

**GAYETY HOLDINGS LTD:  
THE CURRENT SHARE PRICE IS UNREAL !**

At the Placement Price Per Share of \$HK1.00, the historic Price Earnings Multiple of Gayety Holdings Ltd () (Code: 8179, The **G**rowth **E**nterprise **M**arket (**The GEM**) of The Stock Exchange of Hongkong Ltd) was 32.10 times.

As soon as the shares started trading on The GEM on July 7, 2011, the share price rose more than 86 percent.

Today, its share price is about \$HK1.70 in spite of the international chaos on equity markets, the world over, due to widespread investor concerns over the US economy as well as the financial health of Italy, Spain, Portugal, Greece, Ireland ... and who knows which other European Union member states are in financial tsuris.

Gayety Holdings Ltd pitched its story on The GEM on June 30, 2011, when its published and disseminated its Placing Prospectus, Offering 80 million, one-cent Shares at the Indicative Placement Price of between 60 cents and \$HK1.00.

On July 7, 2011, the Company announced that the Placing Price Per Share had been determined at \$HK1.00 and that the Net Proceeds had come in at about \$HK62.10 million.

This amount of money is destined for the following purposes, one is told:

1. About \$HK45.40 million *'for the diversification of service and product offerings with the implementation of a new brand strategy'*: The opening of Red Royalty Banquet Restaurant (); the opening of another new restaurant; and, the opening of other food outlets;
2. About \$HK1.30 million to upgrade existing restaurant facilities;
3. About \$HK2.55 million to strengthen staff training;
4. About \$HK4.04 million to be used for marketing activities;
5. About \$HK2.67 million to try to form strategic partnerships; and,
6. About \$HK6.15 million to be used as additional Working Capital.

This Company is a restaurant-owning company, operating 5, stand-alone eateries in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Company was formed in October 2006 with the launching of Red Seasons Aroma Restaurant () in Lam Tei (), an area of Tuen Mun in the New Territories of the HKSAR.

The Founder of this Company was Mr Wong Kam Mo (), along with his wife, Ms Lau Lan Ying (), the 54 year-old, Executive Chairman and 48 year-old, Chief Executive Officer, respectively.

Prior to his opening his first restaurant, Mr Wong Kam Mo was an operator of a fresh meat stall in an open market in the HKSAR.

He graduated from operating a stall in a wet market to managing a property investment company and, from

there, to managing 2 Chinese restaurants.

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