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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) INSIDE INFORMATION – ENFORCEMENT DISPOSAL OF A PROPERTY HELD BY THE GROUP AND (2) CONTINUED SUSPENSION OF TRADING

This announcement is made by Scorching Dragon Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rules 17.10(2)(a) and 17.27(1)(b) of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

BACKGROUND OF THE ENFORCEMENT DISPOSAL

Reference is made to the announcement (the “**Announcement**”) of the Company dated 13 August 2026 in relation to the possible disposal of the Dragon King Holdings Limited. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise defined.

The Target Company has certain equity interests in All Best Harvest Limited (“**All Best**”), an indirect wholly-owned subsidiary of the Company and Gold Profit Trading Limited (“**Gold Profit**”), an indirect wholly-owned subsidiary of the Company.

Included in the Group’s bank and other borrowings in the aggregate amount of approximately HK\$84.2 million as at 31 December 2025 disclosed in the annual report of the Company for the year ended 31 December 2025, (i) approximately HK\$15.9 million, being the total outstanding sum owed by All Best to Hang Seng Bank Limited (the “**Hang Seng Bank**”) in respect of a property instalment loan (the “**PIL Loan**”) granted by Hang Seng Bank, which was secured by a charge over the property at House No. 2 of Moritz Avenue, Valais II of Valais, No. 33 Kwu Tung Road, Sheung Shui, New Territories held by All Best (the “**Property**”) in favour of Hang Seng Bank; and (ii) approximately HK\$10.3 million, being the total outstanding sum owed by Gold Profit to Hang Seng Bank in respect of certain loan facilities (the “**GP Loans**”) granted by Hang Seng Bank, which was also secured by a charge over the Property in favour of Hang Seng Bank.

During the due diligence process in respect of the Possible Transaction, the Company has on 18 September 2026 obtained a land search report in respect of the Property and became aware that Hang Seng Bank had enforced its security over the Property by disposing of it on 5 March 2026 (the “**Enforcement Disposal**”). According to the land search report, the Property was sold at a price of approximately HK\$24.4 million. Upon completion of the Enforcement Disposal, the Group ceased to have any interest in the Property. It is expected that the Group would not be able to recover any amount from the sale proceeds of approximately HK\$24.4 million as these proceeds would have been applied to settle the PIL Loan and the GP Loans. Based on the sale proceeds of approximately HK\$24.4 million and the carrying value of the Property of approximately HK\$24.7 million as at 31 December 2025, it is expected that the Group will record a disposal loss of approximately HK\$0.3 million as a result of the Enforcement Disposal. The actual gain or loss as a result of the Enforcement Disposal to be recorded by the Group is subject to a final audit to be performed by the auditors of the Company.

The Board is of the view that the Enforcement Disposal has discharged majority part of the Group’s repayment obligation under the PIL Loan and the GP Loans and that as the Property has been vacant and has not been used by the Group for a prolonged period, the Enforcement Disposal has no material impact on the Group’s business operations.

The Company is currently seeking advice from professional parties to obtain further details of the Enforcement Disposal. Any updates regarding the Enforcement Disposal will be announced as and when appropriate.

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 advised to 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, 22 September 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.