

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.



HAIDILAO INTERNATIONAL HOLDING LTD.

海底捞国际控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6862)

PROFIT WARNING

This announcement is made by Haidilao International Holding Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 of 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 potential investors that, based on a preliminary review of the unaudited management accounts of the Group for the six months ended June 30, 2020 (the “**Period**”) and assessment of the latest information currently available to the Board, the Group is expected to record an approximately 20% decrease in the revenue for the Period as compared to the corresponding period in 2019 and a net loss for the Period as compared to the profit attributable to owners of the Company of approximately RMB911.04 million for the corresponding period in 2019, due mainly to the significant impact on the operations of the Group since January 2020 caused by the outbreak of the 2019 Novel Coronavirus (the “**COVID-19**”) and the subsequent disease prevention measures as well as restrictions on consuming places imposed by countries and regions around the world. As disclosed in the voluntary announcements of the Company dated January 28, 2020 and February 2, 2020, the Group voluntarily suspended the operation of all of its restaurants in Mainland China since January 26, 2020 in an effort to contain the spread of the epidemic. Due to the impact of local COVID-19 pandemic in other countries and regions, certain restaurants of the Group in these countries and regions also suspended their operation or dine-in services for a period of time.

During the Period, we still actively opened new restaurants and continued to promote the expansion of Haidilao’s restaurant network. Furthermore, throughout the period of the pandemic, the Group has complied with relevant regulations of the state and local governments to secure employees’ employment and has incurred certain amount of expenses on pandemic prevention and control to safeguard employees’ health and safety and to ensure the resumption of normal operation and production of the restaurants. We have also actively assumed social responsibility and made cash and supply donations to medical institutions. Therefore, the cost of the Group has not decreased significantly with the voluntary suspension of operation during the Period. As disclosed in the voluntary announcement dated March 11, 2020 of the Company, the Group has reopened most of its restaurants that were temporarily suspended in Mainland China since March 12, 2020. The remaining affected restaurants of the Group are also gradually resuming normal operation according to the status of local COVID-19 pandemic control in other countries and regions. The overall operation of the Group’s restaurants is also continuously improving on a monthly basis.

The Group has been closely monitoring the market condition and adjusted its business strategies and operations to reduce negative impact. Among which, the Group has actively promoted its convenient delivery service and a variety of takeaway meal sets, developed and launched retail products such as semi-finished convenient dishes, and expanded multiple online sales channels such as Haidilao APP and third party e-commerce platforms. In addition, the Group has taken active measures to control rents and other operating costs, stringently managed working capital and leveraged credit facility on a reasonable basis to ensure healthy cash flow and a strong cash position.

While the operating performance of our restaurants is gradually improving since resuming operation, considering the uncertainty as to the timing of when the COVID-19 pandemic will become completely under control and the pressure caused by slowdown in economic activities especially in the restaurant industry, the timing and degree of sustainable recovery of our operation still remain uncertain.

The actual operating and financial conditions of the Group for the Period are to be quantified and the Board will continue to monitor the situation closely.

The information contained in this announcement is only based on a preliminary assessment of the consolidated management accounts and relevant revenue estimates made available to the Board as at the date of the announcement and which have not been audited or reviewed by the Company's auditors or reviewed by the audit committee of the Board. The Group's consolidated results for the Period are expected to be published in August 2020.

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

By order of the Board
Haidilao International Holding Ltd.
Zhang Yong
Chairman

Hong Kong, July 6, 2020

As of the date of this announcement, the Board of Directors of the Company comprises Mr. Zhang Yong as the Chairman and Executive Director and Mr. Shi Yonghong, Mr. Shao Zhidong and Mr. Zhou Zhaocheng as executive Directors, Ms. Shu Ping as the non-executive Director, and Dr. Chua Sin Bin, Mr. Hee Theng Fong and Mr. Qi Daqing as independent non-executive Directors.