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Scorching Dragon Holdings Limited

炙龍控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8493)

**(1) TERMINATION OF MAJOR TRANSACTION
IN RELATION TO PREVIOUS OFFER TO LEASE;
AND
(2) DISCLOSABLE TRANSACTION
IN RELATION TO THE NEW OFFER TO LEASE**

Reference is made to the announcement of the Company dated 10 July 2026 in relation to the major transaction concerning the proposed leasing of the Premises.

As disclosed in the Announcement, on 10 July 2026, TF F&B, an indirect wholly-owned subsidiary of the Company, as tenant, and the Landlord, as landlord, entered into the Previous Letter of Offer in respect of the proposed leasing of the Premises. The transaction contemplated under the Previous Letter of Offer constituted a major transaction of the Company under Chapter 19 of the GEM Listing Rules.

Subsequent to the entering into of the Previous Letter of Offer, the Group further reviewed the timetable for the proposed fitting-out works and commencement of operations at the Premises. Following such review, the Group considered that earlier access to the Premises would facilitate the timely commencement of the fitting-out works, operational preparations and business operations.

On 30 July 2026, TF F&B and the Landlord entered into a termination agreement (the “**Termination Agreement**”), pursuant to which the parties mutually agreed to terminate the Previous Letter of Offer with effect from 30 July 2026 (the “**Termination**”). Upon the Termination taking effect, the Previous Letter of Offer shall cease to have effect and the transaction contemplated thereunder will not proceed.

On 30 July 2026, TF F&B and the Landlord entered into the New Letter of Offer in respect of the leasing of the Premises, pursuant to which the tenancy will commence on 1 August 2026 for a term of 18 months.

The revised arrangement enables the Group to commence its preparations and operations at the Premises earlier, while the shorter tenancy term reduces the Group's overall rental commitment and long-term exposure. The Directors consider that the revised arrangement better aligns with the Group's current operational timetable and anticipated business requirements and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Pursuant to HKFRS 16, the Group will recognise a right-of-use asset in connection with the tenancy contemplated under the New Letter of Offer. As one or more of the applicable percentage ratios in respect of the value of such right-of-use asset exceed 5% but all of them are less than 25%, the transaction contemplated under the New Letter of Offer constitutes a disclosable transaction of the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

This announcement is also made pursuant to Rule 19.36 of the GEM Listing Rules in respect of the Termination of the transaction previously announced by the Company under Chapter 19 of the GEM Listing Rules. As a result of the Termination, the Company will not proceed with the despatch of the circular or the convening of an extraordinary general meeting for the purpose of seeking the Shareholders' approval for the Previous Letter of Offer and the transaction contemplated thereunder.

BACKGROUND

Reference is made to the announcement of the Company dated 10 July 2026.

On 10 July 2026, TF F&B, as tenant, and the Landlord, as landlord, entered into the Previous Letter of Offer, pursuant to which the Landlord agreed to lease, and TF F&B agreed to take a lease of, the Premises for a fixed term of two (2) years commencing on 17 August 2026 and expiring on 16 August 2028 (both days inclusive). The transaction contemplated under the Previous Letter of Offer constituted a major transaction of the Company under Chapter 19 of the GEM Listing Rules.

Subsequent to the entering into of the Previous Letter of Offer, the Group further reviewed the timetable for the proposed fitting-out works and commencement of operations at the Premises. Following such review, the Group considered that earlier access to the Premises would facilitate the timely commencement of the fitting-out works, operational preparations and business operations.

TERMINATION OF THE PREVIOUS LETTER OF OFFER

On 30 July 2026, TF F&B and the Landlord entered into the Termination Agreement to terminate the Previous Letter of Offer. Under the Termination Agreement, neither party shall have any claim against the other arising out of or in connection with the Previous Letter of Offer or its termination.

As a result of the termination:

- (i) the Previous Letter of Offer shall cease to have effect and the transaction contemplated thereunder will not proceed; and
- (ii) the initial deposit of HK\$150,000 paid by TF F&B under the Previous Letter of Offer shall be applied towards the initial deposit payable under the New Letter of Offer.

The Board (including the independent non-executive Directors) considers that the terms of the Termination Agreement and the transactions contemplated thereunder, are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

Taking into account that TF F&B has entered into the New Letter of Offer, the Board considers that the termination of the Previous Letter of Offer will not have any material adverse impact on the business operations or financial position of the Group.

THE NEW LETTER OF OFFER

On 30 July 2026, TF F&B, as tenant, and the Landlord, as landlord, entered into the New Letter of Offer, pursuant to which the Landlord agreed to lease, and TF F&B agreed to take a lease of, the Premises for a fixed term of 18 months commencing on 1 August 2026 and expiring on 31 January 2028 (both days inclusive). The transaction contemplated under the New Letter of Offer constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

The principal terms of the New Letter of Offer are set out below:

Date: 30 July 2026

Parties: (1) Land City International Limited (as landlord); and
(2) TF F&B Limited (as tenant)

Premises: A portion of the Ground Floor of Laws Commercial Plaza (now known as Shop B), No. 788 Cheung Sha Wan Road, Kowloon, Hong Kong

- Term:** A fixed term of 18 months commencing on 1 August 2026 and expiring on 31 January 2028 (both days inclusive), together with an option to renew for a further term of 18 months as set out below.
- Rent-free period:** A rent-free period of 45 days commencing on 1 August 2026 and expiring on 14 September 2026 (both days inclusive).
- Rent:** Monthly basic rent of HK\$150,000 (inclusive of management fee and air-conditioning fee but exclusive of rates, government rent, utilities and other outgoings), payable monthly in advance, plus turnover rent equal to 12% of the amount by which the monthly gross takings exceed HK\$1,000,000, payable monthly in arrears. The Tenancy Agreement provides for a rent-free period of 45 days.
- The rent and other amounts payable under the New Letter of Offer and the Tenancy Agreement will be financed by the internal resources of the Group.
- Option to renew:** Subject to TF F&B not being in breach of the Tenancy Agreement and upon TF F&B serving a written notice exercising the option between 1 July 2027 and 31 July 2027 (both days inclusive), the Landlord shall grant a renewal of the Tenancy Agreement for a further term of 18 months, commencing on 1 February 2028 and expiring on 31 July 2029 (both days inclusive). The renewed tenancy shall be on the same terms and conditions as the Tenancy Agreement (other than the option to renew and the rent-free period), with the monthly basic rent being the then prevailing open market rent agreed between the Landlord and TF F&B or, failing such agreement, determined by an independent chartered surveyor. The monthly basic rent shall not be less than HK\$150,000 (inclusive of management fee and air-conditioning fee but exclusive of rates, government rent, utilities and other outgoings). TF F&B shall also pay turnover rent equal to 14% of the amount by which the monthly gross receipts from the business carried on at the Premises exceed HK\$1,000,000, to the extent that such turnover rent exceeds the monthly basic rent.
- Security Deposit:** A refundable security deposit of HK\$600,000, equivalent to four months' basic rent (including the initial deposit), shall be payable by TF F&B upon execution of the New Letter of Offer. The security deposit shall be retained by the Landlord throughout the term of the Tenancy Agreement without interest.

Initial Deposit: An initial deposit of HK\$150,000, equivalent to one month's basic rent, shall be paid by TF F&B to the Landlord upon signing the New Letter of Offer. Such initial deposit of HK\$150,000 shall be satisfied by applying the initial deposit of HK\$150,000 paid by TF F&B under the Previous Letter of Offer. The initial deposit shall form part of the security deposit payable by TF F&B under the Tenancy Agreement.

Upon the New Letter of Offer taking effect, the tenancy of the Premises will be solely governed by the New Letter of Offer.

INFORMATION ON THE GROUP

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 is a company with limited liability 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 operates two Chinese restaurants under the brand name of Tong Arch and Tong Arch Pavilion, both opened in May 2026 as detailed in the announcements of the Company dated 26 March 2026 and 16 April 2026, respectively.

INFORMATION ON THE LANDLORD

The Landlord is a company with limited liability incorporated under the laws of Hong Kong and is an indirect wholly-owned subsidiary of Laws Property Group Limited, which provides diversified services, including property development and investment, car park management and property management services, across Hong Kong, Mainland China and Southeast Asia. Based on publicly available information, Laws Property Group Limited has various industrial, commercial and retail property projects located in different districts of Hong Kong.

To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, as of this announcement, each of the Landlord and the ultimate beneficial owner is an Independent Third Party.

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW LETTER OF OFFER

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.

In 2026, the Group have opened three new Chinese restaurants under the brand name of "Tong Yay Seafood Restaurant (唐悦海鮮酒家)" (formerly known as "旺角(龍皇)海鮮菜館 (Mong

Kok (Dragon King) Seafood Restaurant”) (the “**Mong Kok Restaurant**”), Tong Arch (唐坊) (the “**Lai Chi Kok Restaurant**”) and Tong Arch Pavilion (唐坊火鍋私房菜) (the “**Yaumatei Restaurant**”). These restaurants offer a wide range of Chinese cuisine, including handmade dim sum, roasted meats (“siu mei”), fresh seafood, soups and signature dishes suitable for group dining, traditional Chinese banquets and family dining. The Yaumatei Restaurant also offers home-style gourmet dishes and premium hotpot featuring fresh seasonal seafood, quality meats, specialty soup bases and signature dishes that blend traditional flavours with modern culinary techniques. The Group’s latest project, a new Chinese restaurant situated in Tsim Sha Tsui East, an area with a high concentration of office buildings, hotels and the renowned Tsim Sha Tsui East waterfront, is expected to commence operations in late August. The restaurant will offer classic Hong Kong-style cuisine, dim sum, signature dishes and set menus, with the aim of attracting families and tourists seeking a relaxed dining experience.

The Group intends to use the Premises to operate a modern Hong Kong-style kitchen with a general restaurant concept under the business name Tong Arch Joie Kitchen (唐坊快樂小廚). The new restaurant will further diversify the Group’s restaurant portfolio and complement its existing restaurant operations. The Premises are located in Cheung Sha Wan, a well-established commercial and industrial district in Kowloon with a sizeable office and working population. The Board considers that the location of the Premises is well positioned to attract a diverse customer base. The Directors consider that the location of the Premises is well positioned to attract customers from the surrounding commercial and residential areas, thereby enabling the Group to broaden its customer base.

The Group intends to commence operations at the Premises in August 2026. Prior to the commencement of operations, the Group will carry out minor fitting-out and renovation works at the Premises.

The Board (including the independent non-executive Directors) considers that the terms of the New Letter of Offer and the transaction contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, the leasing of the Premises will be recognised as right-of-use assets for an amount of approximately HK\$2.40 million, which is calculated with reference to the present value of the aggregated lease payments to be made under the Tenancy Agreement.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.06 of the GEM Listing Rules in respect of the value of the right-of-use asset to be recognised by the Group under the New Letter of Offer pursuant to HKFRS 16 exceed 5% but all of them are less than 25%, the transaction contemplated under the New Letter of Offer constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

As a result of the Termination, the transaction contemplated under the Previous Letter of Offer will not proceed. Accordingly, the Company will not proceed with the despatch of the circular or the convening of an extraordinary general meeting for the purpose of seeking the Shareholders' approval for the Previous Letter of Offer and the transaction contemplated thereunder.

As the transaction contemplated under the New Letter of Offer constitutes a discloseable transaction of the Company, no Shareholders' approval is required under Chapter 19 of the GEM Listing Rules.

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 of the Company are therefore advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 10 July 2026 in relation to the Previous Letter of Offer
“Board”	the Board of Directors
“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)
“connected person(s)”	has the meaning as ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) 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 dollar(s), the lawful currency of Hong Kong
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) which is(are) not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
“Landlord”	Land City International Limited, a company with limited liability incorporated under the laws of Hong Kong
“New Letter of Offer”	the letter of offer to lease dated 30 July 2026 entered into between TF F&B as tenant and the Landlord as landlord in respect of the leasing of the Premises
“Premises”	a portion of the Ground Floor of Laws Commercial Plaza (now known as Shop B), No. 788 Cheung Sha Wan Road, Kowloon, Hong Kong
“Previous Letter of Offer”	the letter of offer to lease dated 10 July 2026 entered into between TF F&B as tenant and the Landlord as landlord in respect of the proposed leasing of the Premises
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement to be entered into between TF F&B (as tenant) and the Landlord (as landlord) pursuant to the New Letter of Offer for the leasing of the Premises
“Termination”	the termination of the Previous Letter of Offer pursuant to the Termination Agreement

“Termination Agreement”	the termination agreement dated 30 July 2026 entered into between TF F&B and the Landlord in relation to the termination of the Previous Letter of Offer
“TF F&B”	TF F&B Limited, a company with limited liability incorporated under the laws of Hong Kong and is an indirect wholly-owned subsidiary of the Company
“%”	per cent.

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

Hong Kong, 30 July 2026

As at the date of this announcement, the Board comprises Mr. Chan Yuen Lung Alfred 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 GEM Listing Rules of the Stock Exchange 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 date of its publication and on the website of the Company at www.8493.hk.