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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)

POSITIVE PROFIT ALERT

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 year ended December 31, 2022 and assessment of the latest information currently available to the Board, the revenue of the Group is expected to be no less than RMB34.6 billion for the year ended December 31, 2022, representing a decrease of no more than 15.8% as compared to the revenue of RMB41.1 billion for the year ended December 31, 2021, mainly due to (i) the suspension of business operation or dine-in services of certain restaurants and the decrease of customer flow in mainland China resulted from the impact of the COVID-19 pandemic in 2022; and (ii) the decrease in the number of restaurants from January to August 2022 as compared to the corresponding period in 2021 due to the implementation of the “Woodpecker” plan. Despite the decrease in the revenue, the Group is expected to record a net profit of no less than RMB1,300 million for the year ended December 31, 2022, as compared to the net loss of RMB4,161.2 million for the year ended December 31, 2021. The expected profit is mainly attributable to (i) the improved efficiency in restaurant operation as a result of the improvement measures taken under the “Woodpecker” plan; (ii) the markedly improved operating performance of our restaurants in mainland China and other regions along with the ease of COVID-19 pandemic since June 2022; and (iii) a gain of approximately RMB329 million recognized on cancellation of 2026 notes repurchased from the open market and by tender offer.

Despite that the operating performance of our restaurants in mainland China and other regions has markedly improved on a month-on-month basis since June 2022 as a result of the ease of COVID-19 pandemic and the improvement in the internal management and operation of the Company, some stores were still negatively affected by the COVID-19 pandemic in the fourth quarter of 2022. As the COVID-19 control measures in mainland China were adjusted in December 2022, the Board believes that the Group's business performance will be further improved. The Group will closely monitor the market condition and adjusted its business strategies and operations to reduce negative impact. The Group also stringently managed working capital, and leveraged credit facility and equity financing to ensure healthy cash flow and a strong cash position.

The actual operating and financial conditions of the Group for the year ended December 31, 2022 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 year ended December 31, 2022 are expected to be published in March 2023 according to the Listing Rules.

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, February 24, 2023

As of the date of this announcement, the Board of Directors of the Company comprises Mr. Zhang Yong as the Chairman and Executive Director, Ms. Gao Jie, Ms. June Yang Lijuan, Mr. Li Peng and Ms. Song Qing as Executive Directors, Mr. Zhou Zhaocheng as a Non-executive Director and Dr. Chua Sin Bin, Mr. Hee Theng Fong, Mr. Qi Daqing, Dr. Ma Weihua and Mr. Wu Xiaoguang as Independent Non-executive Directors.