiple is considered not appropriate for this valuation because book value captures only the tangible assets of a company which, if a company creates any added market value (as reflected by a P/B multiple of larger than one), should have its own intangible competencies and advantages. These intangible company specific competencies and advantages are not captured in the P/B multiple and so in general, the equity's book value has little bearing with its fair value. As such, the P/B multiple is not a good measurement of the fair value of a company and is not adopted in this valuation.

P/E and EV/EBITDA multiples are one of the most commonly used valuation multiples. Each of them relates the market value of the equity interest of the Target Company to its earnings, an important driver of shareholders' value. However, since the Target Company was loss-making during the trailing 12-months ("**LTM**") period ended 30 September 2025, no meaningful result can be derived based on P/E and EV/EBITDA multiples.

P/S multiple is not adopted as it does not eliminate differences in financial leverage and related risk features across the companies.

Therefore, we consider EV/S multiple to be the most appropriate indicator for this valuation. EV/S multiple has based on sales amount of a company, which is always positive, less subjected to manipulation and is a representative indicator of the business scale. It has also eliminated the differences in capital structure. Hence, LTM EV/S multiple as of the Valuation Date is adopted in the valuation of the Target Company.

The EV/S multiples of comparable companies are listed as follows:

(in HKD million unless otherwise specified)

Company Name	Stock Code	Market Capitalisation[1, 2]	Enterprise Value[1, 2]	LTM Sales[1, 2]	EV/S Multiple
LH Group Limited	1978-HK	300	477	1,074	0.44x
MS Concept Ltd.	8447-HK	34	66	253	0.26x
1957 & Co. (Hospitality) Limited	8495-HK	138	239	464	0.51x
Taste Gourmet Group Ltd.	8371-HK	697	954	1,220	0.78x
China Demeter Financial Investments Limited	8120-HK	61	61	117	0.52x
Tasty Concepts Holding Limited	8096-HK	30	23	31	0.73x
				Maximum	0.78x
				Minimum	0.26x
				Average	0.54x

Note:

(1) The Valuation Date is 31 October 2025.

(2) Sourced from FactSet.

Calculation of the Valuation

	HKD'000
LTM Sales of the Target Company[(1)]	12,457
Average EV/S Multiple	0.54x
Estimated Enterprise Value of the Target Company	**6,741**
Add: Cash and Cash Equivalent[(2)]	10
Less: Bank Overdraft[(2)]	(179)
Less: Debt[(2)]	–
Less: Minority Interest[(2)]	–
Implied 100% Equity Value (Marketable and non-controlling basis)	**6,573**
Less: LoMD[(3)]	(1,341)
Implied 100% Equity Value (Non-marketable and non-controlling basis)	**5,232**
Add: CP[(4)]	1,632
Implied 100% Equity Value (Non-marketable and Controlling basis)	**6,864**
Shareholding	55.0%
Implied 55% Equity Value	**3,775**

Notes:

(1) LTM sales amount is based on sales data covered for the period from 1 October 2024 to 30 September 2025, which is provided by the Management.

(2) Based on the consolidated balance sheet as of 30 September 2025, provided by the Management.

(3) Lack of marketability discount ("**LoMD**") reflects the fact that there is no ready market for shares in a closely held company. Ownership interests in closely held companies are typically not readily marketable compared to similar interests in publicly listed companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly listed company.

The EV/S multiples adopted in the equity valuation were calculated from public listed companies, which represent marketable ownership interest. Fair values calculated using such EV/S multiples, therefore, represent the marketable interest. Thus, LOMD was adopted to adjust such marketable interest fair value to non-marketable interest fair value.

(4) Control premium ("**CP**") is the amount that a buyer is willing to pay over the minority equity value of the company in order to acquire a controlling interest in that company. The multiple adopted in the valuation was calculated from public listed companies, which represents minority ownership interest. Thus, CP was adopted to reflect the acquisition of a controlling interest.

The Directors have reviewed and discussed with the Valuer on the details of the Valuation as above-mentioned and the Directors (including the independent non-executive Directors) are of the view that the consideration of the Sale Shares and the Sale Loan is fair and reasonable and on normal commercial terms and that the entering into of the SPA is in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion of the Acquisition is conditional upon the fulfillment of the following conditions:

(a) the completion of the Loan Capitalisation;

(b) the passing of resolutions by the Shareholders at the general meeting approving the entering into, execution, delivery, and performance of the SPA and the transactions contemplated thereunder;

(c) all requirements imposed by the Stock Exchange under the Listing Rules or otherwise in connection with the transactions contemplated under the SPA have been complied with by the Company, the Vendor and the Purchaser;

(d) the Purchaser having obtained a valuation report (in the form and substance satisfactory to the Purchaser) from the Valuer with the valuation of 55% equity interest in the Target Company of not less than HK$3,775,000;

(e) no event occurring which constitutes a material adverse change has occurred on the financial position, business, prospect or results of operations of the Target Company as a whole prior to the date of Completion;

(f) the representations, warranties and undertakings made by the Vendor under the SPA shall be true, accurate and not misleading in all material aspects upon repetition of the same immediately prior to the Completion; and

(g) the Purchaser confirms that it has already completed the due diligence investigation of the Target Company on legal, financial, operational and tax issues and is satisfied with the investigation results.

The Purchaser may in its absolute discretion at any time waive any of the conditions (e) and (g), by notice in writing to the Vendor. All other conditions are incapable of being waived by either the Purchaser or the Vendor.

If any of the above conditions have not been fulfilled or waived (as the case may be) by the Long Stop Date, the SPA shall cease and determine and thereafter neither party to the SPA shall have any obligations and liabilities thereunder.

Completion

Subject to fulfillment or waiver (as the case may be) of the above-mentioned conditions, Completion shall take place on the Completion Date.

Upon Completion, the Purchaser will hold a 55% equity interest in the Target Company and the Target Company will become an indirect non-wholly owned subsidiary of the Company. The financial results of the Target Company will be consolidated into the financial statements of the Company.

INFORMATION ON THE VENDOR AND THE TARGET COMPANY

The Vendor is a non-resident domestic company incorporated in the Marshall Islands with limited liability and it is an investment holding company. The ultimate beneficial owner of the Vendor is Mr. Chui, he is an experienced business merchant.

The Target Company is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of food and beverage services under the trade name of "壽司喰 Sushi Kuu". The Target Company has been running premium Japanese restaurant serving with fresh and high-quality Japanese cuisine in Hong Kong since 2007. The "Sushi Kuu" Japanese restaurant mainly targets discerning customer group with high spending power, exacting in their demands for food quality and restaurant environment. "Sushi Kuu" has recently been relocated to the central business district in Central with gross floor area of approximately 1,236 square feet, and serve with 36 seats. The renewed "Sushi Kuu" Japanese restaurant offers a diverse selection of fresh, high-quality and refined Japanese cuisine including but not limited to sushi, sashimi and yakimono and an upscale, relaxed, and homey dining atmosphere. Customers can not only savor the masterful culinary skills of the chefs but also wholeheartedly raise glasses with friends and family, engaging in open and delightful conversation.

Set out below are certain key financial figures of the Target Company for each of the years ended 31 March 2024, 31 March 2025 and for the six months ended 30 September 2025, which were prepared in accordance with the HKGAAP:

	For the year ended 31 March 2024	**For the year ended 31 March 2025**	**For the six months ended 30 September 2025**
	Approx. HK$'000	*Approx. HK$'000*	*Approx. HK$'000*
	(Audited)	(Audited)	(Unaudited)
Revenue	23,756	14,326	6,324
Gross profit	15,388	9,594	4,199
Net profit/(loss) before taxation	(846)	252	(627)
Net profit/(loss) after taxation	(846)	252	(627)

The net liabilities of the Target Company as at 30 September 2025 was approximately HK$7.6 million. As at the date of this announcement, there is a loan due from the Target Company to the Vendor in the amount of approximately HK$8.31 million. As one of the conditions to the SPA, the Target Company will undergo the Loan Capitalisation to capitalise the above-mentioned amount due to the Vendor. Upon completion of the Loan Capitalisation, the Target Company will be able to resume to net assets position.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is a Cantonese full-service restaurant group operating Cantonese cuisines restaurant under its self-owned brand. In line with its strategy to diversify its cuisine offerings and revenue base, the Group has been actively identifying quality restaurant businesses in the Asia-Pacific cuisine segments to expand its business footprint.

The catering industry in Hong Kong is facing multiple challenges. It was hard hit by the changing consumption patterns of customers and rising food and labour costs. The weak consumption sentiment among Hong Kong consumes, coupled with trend of outbound travel and the rise of take-out and online ordering services, have hindered the recovery of the local economy. The Chinese restaurants, particularly, faced greater pressure. Labour intensive service models, and the requirement for larger areas with persistently high rents make it difficult for traditional Chinese restaurants to stay profitable. Reference is made to the announcement of the Company dated 20 October 2025, the sole operating Chinese restaurant of the Group has been forced to suspend its business operation. The management of the Company is in the course of assessing and working out a viable business strategy towards the future business development of the Group's Chinese restaurant in particular, on how to streamline running cost and to break the predicament currently faced by traditional Chinese restaurants in Hong Kong in order to turnaround the loss-making position. Therefore, additional time is required for the management of the Company to negotiate and reach a consensus agreement towards the future business direction of the Group's Chinese catering and beverage business. The Board is of the view that the resumption of operation of the Chinese restaurant would not be materialised in the near future. Notwithstanding the above, the Group has long been exploring a precise business strategies to diversify the Group's catering and beverage business.

As disclosed in the interim report of the Company for the six months ended 30 June 2025, the Group has been seizing the opportunity to diversify the Group's existing restaurant portfolio when the market conditions allow and expand the Group's presence in the catering market. The Company has been reviewing multiple introductory information of potential restaurant business opportunities during the past few months. After careful assessment and discussion, the Company sees good potential in premium Japanese catering and beverage market in Hong Kong and considers the "Sushi Kuu" Japanese restaurant as one of the front runners among these potential restaurant business. The Japanese catering and beverage market is one of the most popular and well-established ethnic cuisines in Hong Kong. It is perceived as high-quality, healthy, and diverse, catering to a wide range of consumers from quick-service lunches to ultra-high-end dining experiences.

The "Sushi Kuu" Japanese restaurant has been a established premium dining destination in Hong Kong since 2007, renowned for its fresh ingredients, high-quality Japanese cuisine and sophisticated yet relaxed, home-like atmosphere with friendly dining services. With nearly twenty years of operation, the restaurant has developed robust customer and supplier networks, along with stringent quality control systems.

The Company noted that the Target Company has recorded an impressive gross profit margin but reported a net loss. After preliminary assessment on the historical financial performance, in particular, the variable cost structures of the Target Company, the Company is confident that with the implementation of a precise cost optimisation plan by the Company upon Completion, the profitability of the Target Company could definitely be improved significantly. Backed by the strong foundation of the Target Company and the Group's experienced management, "Sushi Kuu" is positioned to become one of the key performance drivers of the Group in the future.

Based on the above and having considered that upon Completion, the Target Company would immediately contribute revenue to the Group, the Directors consider that the terms of the SPA are on normal commercial terms and are fair and reasonable and the entering into the SPA is in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the percentage ratios set out in Rule 19.06 of the GEM Listing Rules in respect of the Acquisition exceeded 25% but was less than 100%, the Acquisition constitutes a major transaction for the Company under the GEM Listing Rules.

The SPA and the transactions contemplated thereunder are subject to the announcement and Shareholders' approval by way of poll at the EGM.

As no Shareholder has any material interest in the Acquisition which is different from other Shareholders, no Shareholder is required to abstain from voting at the EGM in respect of the approval of the SPA and the transactions contemplated thereunder.

GENERAL

As additional time is required to prepare the content to be included in the circular, in particular, the accountant report of the Target Company. A circular containing, among other things, (i) further details of the SPA and the transactions contemplated thereunder; and (ii) a notice convening the EGM will be despatched to the Shareholders on or before 31 December 2025.

As the Acquisition is subject to the fulfillment of the certain condition(s), the Acquisition may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

"Acquisition"	the acquisition of the Sale Shares and the Sale Loan pursuant to the terms and conditions of the SPA
"Company"	Dragon King Group Holdings Limited (龍皇集團控股有限公司), 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)
"Completion"	completion of the Acquisition
"Completion Date"	30 January 2026 or such other date as agreed in writing between the Purchaser and the Vendor
"connected person(s)"	has the meaning as ascribed thereto under the GEM Listing Rules
"Consideration"	the consideration for the Sale Shares and the Sale Loan
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held to approve, among other things, the Acquisition and the transactions contemplated thereunder
"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 dollar(s), the lawful currency of Hong Kong
"HKGAAP"	Hong Kong Generally Accepted Accounting Principles
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Independent Third Party(ies)"	any person(s) or company(ies) and their respective ultimate beneficial owner, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is/are not connected persons of the Company and is/are third party independent of the Company and its connected persons in accordance with the GEM listing Rules
"Loan Capitalisation"	the capitalisation of the loan owing by the Target Company to the Vendor in the amount of approximately HK$8.31 million as at 7 November 2025
"Long Stop Date"	23 January 2026 or such other date as agreed in writing between the Purchaser and the Vendor
"Mr. Chui"	Mr. Chui Sang Derek, the ultimate beneficial owner of the Vendor
"Purchaser"	Scorching Dragon International Group Limited, a company with limited liability incorporated in the British Virgin Island and is a direct wholly-owned subsidiary of the Company
"Sale Loan"	55% of the amount of the rental deposit in the amount of HK$941,496.50 paid by the Vendor on behalf of the Target Company
"Sale Shares"	55% of the total issued share capital of the Target Company upon completion of the Loan Capitalisation
"Share(s)"	the ordinary share(s) of HK$0.1 each in the issued share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"SPA"	the sale and purchase agreement dated 25 November 2025 entered into between the Purchaser and the Vendor in relation to the Acquisition
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Focus Aim Investments Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Vendor as at the date of this announcement
"Valuer"	TIMES Appraisal Advisory Limited, an independent valuer

"Vendor"	Townfield Limited, a non-resident domestic company incorporated in the Marshall Islands with limited liability
"%"	per cent.

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.

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

Hong Kong, 25 November 2025

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 as independent non-executive Director.

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 "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the day of its publication and on the website of the Company.