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1957 & Co. (Hospitality) Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8495)

PROFIT WARNING AND BUSINESS UPDATE

PROFIT WARNING

This announcement is made by 1957 & Co. (Hospitality) Limited (the “**Company**”, 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 the 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 a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (the “**2022 Financial Year**”) and other information currently available to the Group, the Group is expected to record a net profit attributable to Shareholders (the “**Net Profit**”) in the range of approximately HK\$2.5 million to HK\$5.0 million for the 2022 Financial Year, as compared with the Net Profit of approximately HK\$18.9 million for the corresponding period in 2021.

The Board considered that the decrease in Net Profit for the 2022 Financial Year was 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 and finally 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 Company is still in the process of finalising the annual results of the Group for the 2022 Financial Year. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the information currently available, including the unaudited consolidated management accounts of the Group for the 2022 Financial Year, which have not been audited or reviewed by the auditors or the audit committee of the Company. The Group's actual results for the 2022 Financial Year may differ from the information disclosed in this announcement. Shareholders and potential investors are advised to refer to the details of the Company's annual results announcement for the 2022 Financial Year, which is expected to be published by the end of March 2023.

BUSINESS UPDATE

References are made to the announcements of the Company dated 7 September 2022, 9 September 2022, 11 October 2022 and 1 November 2022 and the circular of the Company dated 29 September 2022 in relation to the lease and licence agreements for the Group's restaurant operation under different brand names.

The Board is pleased to announce the following restaurants under different brand names have been opened in 2022 and 2023 respectively:

Brand Name	Cuisine	Location of Restaurant	Date of Opening
Akanoshu	Japanese	6th Floor, HDH Centre, No. 8 Pennington Street, Causeway Bay, Hong Kong	23 December 2022
Gonpachi	Japanese	28th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon	17 January 2023
		(1) Shop Nos. 301–306, 307–308 and 311, Third Floor, (2) Shop No. 310, Third Floor, and (3) roof garden of Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong	5 February 2023
An Nam	Vietnamese	(1) Shop Nos. 301–306, 307–308 and 311, Third Floor, (2) Shop No. 310, Third Floor, and (3) roof garden of Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong	5 February 2023

The Board is pleased to further announce that the Company is currently exploring suitable opportunities to commence and develop business of food trading in Hong Kong and in the People's Republic of China (the "**Potential New Business**"). The Board intends to develop the Potential New Business through co-operation by way of joint venture(s) with other parties.

The Board has been actively exploring other business opportunities in order to diversify the existing business of the Group and to explore new markets with significant growth potential. In view of the current economic and capital markets environment, the Board believes that engaging in the Potential New Business is an opportunity of the Group to diversify its source of income and will therefore be in the interest of the Company and Shareholders as a whole.

Notwithstanding the Group's intention to explore the Potential New Business, the existing principal business of the Group in operation of restaurants and provision of catering management and consultancy services will continue to be the core business of the Group. The Group will also expand the development of the franchising business in the People's Republic of China. Further announcement regarding the Potential New Business will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

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
Chief Executive Officer and Executive Director

Hong Kong, 6 March 2023

As of the date of this announcement, the executive directors are Mr. Wong Chi Wing Kinson, Mr. Kwok Chi Po, Mr. Lau Ming Fai, Ms. Tsui Ngan Fun and Ms. Lin Huiqin; 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 at least 7 days from the date of publication and on the website of the Company at www.1957.com.hk.