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1957 & Co. (Hospitality) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8495)

PROFIT WARNING

This announcement is made by 1957 & Co. (Hospitality) Limited (the “**Company**” or “**1957 & Co.**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on its preliminary assessment of the unaudited consolidated management accounts of the Group for the three months and nine months ended 30 September 2022 (the “**Three-Month Review Period**” and “**Nine-Month Review Period**”, respectively) and the information currently available to the Group, the Group is expected to record (i) an increase in revenue for the Three-Month Review Period of approximately 5% to 7% or HK\$5 million to HK\$7 million from the revenue recorded for the three months ended 30 September 2021; (ii) a decrease in revenue for the Nine-Month Review Period of approximately 15% to 17% or HK\$44 million to HK\$46 million from that of the nine months ended 30 September 2021; (iii) an increase in net profit for the Three-Month Review Period of approximately HK\$4 million to HK\$6 million when compared to net profit recorded for the three months ended 30 September 2021; and (iv) a net loss of approximately HK\$1 million to HK\$3 million for the Nine-Month Review Period compared to a net profit of approximately HK\$11.8 million recorded for the nine months ended 30 September 2021.

The Board considered that the decrease in revenue and increase in net loss for the Nine-Month Review Period were mainly attributable to the fifth wave of COVID-19 outbreak and the implemented anti-epidemic measures. Among which, the dine-in services ban from 6 p.m. to 4:59 a.m. and the cap of two diners per table according to the tightened social distancing measures from 7 January 2022 until 20 April 2022 imposed by the Hong Kong government had much adverse impact on the financial performance. Such decrease has gradually slowed down since 21 April 2022 when the dine-in service for the dinner session were partially resumed and further relaxed by stages, which coupled with the effect of the government's consumption voucher scheme, led to strong stimulating effect on spending and enhanced the Group's revenue. The Group has also implemented cost-saving measures including but not limited to minimising usage of casual workers in the restaurants, negotiating with the landlords for rent concession and the suppliers for purchase discounts, and some sales stimulating measures including but not limited to increasing marketing efforts and expanding the take-away product line to partially offset the aforesaid adverse impacts due to fifth wave of COVID-19 outbreak and anti-epidemic measures as mentioned above.

The Company is still in the process of finalising the third quarterly results of the Group for the three months and nine months ended 30 September 2022. The information contained in this announcement is only based on the Board's preliminary assessment made by the Board based on the Group's unaudited consolidated management accounts for the three months and nine months ended 30 September 2022 and other information currently available to the Board, which have not been audited or reviewed by the auditor or the audit committee of the Company and may be subject to adjustments. The Shareholders and potential investors are advised to refer to the details of the Company's third quarterly results announcement for the nine months ended 30 September 2022, which is expected to be published on 7 November 2022.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
1957 & Co. (Hospitality) Limited
Kwok Chi Po
Executive Director

Hong Kong, 24 October 2022

As of the date of this announcement, the executive Directors are Mr. Cai Weike, Mr. Kwok Chi Po, Mr. Wong Chi Wing Kinson and Mr. Lau Ming Fai; the non-executive Director is Mr. Chan Wai Fung; and the independent non-executive Directors are Mr. Yim Hong Cheuk Foster, Mr. Huen, Felix Ting Cheung and Ms. Cheang Ana.

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 a minimum period of 7 days from the date of publication and on the website of the Company at www.1957.com.hk.