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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 six months ended 30 June 2020 and information currently available to the Board, the Group is expected to record a decrease in revenue of approximately 29% for the six months ended 30 June 2020 as compared to the corresponding period in 2019 and a net loss of approximately RMB200 million to RMB300 million for the six months ended 30 June 2020 as compared to the profit attributable to owners of the Company of approximately RMB164.0 million for the corresponding period in 2019. Such decreases were primarily due to the significant impact on the operations of the Group, especially in Hubei province and Beijing where over 30% of the Group’s restaurants are located, since January 2020 caused by the outbreak of the 2019 Novel Coronavirus (the “**COVID-19**”) in China and the subsequent disease prevention measures as well as restrictions on consumer establishments imposed by central and local governments.

The Group voluntarily suspended the operation of most of its restaurants in mainland China since 24 January 2020 in an effort to contain the spread of the epidemic and to safeguard the health and safety of its employees and customers. In the meantime, the Group also actively assumed social responsibility and made cash and supply donations to medical institutions and the affected regions. Affected restaurants of the Group also gradually resumed normal operation according to the regulations of local governments. The Group’s restaurant operations were affected the most by the outbreak during February and March

2020 and have gradually improved since then. The Group has been closely monitoring the operations of its restaurants and made adjustments to its business strategies to reduce the impact of the outbreak. It has implemented a series of mitigating measures, such as active promotion of no-contact delivery service, expansion of sales of ingredients on its delivery mobile application and e-commerce platform, sharing employees and restaurant staff with other companies, negotiating lower rents for its restaurants, using self-service ordering system at its restaurants, closing underperforming restaurants, leveraging favorable credit policies and ensuring healthy cash flow. The outbreak also affected the Group's schedule of opening new restaurants and it plans to continue to actively open new restaurants in the future to expand its restaurant network.

As the results for the six months ended 30 June 2020 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 six months ended 30 June 2020, which have not been confirmed, reviewed or audited by the auditors of the Company.

The interim results announcement of the Company for the six months ended 30 June 2020 is expected to be published by the end of August 2020 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, 23 July 2020

As at the date of this announcement, the Board comprises Mr. HO Kuang-Chi and Ms. ZHAO Yi as executive directors; 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.