DINING CONCEPTS HOLDINGS LTD: IT IS AS THIS MEDIUM WELL EXPECTED

The First Quarterly Report of Dining Concepts Holdings Ltd () (Code: 8056, The Growth Enterprise Market (the **GEM**) of The Stock Exchange of Hongkong Ltd) was released exactly one week after trading in the shares of the company commenced for the first time.

The First Quarterly Report stated, inter alia, that, on a Turnover of \$HK112,654,000, the Company had booked a Net Profit Attributable to Shareholders of about \$HK1.78 million.

The Net Profit Margin, therefore, in respect of the three-month period to June 30, 2016, was about 1.58 percent.

In the comparable period in the 2015 Financial Year, on a Turnover of about \$HK119,122,000, the Bottom Line came in at about \$HK2.41 million.

The Net Profit Margin, therefore, in respect for the 2015-Year's First Quarterly Profit, was 2.02 percent.

At Page 10 of the 2016 First Quarterly Report, it is stated that the financial results of the Company for the Financial Year, ending March 31, 2017, will be 'significantly affected by the factors below.'

Those six factors are given as being:

- 1. Opening of new restaurants that would entail higher start-up operating costs in the initial stages;
- 2. The non-recurring listing expenses of approximately \$HK11.40 million;
- 3. The share-based compensation in respect of the options, granted under the Pre-IPO Share Option Scheme;
- 4. The recent deterioration in the performance of the restaurant industry in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC);
- 5. The increasing trend of rental and related expenses and the escalation clauses in some of the existing lease agreements; and,
- 6. The one-off bonus of \$HK6 million and the increase in annual remuneration, payable to Mr Sandeep Sekhri ().

On the first day of trading in the shares of Dining Concepts (August 5, 2016), the share price hit a high of \$HK8.02, a low of \$HK3.30, ending the trading day at \$HK4.28.

On August 8, 2016 – the second day of trading in the shares of this company – the share price hit a high of \$HK6.50, a low of 98 cents, closing the trading day at \$HK1.01.

On August 9, 2016, the share price hit a high of \$HK1.38, a low of 60 cents, closing the trading day at 74 cents.

Yesterday, the share price of Dining Concepts was about 67 cents, at noon.

The Placing Price Per Share of Dining Concepts was struck at 45 cents on August 4, 2016.

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