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Real Hero Ventures Limited

(Incorporated in the British Virgin Islands with limited liability)

1957 & Co. (Hospitality) Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8495)

JOINT ANNOUNCEMENT

**(1) SALE AND PURCHASE OF THE SHARES IN
1957 & CO. (HOSPITALITY) LIMITED;
AND**

**(2) POSSIBLE MANDATORY CONDITIONAL CASH OFFER BY
SILVERBRICKS SECURITIES COMPANY LIMITED FOR AND ON
BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES
IN 1957 & CO. (HOSPITALITY) LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE
OFFEROR'S CONCERT GROUP)**

Financial adviser to the Offeror



建泉融資有限公司
VBG Capital Limited

Financial adviser to the Company



Offer Agent to the Offeror



元庫證券有限公司
Silverbricks Securities Company Limited

THE SALE AND PURCHASE AGREEMENT

On 1 June 2022 (after trading hours), the Vendors and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendors conditionally agreed to sell and the Offeror conditionally agreed to purchase 188,084,000 Shares, representing 48.98% of the total issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$100,455,664.4 (being HK\$0.5341 per Sale Share).

Subject to the conditions precedent under the Sale and Purchase Agreement being satisfied or waived, Completion is expected to take place on the Completion Date (or such other date as may be agreed among the parties to the Sale and Purchase Agreement).

POSSIBLE MANDATORY CONDITIONAL CASH OFFER

As at the date of this joint announcement and immediately prior to Completion, none of the members of the Offeror's Concert Group owns, controls or has direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion, the Offeror's Concert Group will own in aggregate 188,084,000 Shares, representing 48.98% of the total issued share capital of the Company as at the date of this joint announcement. The Offeror will therefore upon Completion be required under Rule 26.1 of the Takeovers Code to make a mandatory conditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror's Concert Group).

VBG Capital has been appointed as the financial adviser to the Offeror in respect of the Offer. Subject to Completion, Silverbricks Securities will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following terms:

For each Offer Share.....HK\$0.5341 in cash

As at the date of this joint announcement, the Company has 384,000,000 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Principal terms of the Offer are set out in the section headed "Possible Mandatory Conditional Cash Offer" of this joint announcement.

The offer price of HK\$0.5341 per Offer Share under the Offer is the same as the purchase price per Sale Share payable by the Offeror under the Sale and Purchase Agreement. Assuming that there is no change in the issued share capital of the Company and based on the offer price of HK\$0.5341 per Offer Share, the Consideration, together with the value of the Offer, are valued at HK\$205,094,400. The Offer will be made to the Offer Shareholders. As the Offeror's Concert Group will hold in aggregate 188,084,000 Shares immediately following Completion, 195,916,000 Shares will be subject to the Offer. Based on the offer price of HK\$0.5341 per Offer Share, the value of the Offer would be HK\$104,638,735.6.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The Offeror will finance and satisfy the Consideration and the consideration payable under the Offer by its internal resources and the loan facility provided by Silverbricks Securities under the Loan Facility Agreement. The Offeror has entered into the Loan Facility Agreement under which the Offeror is required to pledge the Sale Shares to be held by it as collateral during the Offer Period, or the maturity date under the Loan Facility Agreement, whichever is later. VBG Capital, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the Consideration and the consideration payable on full acceptance of the Offer.

DESPATCH OF COMPOSITE DOCUMENT

If the Offer materialises, it is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among others, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the Independent Financial Adviser in respect of the Offer; and (iv) the relevant form(s) of acceptance and transfer, will be despatched to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely, Mr. How Sze Ming, Mr. Ng Wai Hung and Mr. Chan Kam Kwan Jason, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders in respect of the Offer as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Mr. Leung Chi Tien Steve is the non-executive Director and the sole shareholder of two of the Vendors, i.e. Vendor 1 and Vendor 2, and Ms. Chan Siu Wan is the non-executive Director and the spouse of Mr. Leung Chi Tien Steve. Accordingly, they will not be members of the Independent Board Committee.

The Independent Financial Adviser will be appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code. Further announcement(s) will be made upon the appointment of the Independent Financial Adviser.

WARNING

The Offer is conditional. If the total number of Offer Shares in respect of the valid acceptances which the Offeror has received at or before 4:00 p.m. on the Closing Date (or such other time as the Offeror may, subject to the Takeovers Code, decide) under the Offer, together with the Shares to be acquired before or during the Offer, does not result in the Offeror's Concert Group holding more than 50% of the voting rights of the Company, the Offer will not become unconditional. The Independent Board Committee has yet to consider and evaluate the Offer. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing Shareholders of the fact that the Company has been informed that the Offer will be made if Completion takes place. The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

On 1 June 2022 (after trading hours), the Vendors and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendors conditionally agreed to sell and the Offeror conditionally agreed to purchase 188,084,000 Shares (representing 48.98% of the total issued share capital of the Company as at the date of this joint announcement).

The principal terms of the Sale and Purchase Agreement are set out below:

THE SALE AND PURCHASE AGREEMENT

Date:

1 June 2022 (after trading hours)

Parties:

- (i) Sino Explorer Limited (as one of the Vendors);
- (ii) All Victory Global Limited (as one of the Vendors);
- (iii) Kwan Wing Kuen Tino (as one of the Vendors);
- (iv) P.S Hospitality Limited (as one of the Vendors);
- (v) Kwok Chi Po (as one of the Vendors); and
- (vi) Offeror (as the purchaser).

The Offeror's Concert Group are third parties independent of, and not connected with, either the Company or any of its connected persons.

Sale Shares

Pursuant to the Sale and Purchase Agreement, the Vendors have conditionally agreed to sell, and the Offeror has conditionally agreed to acquire in aggregate 188,084,000 Shares (comprising of 73,728,800 Shares from Vendor 1, 22,680,000 Shares from Vendor 2, 75,268,800 Shares from Vendor 3, 15,362,400 Shares from Vendor 4 and 1,044,000 Shares from Vendor 5), free from all Encumbrances and together with all rights and benefits attached and accrued to them on the Completion Date.

The Sale Shares, being 188,084,000 Shares, represent 48.98% of the total issued share capital of the Company as at the date of this joint announcement.

Consideration for the Sale Shares

The Consideration is HK\$100,455,664.4 (representing HK\$0.5341 per Sale Share), which was agreed between the Offeror and the Vendors after arm's length negotiations, taking into account the prevailing market price, the audited consolidated net asset value per Share as at 31 December 2021 of approximately HK\$0.190, the financial performance of the Group for the two years ended 31 December 2021 (including but not limited to (i) the revenue of the Group has increased by approximately HK\$73 million from 31 December 2020 to 31 December 2021, representing an increase of approximately 23.01%; and (ii) the Group recorded a profit for the year attributable to the owners of the Company of approximately HK\$13.2 million for the year ended 31 December 2021, which turned around the loss recorded in the year ended 31 December 2020 of approximately HK\$12.9 million) and the business prospect of the Group.

The amount of HK\$5,000,000 paid to Vendor 1 prior to the signing of the Sale and Purchase Agreement was deemed a part payment of the relevant Consideration to Vendor 1 and the balance of the Consideration of HK\$95,455,664.4 shall be settled by the Offeror to the respective Vendors in cash upon Completion.

Other than the Consideration, there is no other consideration, compensation or benefits in whatever form provided by the Offeror's Concert Group to the Vendors, its ultimate beneficial owners or their respective concert parties.

Conditions of the Sale and Purchase Agreement

Completion is conditional upon the satisfaction (or waiver by the Offeror, where applicable) of the following conditions on or prior to the Long Stop Date:

- (a) the Offeror having conducted legal, financial and business due diligence in connection with the Group, and the results of which are reasonably satisfactory to the Offeror;
- (b) all of the Vendors selling their respective Sale Shares to the Offeror concurrently on Completion;
- (c) the Shares at all times from the date of the Sale and Purchase Agreement (excluding any suspension of trading or trading halt due to the approval of announcements made by the Stock Exchange and the SFC in relation to the transactions and the Offer under the Sale and Purchase Agreement) are still listed on GEM, and the Company has not received any notice or instruction from the SFC or the Stock Exchange on or before the

Completion Date, indicating the listing status of the Shares on the Stock Exchange will or may be suspended or withdrawn for any reason, or express objection to the continued listing or dealing in the Shares on the Stock Exchange;

- (d) the Group maintaining a cash balance of no less than HK\$50,000,000 (excluding the expenses directly incurred and related to a new restaurant to be operated by the Group, which shall be no more than HK\$10,000,000) and a net asset value (representing the total equity including non-controlling interest of the Group) of no less than HK\$55,700,000 upon the Completion Date as proven by the delivery of a management account of the Group made up to the Completion Date and certified as true and complete by an executive Director;
- (e) documentary proof that the relevant bank has been informed of the transaction contemplated under the Sale and Purchase Agreement and that it has agreed to continuously make available bank facility to An Nam (Festival Walk) Restaurant Limited under the facility agreements dated 21 June 2017 (as varied by facility letters dated 9 January 2020, 25 February 2020 and 9 March 2021 respectively); and Mango Tree (Kowloon) Limited under the facility agreement dated 17 October 2016 (as varied by facility letters dated 11 April 2017, 14 July 2017, 28 August 2017 and 25 February 2020 respectively);
- (f) the Vendors having procured the Company to deliver to the Offeror confirmations from (a) Limoncello International Limited that it will not exercise its right to terminate the licence for the restaurants under the trademark “Paper Moon” granted to 1957 & Co. (Hospitality) HK Limited upon Completion; and (b) Exquisite System (Hong Kong) Company Limited that it will not exercise its right to terminate the licence for the use of trademark “Mango Tree” granted to 1957 & Co. (Management) Limited upon Completion;
- (g) the Vendors having procured the Company to deliver to the Offeror confirmations from (i) Food Master (HK) Company Limited that it has given consent in relation to the indirect transfer of shares of Gonpachi Restaurant Limited upon Completion; (ii) Jarrett Investments Limited that it has given consent in relation to the indirect transfer of shares of Sushi Ta-ke Limited upon Completion; and (iii) Batovian Investments Limited and Chairman Food & Beverage Management Limited that they have given consent in relation to the indirect transfer of shares of 1957 & Co. (Hospitality) HK Limited upon Completion;
- (h) no action, legal proceeding, lawsuit, public inquiry or public inquiry has been taken or initiated by any relevant government agency, or no request or decree or judgment (whether temporary, preliminary or permanent) which would make the transfer of the Sale Shares by the Vendors to the Offeror or any transaction under the Sale and Purchase Agreement unlawful, void, unenforceable or otherwise prohibited or restricted;
- (i) during the period from the date of signing of the Sale and Purchase Agreement to the Completion Date, there is no matter that has caused or could reasonably cause any change, including without limitation, any ongoing, pending or threatened legal proceedings or any applicable laws in the region or sector, which, individually or in the aggregate, has a material and adverse effect in the financial or trading position, results of operations, profitability, shareholders' equity and business of the Group;

- (j) the representations, the warranties and/or undertakings given by the Vendors under the Sale and Purchase Agreement shall remain true, complete and accurate in all material respects and not misleading in any material respect, or if there has been a material breach of the warranties and/or undertakings given by the Vendors, such breach having been fully remedied by the Vendors within seven (7) Business Days of the Offeror first notifying the Vendors of a breach;
- (k) all requisite waivers, consents and approvals from any relevant governments or regulatory authorities or other relevant third parties in connection with the transactions contemplated by the Sale and Purchase Agreement required to be obtained on the part of the Vendors and the Offeror having been obtained, including but not limited to the SFC having no further comment on the content of the draft of this joint announcement and its publication jointly by the Company and the Offeror in respect of, among others, the Offer; and
- (l) the Vendors having procured the Company to provide the Offeror with (i) the certificate of incumbency; and (ii) the certificate of good standing of 1957 & Co. (BVI) Hospitality Limited, being a direct wholly owned subsidiary of the Company and the holding company of all of the indirect subsidiaries of the Company, dated not earlier than 10 days before the Completion Date.

If any of the above conditions precedent are not satisfied or waived on or before the Long Stop Date, the Sale and Purchase Agreement shall lapse and be of no further effect except those in the surviving provisions as specified therein and no party to the Sale and Purchase Agreement shall have any claim against or liability to the other parties, save in respect of any antecedent breaches of the Sale and Purchase Agreement. The Offeror (but not the Vendors) may at its absolute discretion waive any of the conditions precedent set out above on or before the Long Stop Date.

As at the date of this joint announcement, condition (k) is considered having been satisfied and neither the Offeror nor the Vendors is aware of any waiver, consent, license or approval that is necessary to be obtained under condition (k). As at the date of this joint announcement, neither the Offeror nor the Vendors is aware of any ongoing or pending litigation or matter that has a material and adverse effect in the financial or trading position, results of operations, profitability, shareholders' equity and business of the Group as described in condition (i).

Among the companies mentioned in the conditions (e) to (l) above:

- (1) each of the following companies is a wholly-owned subsidiary of the Company:
 - (i) An Nam (Festival Walk) Restaurant Limited
 - (ii) Mango Tree (Kowloon) Limited
 - (iii) 1957 & Co. (Hospitality) HK Limited
 - (iv) 1957 & Co. (BVI) Hospitality Limited
 - (v) 1957 & Co. (Management) Limited
 - (vi) Gonpachi Restaurant Limited
 - (vii) Sushi Ta-ke Limited;

- (2) Limoncello International Limited licensed the brand “Paper Moon” from PM Food S.R.L., and it in turn sub-licensed the brand “Paper Moon” to 1957 & Co. (Hospitality) HK Limited. Both Limoncello International Limited and 1957 & Co. (Hospitality) HK Limited are independent third parties of the Vendors and none of Limoncello International Limited and PM Food S.R.L. hold any Shares as at the date of this joint announcement;
- (3) Exquisite System (Hong Kong) Company Limited licensed the brand “Mango Tree” from Coca Holding International Company Limited, and it (as franchisor) licensed the brand “Mango Tree” to 1957 & Co. (Management) Limited (as franchisee). Both Exquisite System (Hong Kong) Company Limited and Coca Holding International Company Limited are independent third parties of the Vendors. Coca Holding International Company Limited holds 9,465,600 Shares, representing approximately 2.47% of the total number of issued Shares, and Exquisite System (Hong Kong) Company Limited does not hold any Shares as at the date of this joint announcement;
- (4) Food Master (HK) Company Limited is a joint venture partner of the Group, which holds 40% interests in Hokkaidon Restaurant Limited. The Group holds the remaining 60% interests in Hokkaidon Restaurant Limited through its wholly-owned subsidiary Gonpachi Restaurant Limited. Food Master (HK) Company Limited does not have any relationship with the Vendors and Food Master (HK) Company Limited does not hold any Shares as at the date of this joint announcement;
- (5) Jarrett Investments Limited (a wholly-owned subsidiary of Hysan) is a joint venture partner of the Group, which holds 29% interests in L Garden and Partners Limited. The Group holds the remaining 71% interests in L Garden and Partners Limited through its wholly-owned subsidiary, Sushi Ta-ke Limited. Jarrett Investments Limited does not have any relationship with the Vendors and Jarrett Investments Limited does not hold any Shares as at the date of this joint announcement; and
- (6) Batovian Investments Limited (a wholly-owned subsidiary of Hysan) and Chairman Food & Beverage Management Limited are joint venture partners of the Group, which holds 29% interests and 20% interests, respectively, in 1957 & Partners Limited. The Group holds the remaining 51% interests in 1957 & Partners Limited through its wholly-owned subsidiary 1957 & Co. (Hospitality) HK Limited. Batovian Investments Limited and Chairman Food & Beverage Management Limited do not have any relationship with the Vendors and none of Batovian Investments Limited and Chairman Food & Beverage Management Limited hold any Shares as at the date of this joint announcement.

Warning: The Completion is conditional upon the conditions precedent to the Sale and Purchase Agreement having been fulfilled (or, where applicable, waived), and the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Completion of the Sale and Purchase Agreement

Completion is conditional upon the fulfillment (or, where applicable, waiver) of the conditions precedent stated above. Completion will take place on the Completion Date (i.e. the third Business Day after the last outstanding condition (other than the conditions which can only be fulfilled upon Completion) shall have been fulfilled or waived (or such other date agreed by the Offeror and the Vendors in writing) at 10 a.m. (Hong Kong time) (or such other time as shall be agreed between the parties). An announcement will be made upon Completion in accordance with the GEM Listing Rules and the Takeovers Code.

POSSIBLE MANDATORY CONDITIONAL CASH OFFER

The Offer

As at the date of this joint announcement and immediately prior to Completion, the Offeror's Concert Group did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion, the Offeror's Concert Group, will own in aggregate 188,084,000 Shares, representing 48.98% of the total issued share capital of the Company as at the date of this joint announcement. The Offeror will therefore upon Completion be required under Rule 26.1 of the Takeovers Code to make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror's Concert Group). Subject to Completion, Silverbricks Securities will make the Offer for and on behalf of the Offeror on the following basis:

For each Offer Share..... HK\$0.5341 in cash

As at the date of this joint announcement, there are 384,000,000 Shares in issue and the Company does not have any outstanding options, warrants or securities derivatives which are convertible or exchangeable into Shares, and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

The offer price of HK\$0.5341 per Offer Share under the Offer is the same as the purchase price per Sale Share payable by the Offeror under the Sale and Purchase Agreement. Assuming that there is no change in the issued share capital of the Company and based on the offer price of HK\$0.5341 per Offer Share, the Consideration, together with the value of the Offer, are valued at HK\$205,094,400. The Offer will be made to the Offer Shareholders. As the Offeror's Concert Group will hold in aggregate 188,084,000 Shares immediately after Completion, 195,916,000 Shares will be subject to the Offer. As at the date of this joint announcement, none of the Offeror nor any person acting in concert with it has received any irrevocable commitment not to accept the Offer. Based on the offer price of HK\$0.5341 per Offer Share, the value of the Offer would be HK\$104,638,735.6. The Company has not declared and has no intention of declaring any dividend or making any distribution before the close of the Offer.

The Offeror is required to make the mandatory conditional cash Offer for all the issued Shares (other than those already owned or to be acquired by the Offeror's Concert Group) pursuant to Rule 26.1 of the Takeovers Code.

Offer Price

The offer price of the Offer of HK\$0.5341 per Offer Share represents:

- a premium of approximately 7.90% over the closing price of HK\$0.495 per Share as quoted on the Stock Exchange on 1 June 2022, being the Last Trading Day;
- a premium of approximately 20.29% over the average closing price of approximately HK\$0.444 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 24.21% over the average closing price of approximately HK\$0.430 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 29.64% over the average closing price of approximately HK\$0.412 per Share as quoted on the Stock Exchange for the 30 consecutive trading days prior to and including the Last Trading Day;
- a premium of approximately 39.45% over the average closing price of approximately HK\$0.383 per Share as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 181.11% over the audited consolidated net asset value of the Group of approximately HK\$0.190 per Share as at 31 December 2021 calculated based on the audited consolidated net asset value of the Group as at 31 December 2021 of approximately HK\$72,867,000 and 384,000,000 Shares in issue as at the date of this joint announcement; and
- a premium of approximately 268.34% over the unaudited consolidated net asset value of the Group of approximately HK\$0.145 per Share as at 31 March 2022 calculated based on the unaudited consolidated net asset value of the Group as at 31 March 2022 of approximately HK\$55,740,000 and 384,000,000 Shares in issue as at the date of this joint announcement.

Highest and lowest trading prices

During the six-month period immediately preceding and including the date of this joint announcement: (a) the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.495 per Share on 1 June 2022; and (b) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.295 per Share on 20 and 31 December 2021 and 3, 4, 5, 6, 7 and 14 January 2022.

Total value of the Offer

As at the date of this joint announcement, there are 384,000,000 Shares in issue. The offer price of HK\$0.5341 per Offer Share under the Offer is the same as the purchase price per Sale Share payable by the Offeror under the Sale and Purchase Agreement. Assuming there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date and based on the offer price of HK\$0.5341 per Offer Share, the Consideration, together with the value of the Offer, would be valued at HK\$205,094,400.

Immediately following Completion and on the basis that there are 195,916,000 Shares subject to the Offer and assuming that there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date, in the event that the Offer is accepted in full, the aggregate value of the Offer is HK\$104,638,735.6.

Confirmation of financial resources

The aggregate of the cash amount payable to the Vendors as the Consideration is HK\$100,455,664.4. The maximum amount of cash payable by the Offeror in respect of acceptances of the Offer is HK\$104,638,735.6, assuming there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date and based on the offer price of HK\$0.5341 per Offer Share. The Offeror will finance the Consideration and the consideration payable under the Offer by its internal resources and the loan facility provided by Silverbricks Securities under the Loan Facility Agreement, which will be secured by the Pledged Shares.

The Offeror confirms that the repayment of the interest on, or security for any liability (contingent or otherwise) of the loan facility under the Loan Facility Agreement will not depend on any significant extent on the business of the Company.

VBG Capital, as the financial adviser to the Offeror in respect of the Offer is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the Consideration and the consideration payable in respect of full acceptance of the Offer.

Conditions of the Offer

The Offer is conditional upon valid acceptances of the Offer Shares being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such other time as the Offeror may, subject to the Takeovers Code, decide) which, together with Shares to be acquired before or during the Offer Period, will result in the Offeror's Concert Group holding more than 50% of the voting rights of the Company.

Effect of accepting the Offer

By accepting the Offer, the Offer Shareholders shall sell their Shares free from all Encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made.

Acceptance of the Offer by any Offer Shareholders will be deemed to constitute a warranty by such person that all the Shares to be sold by such person under the Offer are free from all Encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, that is, the date of posting of the Composite Document. The Company has not declared and has no intention of declaring any dividend or making any distribution before the close of the Offer.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven Business Days following the later of the date on which (i) the Offer become, or are declared unconditional in all respects; and (ii) the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Offer Shares in respect of such acceptance are received by the Offeror to render each such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of the consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

The Offer Shareholders' ad valorem stamp duty at a rate of 0.13% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the cash amount payable to the relevant Offer Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the ad valorem stamp duty on behalf of accepting Offer Shareholders and bear the Offeror's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

Overseas Shareholders

As the Offer to persons not being resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdictions).

If the receipt of the Composite Document by the Overseas Shareholders is prohibited by any applicable laws and regulations and may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Shareholders but salient terms of the Offer will still be provided to those Overseas Shareholders. In those circumstances, the Offeror will apply for any waivers as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt. The Overseas Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Taxation advice

The Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company and their respective ultimate beneficial owners, directors, advisers, agents or associates, or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

DEALING AND INTERESTS IN SECURITIES OF THE COMPANY

The Offeror confirms that, save for the Sale and Purchase Agreement, the Loan Facility Agreement and the Pledged Shares, as at the date of this joint announcement:

- (a) save for the Sale Shares to be acquired by the Offeror, none of the members of the Offeror's Concert Group owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (b) save for the Sale Shares to be acquired by the Offeror, none of the members of the Offeror's Concert Group had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the 6 months prior to the Last Trading Day up to and including the date of this joint announcement;
- (c) save for the Sale and Purchase Agreement, the Loan Facility Agreement and the Pledged Shares, there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;

- (d) save for the Sale and Purchase Agreement, there are no agreements or arrangements to which any member of the Offeror's Concert Group, is a party which relates to circumstances in which the Offeror may or may not seek to invoke a pre-condition or a condition to the Offer;
- (e) none of the members of the Offeror's Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (f) none of the members of the Offeror's Concert Group has received any irrevocable commitment to accept the Offer;
- (g) save for the Consideration paid/payable by the Offeror to the Vendors under the Sale and Purchase Agreement, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the members of the Offeror's Concert Group to the Vendors, its ultimate beneficial owners or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (h) there are no agreements or arrangements in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the members of the Offeror's Concert Group;
- (i) there is no understanding, arrangement and agreement or special deal (as defined under Rule 25 of the Takeovers Code) between each of the Vendors, its ultimate beneficial owners and parties acting in concert with any of them on one hand, and the Offeror's Concert Group on the other hand; and
- (j) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholders; and (2)(a) Offeror's Concert Group; or (b) the Company, its subsidiaries or associated companies.

The Company confirms that, as at the date of this joint announcement, there is no understanding, arrangement or agreement which would constitute a special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholders; and (2)(a) the Offeror's Concert Group; or (b) the Company, its subsidiaries or associated companies.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this joint announcement, the authorised share capital of the Company was HK\$380,000 divided into 3,800,000,000 ordinary shares, and there are 384,000,000 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares.

The shareholding structure of the Company before and after Completion:

	Before Completion and as at the date of this joint announcement	<i>Approximate % of issued No. of Shares</i>	Immediately after Completion and before the Offer	<i>Approximate % of issued No. of Shares</i>
Offeror and the parties acting in concert with it				
— Offeror	—	—	188,084,000	48.98
— Parties acting in concert with the Offeror (including Mr. Cai Weike)	—	—	—	—
Vendor 1 ⁽¹⁾	73,728,800	19.20	—	—
Vendor 2 ⁽¹⁾	22,680,000	5.91	—	—
Vendor 3	75,268,800	19.60	—	—
Vendor 4 ⁽²⁾	15,362,400	4.00	—	—
Vendor 5	1,044,000	0.27	—	—
Other Shareholders	<u>195,916,000</u>	<u>51.02</u>	<u>195,916,000</u>	<u>51.02</u>
Total	<u>384,000,000</u>	<u>100.00</u>	<u>384,000,000</u>	<u>100.00</u>

Notes:

- (1) Both Vendor 1 and Vendor 2 are wholly owned by 1957 & Co. Limited, which is in turn wholly owned by Mr. Leung Chi Tien Steve, a non-executive Director.
- (2) Vendor 4 is wholly-owned by Vendor 5, which is Mr. Kwok Chi Po, an executive Director.

Immediately after the Completion, none of the Vendors, their respective ultimate beneficial owners and parties acting in concert with any of them will hold any relevant securities (as defined in Note 4 to Rule 22) of the Company.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares were listed on GEM on 5 December 2017. The Company is an investment holding company and its subsidiaries are principally engaged in (i) operation of restaurants in Hong Kong and (ii) catering management and consultancy services in Hong Kong and the PRC.

Set out below is a summary of the audited consolidated financial results of the Group for the years ended 31 December 2020 and 2021, and the unaudited consolidated financial results of the Group for the three months ended 31 March 2021 and 2022 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 December		For the three months ended 31 March	
	2020 <i>HK\$'000</i> (audited)	2021 <i>HK\$'000</i> (audited)	2021 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Revenue	320,452	394,185	81,254	44,447
Operating (loss)/profit	(13,284)	26,575	1,019	(16,323)
(Loss)/profit before income tax	(19,280)	22,737	(44)	(17,165)
(Loss)/profit for the year/period	(17,710)	18,921	(133)	(17,165)
(Loss)/profit for the year/period attributable to:				
— Owners of the Company	(12,909)	13,165	(256)	(14,932)
— Non-controlling interests	(4,801)	5,756	123	(2,233)
Total comprehensive (loss)/income for the year/period attributable to:				
— Owners of the Company	(12,482)	13,326	(239)	(14,894)
— Non-controlling interests	(4,803)	5,757	133	(2,233)
As at 31 December				
	2020 <i>HK\$'000</i> (audited)	2021 <i>HK\$'000</i> (audited)	2021 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Net assets	56,374	72,867	56,268	55,740

Further financial information of the Group will be set out in the Composite Document to be despatched to the Shareholders.

INFORMATION OF THE OFFEROR

The Offeror was incorporated in the BVI with limited liability and is an investment holding company. As at the date of this joint announcement, the Offeror is wholly and beneficially owned by Mr. Cai Weike (“**Mr. Cai**”). Mr. Cai is the sole director of the Offeror.

Mr. Cai, aged 39, is a seasoned investor and operator with over 10 years’ experience in the area of PRC Internet, e-commerce, logistics trade, operation of restaurants and catering management related industries. From 2007 to 2017, Mr. Cai had invested in and managed businesses as a business partner (業務合伙人) of (i) a trading company in education products, Shenzhen Sanhefeng Culture Trading Co., Ltd.* (深圳三禾豐文化貿易有限公司) (now known as Shenzhen Guangtun Jianheng Electromechanical Equipment Co., Ltd.* (深圳市廣隧建恒機電設備有限責任公司)), (ii) a logistics company, Shenzhen Shi Rijia International Freight Forwarding Co., Ltd.* (深圳市日佳國際貨運代理有限公司) and (iii) a website design and server rental company, Shenzhen Xuanzhen Advertising Design Co., Ltd.* (深圳玄真廣告設計有限公司). Mr. Cai was one of the founders and a shareholder of Hong Huan Group Limited (宏寰集團有限公司), a private company with limited liability incorporated in Hong Kong in 2018 which is principally engaged in, among others, financial investment, real estate development, catering business, film entertainment, tourism and construction engineering in Hong Kong indirectly through its subsidiaries in Hong Kong. In 2018, Mr. Cai also was the founder and a shareholder of Loksan Inc Limited (珞信有限公司), a private company with limited liability incorporated in Hong Kong which is principally engaged in the operation of restaurants and catering management. The company is engaged in the provision of Japanese, Cantonese and Shanghainese cuisines to customers in Hong Kong. The company’s self-owned brands restaurants include God of Teppanyaki (板神), Yakiniku King (燒肉帝), Henning House (軒寧樓) and King’s Delicacy (京滬佳餚).

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at such time permitted under the GEM Listing Rules and the Takeovers Code). As at the date of this joint announcement, the Offeror intends to continue the principal business of the Group. The Offeror will, following the completion of the Offer, conduct a detailed review of the business operations and financial position of the Group for the purpose of developing a sustainable business plan or strategy for the Group. Subject to the result of the review and should suitable investment or business opportunities arise, the Offeror may diversify the business of the Group with the objective of broadening its sources of income. However, as at the date of this joint announcement, no such investment or business opportunities has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group.

The Offeror intends to nominate new director(s) to the Board with effect from the earliest time permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares. Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. The Directors and the proposed new director(s) by the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Offeror intends to maintain the listing of the Shares on GEM and will take appropriate steps (including but not limited to placement of Shares) as soon as possible following the close of the Offer to ensure that a sufficient public float exists for the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely, Mr. How Sze Ming, Mr. Ng Wai Hung and Mr. Chan Kam Kwan Jason, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders in respect of the Offer as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Mr. Leung Chi Tien Steve is the sole shareholder of two of the Vendors, i.e. Vendor 1 and Vendor 2, and Ms. Chan Siu Wan is the spouse of Mr. Leung Chi Tien Steve. Accordingly, they will not be members of the Independent Board Committee.

The Independent Financial Adviser will be appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code. Further announcement(s) will be made upon the appointment of the Independent Financial Adviser.

DESPATCH OF THE COMPOSITE DOCUMENT

If the Offer materialises, it is the intention of the Offeror and the Company to combine the offer document and the offeree's board circular in the Composite Document to be posted.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among others, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; and (iv) the relevant form(s) of acceptance and transfer, is required to be despatched to the Shareholders within 21 days after the date of this joint announcement.

As there is a pre-condition (i.e. conditions precedent to the Completion) to the making of the Offer, if the Vendors and the Offeror are unable to complete the Acquisition and despatch the Composite Document within 21 days from the date of this joint announcement under Rule 8.2 of the Takeovers Code, an application will be made by the Offeror and the Company for the Executive's consent under Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Composite Document to within 7 days from the Completion Date, being the third Business Days after the Long Stop Date, or the fulfillment of the pre-conditions in accordance with the Takeovers Code, whichever is earlier.

The Offer Shareholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Offer Shareholders in respect of the Offer and as to the acceptance of the Offer.

Further announcement(s) will be made when the Composite Document is despatched.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including persons holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror) are reminded to disclose their dealings in any relevant securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNING

The Offer is conditional. If the total number of Offer Shares in respect of the valid acceptances which the Offeror has received at or before 4:00 p.m. on the Closing Date (or such other time as the Offeror may, subject to the Takeovers Code, decide) under the Offer, together with the Shares to be acquired before or during the Offer Period by the Offeror and/or its concert parties, does not result in the Offeror's Concert Group holding more than 50% of the voting rights of the Company, the Offer will not become unconditional. The Independent Board Committee has yet to consider and evaluate the Offer. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing Shareholders of the fact that the Company has been informed that the Offer will be made if Completion takes place. The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

“Acquisition”	the sale and purchase of the Sale Shares by the Offeror from the Vendors in accordance with the terms and conditions of the Sale and Purchase Agreement
“acting in concert” or “concert parties”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands

“Closing Date”	the date to be stated in the Composite Document as the closing date of the Offer or any subsequent closing date as may be announced by the Offeror in accordance with the Takeovers Code
“Company”	1957 & Co. (Hospitality) Limited, a company incorporated in the Cayman Islands with limited liability whose ordinary shares are listed on GEM of the Stock Exchange (stock code: 8495)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the third Business Day after the last outstanding condition (other than the conditions which can only be fulfilled upon Completion) shall have been fulfilled or waived (or such other date agreed by the Offeror and the Vendors in writing) on which Completion is to take place or such other date as the parties may agree
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the relevant form(s) of acceptance and transfer) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consideration”	the amount of HK\$100,455,664.4, being consideration payable by the Offeror to the Vendors for the Sale Shares
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Encumbrances”	a mortgage, claim, charge, pledge, lien, hypothecation, guarantee, right of set-off, trust, assignment, right of first refusal, right of pre-emption, option, restriction or other encumbrance or any legal or equitable third party right or interest including any security interest of any kind or any type of preferential arrangement (or any like agreement or arrangement creating any of the same or having similar effect)

“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Financial Reporting Standards”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hysan”	Hysan Development Company Limited, a company incorporated in Hong Kong on 20 October 1970 and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00014)
“Independent Board Committee”	the independent board committee of the Board, comprising Mr. How Sze Ming, Mr. Ng Wai Hung and Mr. Chan Kam Kwan Jason, being all the independent non-executive Directors who have no direct or indirect interest in the Offer, which has been formed for the purpose of advising the Independent Shareholders in respect of the Offer
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer
“Last Trading Day”	1 June 2022, being the last trading day immediately prior to the date of this joint announcement
“Loan Facility Agreement”	the interest bearing loan facility agreement entered into between Silverbricks Securities as lender and the Offeror as borrower dated 25 May 2022 in respect of the loan facility of up to HK\$110,000,000 made available by Silverbricks Securities to the Offeror to finance the Consideration and the consideration payable under the Offer, pursuant to which the Pledged Shares shall be deposited into its securities account opened with Silverbricks Securities as security
“Long Stop Date”	30 September 2022, or another date as agreed by the parties in writing

“Offer”	the mandatory conditional cash offer to be made by Silverbricks Securities, for and on behalf of the Offeror, to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror’s Concert Group) pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing from the date of this joint announcement, and ending on the date of the close of the Offer, or such other time or date to which the Offeror may decide to extend the Offer in accordance with the Takeovers Code
“Offer Shares”	any of the 195,916,000 Shares that are subject to the Offer
“Offer Shareholder(s)” or “Independent Shareholder(s)”	holder(s) of the Share(s), other than the Offeror’s Concert Group
“Offeror”	Real Hero Ventures Limited, a company incorporated in the BVI with limited liability, being the purchaser under the Sale and Purchase Agreement. Mr. Cai Weike is the sole director and sole ultimate beneficial shareholder of the Offeror
“Offeror’s Concert Group”	Mr. Cai Weike, the Offeror and its associates and parties acting in concert with any of them
“Overseas Shareholder(s)”	Shareholder(s) whose address(es), as shown on the register of members of the Company is/are outside Hong Kong
“Pledged Shares”	the Sale Shares to be held by the Offeror upon Completion pledged by the Offeror under the Loan Facility Agreement in favour of Silverbricks Securities
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Sale and Purchase Agreement”	the conditional agreement dated 1 June 2022 and entered into by and among the Vendors and the Offeror in relation to the Acquisition
“Sale Shares”	an aggregate of 188,084,000 Shares conditionally agreed to be sold by the Vendors and conditionally agreed to be acquired by the Offeror pursuant to the terms and conditions of the Sale and Purchase Agreement, representing 48.98% of the total issued share capital of the Company as at the date of this joint announcement

“Silverbricks Securities”	Silverbricks Securities Company Limited, a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the agent making the Offer on behalf of the Offeror
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in issued of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“VBG Capital”	VBG Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror
“Vendor 1”	Sino Explorer Limited, a company incorporated in the BVI with limited liability, is wholly and beneficially owned by Mr. Leung Chi Tien Steve who is a non-executive Director and holds 73,728,800 Shares, representing 19.20% of the total issued share capital of the Company as at the date of this joint announcement
“Vendor 2”	All Victory Global Limited, a company incorporated in the BVI with limited liability, is wholly and beneficially owned by Mr. Leung Chi Tien Steve who is a non-executive Director and holds 22,680,000 Shares, representing 5.91% of the total issued share capital of the Company as at the date of this joint announcement
“Vendor 3”	Mr. Kwan Wing Kuen Tino is an executive Director and holds 75,268,800 Shares, representing 19.60% of the total issued share capital of the Company as at the date of this joint announcement
“Vendor 4”	P.S Hospitality Limited, a company incorporated in the BVI with limited liability, is wholly and beneficially owned by Mr. Kwok Chi Po who is an executive Director and holds 15,362,400 Shares, representing 4.00% of the total issued share capital of the Company as at the date of this joint announcement

“Vendor 5”	Mr. Kwok Chi Po is an executive Director and holds 1,044,000 Shares, representing 0.27% of the total issued share capital of the Company as at the date of this joint announcement
“Vendors”	collectively, Vendor 1, Vendor 2, Vendor 3, Vendor 4 and Vendor 5
“%”	per cent.

By order of the board of directors of
Real Hero Ventures Limited
Cai Weike
Sole Director

By order of the Board of
1957 & Co. (Hospitality) Limited
Kwok Chi Po
*Chief Executive Officer and
Executive Director*

Hong Kong, 1 June 2022

As at the date of this joint announcement, Mr. Cai Weike is the sole director of the Offeror. As the sole director of the Offeror, Mr. Cai Weike accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Vendors, the Directors and the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than that expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Offeror’s Concert Group, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Mr. Kwok Chi Po, Mr. Kwan Wing Kuen Tino and Mr. Lau Ming Fai; the non-executive Directors are Mr. Leung Chi Tien Steve and Ms. Chan Siu Wan; and the independent non-executive Directors are Mr. How Sze Ming, Mr. Ng Wai Hung and Mr. Chan Kam Jason.

This joint announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange for a minimum period of 7 days from the date of publication and on the website of the Company at www.1957.com.hk.

In the case of inconsistency, the English version of this joint announcement shall prevail over the Chinese version.

* for identification purpose only