

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

**SUPPLEMENTAL ANNOUNCEMENT
ON DISCLOSEABLE TRANSACTION IN RELATION TO
THE RENEWAL OF LEASE AND LICENCE AGREEMENTS
FOR AN EXISTING ITALIAN CUISINE RESTAURANT
IN HARBOUR CITY**

References are made to the announcements of 1957 & Co. (Hospitality) Limited (the “**Company**”) dated 17 May 2023 (the “**Announcement**”) and the update announcement dated 14 July 2023 in relation to the leasing and licencing of the Locations for an existing Italian cuisine restaurant under the Paper Moon brand in Harbour City. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

By way of this supplemental announcement, the Board wishes to provide supplemental information and details relating to the value of the right-of-use asset to be recognised by the Company pursuant to the New Lease and Licence Agreements as disclosed in the Announcement.

THE RIGHT-OF-USE ASSET

Based on preliminary estimation of the Company, the value of the right-of-use asset to be recognised by the Company under the New Lease and Licence Agreements shall amount to approximately HK\$15.0 million, which is the present value of aggregated lease payments (except for the turnover rent), plus initial direct costs and estimated reinstatement cost with the Lease and the Licence in accordance with HKFRS 16. Discount rate of approximately 6.76% per annum is applied to compute the present value of aggregate lease payments under the terms of the New Lease and Licence Agreements.

Given that the Company has replaced the discount rate of approximately 5.27% per annum used in May 2023 by the current incremental borrowing rate of approximately 6.76% per annum as the new discount rate, the amount of right-of-use asset recognised in the Announcement has been revised from approximately HK\$15.2 million to approximately HK\$15.0 million accordingly.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the transaction contemplated under the New Lease and Licence Agreements based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is accordingly subject to the reporting and announcement requirements but exempt from shareholders' approval requirement.

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

Hong Kong, 25 July 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.