

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.



Xiabuxiabu Catering Management (China) Holdings Co., Ltd.

呷哺呷哺餐飲管理(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 520)

PROFIT WARNING

This announcement is made by Xiabuxiabu Catering Management (China) Holdings Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and prospective investors of the Company that, based on its preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2021 and information currently available to the Board, the Group is expected to record a revenue of approximately RMB6.15 billion for the year ended 31 December 2021, representing an increase of approximately 13% as compared to that of the year ended 31 December 2020. The Group is expected to record a net loss ranging from approximately RMB275 million to RMB295 million for the year ended 31 December 2021, as compared to the net profit of approximately RMB11.49 million recorded by the Group for the year ended 31 December 2020.

The Company recorded such net loss for the year ended 31 December 2021 mainly due to (i) one-off loss written-off from the long-term assets as a result of the closure of about 230 restaurants and provision of impairment loss of the long-term assets due to the decline in restaurant operating results in aggregate of approximately RMB220 million; and (ii) the failure to achieve full operational capacity by the restaurants in certain regions in 2021 as a result of the lingering impacts from the Covid-19 pandemic.

The Group will continue to pay close attention to the market conditions, monitor the operation of each restaurant and make timely adjustments to its organization structure and business strategy. In addition, the Group will also take various measures to increase operating revenue and control operating costs of its restaurants. In the middle of 2022, the Group will consolidate all the membership systems of all business units in order to drive through traffic and to increase the restaurant's operating profit. On the other hand, to continue to increase the influence of the brand and to lower expense ratios, the Group will adopt a more cautious approach when choosing new store locations and continue to open around 156 new restaurants in 2022.

As the results for the year ended 31 December 2021 have not been finalized, the information contained in this announcement is only a preliminary assessment by the Board based on information currently available including the unaudited consolidated management accounts of the Group for the year ended 31 December 2021, which have not been confirmed, reviewed or audited by the auditors of the Company.

The annual results announcement of the Company for the year ended 31 December 2021 is expected to be published by the end of March 2022 in full compliance with the requirements under the Listing Rules.

Shareholders and prospective investors are advised to exercise cautions when dealing in the shares of the Company.

By order of the Board
Xiabuxiabu Catering Management (China) Holdings Co., Ltd.
HO Kuang-Chi
Chairman

Hong Kong, 11 March 2022

As at the date of this announcement, the Board comprises Mr. HO Kuang-Chi as executive director; Ms. CHEN Su-Yin and Mr. ZHANG Chi (Ms. LI Jie as his alternate) as non-executive directors; and Ms. HSIEH Lily Hui-yun, Mr. HON Ping Cho Terence and Ms. CHEUNG Sze Man as independent non-executive directors.