海底捞

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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The board (the "**Board**") of directors (the "**Directors**") of Haidilao International Holding Ltd. (the "**Company**") hereby announces the unaudited consolidated results of the Company and its subsidiaries (together, the "**Group**") for the six months ended June 30, 2026 (the "**Reporting Period**"), together with comparative figures for the same period of 2025.

In this announcement, "we", "us", and "our" refer to the Company and where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places. Any discrepancies in any tables, charts or elsewhere between totals and sums of amounts listed therein are due to rounding.

KEY FINANCIAL HIGHLIGHTS

	For the six months ended June 30,	
	2026	2025
	(RMB'000)	*(RMB'000)*
	(Unaudited)	(Unaudited)
Revenue	**22,336,906**	20,703,294
Revenue from catering business [Note 1]	**21,159,501**	20,104,334
Profit before tax	**2,557,087**	2,626,953
Profit for the period	**1,763,979**	1,754,576
Profit attributable to owners of the Company	**1,766,871**	1,758,525
Basic earnings per share (RMB)	**0.33**	0.32
Core operating profit (non-IFRS measure)[Note 2]	**2,513,490**	2,408,104

Note 1: Including revenue from our restaurant operation and delivery business.

Note 2: Core operating profit (non-International Financial Reporting Standards ("**IFRS**") measure) represents the profit for the period excluding the following: interest income, share of results of associates, gain on disposal of certain restaurant business to franchisees, net foreign exchange gain, net gain arising on financial assets at fair value through profit or loss (the "**FVTPL**"), net loss arising on forward foreign exchange contracts, finance costs and income tax expense.

KEY BUSINESS HIGHLIGHTS

	As of and for the six months ended June 30,	
	2026	2025
Number of self-operated Haidilao restaurants	**1,290**	1,322
Number of franchised Haidilao restaurants	**99**	41
Average table turnover rate for self-operated Haidilao restaurants (times/day)	**3.9**	3.8
Average spending per guest for self-operated Haidilao restaurants (RMB)	**97.0**	97.9
System sales growth of Haidilao restaurants	**0.8%**	

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HKD0.377 per share of the Company ("**Share**") for the six months ended June 30, 2026 to be payable to the shareholders of the Company (the "**Shareholders**") whose names appear on the register of members of the Company at the close of business on Friday, September 11, 2026. The interim dividend is expected to be paid in HKD to the Shareholders on or before Wednesday, September 23, 2026.

2026 INTERIM PERFORMANCE REVIEW

FINANCIAL AND BUSINESS REVIEW

In the first half of 2026, following a period of adjustment, the catering industry gradually returned to rational competition, while customers' requirements for value-for-money and dining experience continued to rise. Against this backdrop, Haidilao steadfastly adhered to its core management philosophy of "customers' satisfaction and employees' efforts". On the one hand, we continued to consolidate our restaurant services and product quality. On the other hand, we positioned 2026 as the inaugural year for the development of the Group's middle office management capabilities, and commenced the reshaping and upgrading of our organizational capabilities. In light of the prevailing operating environment and our growth targets, we continued to optimize customer experience and enhance restaurant management capabilities, so as to provide unified support for the continuous optimization and large-scale replication of our restaurant network.

In the first half of 2026, the Group achieved an operating revenue of RMB22,336.9 million, representing an increase of 7.9% as compared to the same period of 2025. The Group's core operating profit (non-IFRS measure) was RMB2,513.5 million, representing an increase of 4.4% as compared to the same period of 2025. The Group's profit was RMB1,764.0 million, representing an increase of 0.5% as compared to the same period of 2025.

As of June 30, 2026, the Group operated multiple restaurant brands. For hot pot, Haidilao brand operated a total of 1,389 restaurants, among which, 1,267 self-operated restaurants were located in Chinese mainland and 23 in the Hong Kong, Macau and Taiwan regions, and in total of 99 were franchised restaurants. We continued to optimize the Haidilao restaurant network, opening 24 new self-operated restaurants and 14 new franchised restaurants, and 6 self-operated restaurants were converted into franchised restaurants during the Reporting Period. In the first half of the year, 32 restaurants were shut down due to relocation caused by aging facilities, operating performance falling short of expectations, or other commercial reasons. In addition, the Group also operated 21 other catering brands, with a total of 183 restaurants. In terms of restaurant performance, the table turnover rate of self-operated Haidilao restaurants was 3.9 times per day, as compared to 3.8 times per day in the corresponding period of 2025.

During the Reporting Period, the Group centered on the principal theme of "the development of middle office management capabilities" and implemented the following development strategies to enhance the Group's overall operational quality and profitability:

- **The Inaugural Year of the Middle Office Development: Reshaping Organizational Capabilities**

  2026 is the inaugural year for the development of the Group's middle office management capabilities. In the past, the growth of Haidilao was primarily driven by the management capabilities of our restaurants, with strong incentives provided to restaurant managers, while the development of headquarters functions remained relatively lean. In order to further enhance our management standards, the Group commenced the development of its middle office management capabilities during the year. The Group's growth momentum has gradually shifted from being "single-restaurant driven" to being "headquarters platform driven". Our headquarters strengthened the development of talent pipelines, built up operational insight, and coordinated various strategies, measures and resources for unified deployment to our restaurants, while our restaurants returned to their original mission and core duties, focusing on "customers' satisfaction and employees' efforts".

- **Brand Rejuvenation to Drive Customer Traffic, Continuous Product Enhancement and Optimization of Membership Operation**

  During the Reporting Period, with customer experience as the core, the Group systematically enhanced its capability to gain insight into consumption needs as well as its execution chain from insight to implementation. Our headquarters centrally planned the quarterly portfolio of new product launches and, through the synergy of brand collaborations, scenario innovation and membership operation, continued to enhance customer stickiness and brand appeal.

  In terms of brand marketing, the Group deepened its youth-oriented cross-sector collaborations, partnering with well-known games, animation IPs and celebrities to create immersive dining experiences through themed atmospheres, customized merchandise, creative interactions and limited-edition set menus, so as to continuously attract younger customer groups to our restaurants.

  In terms of products, the Group adhered to the philosophy of serving seasonal ingredients in season, and built core product competitiveness by leveraging intangible cultural heritage techniques and traceability to the place of origin. Themed new products such as "Flavors of Yunnan and Guizhou" and "Yummy Fish Feast Season" were successively launched, effectively driving market interest and restaurant sales performance.

In terms of scenario innovation, the Group continued to deepen the differentiated layout of themed restaurant models such as late-night dining restaurants, family-oriented restaurants and birthday celebration restaurants, providing corresponding product portfolios and service designs for different consumption scenarios, so as to create more opportunities for customers to visit our restaurants.

In terms of membership operation, the Group continued to optimize membership benefits and interactive experience. As of the end of June 2026, the number of Haidilao members exceeded 244 million, and the proportion of consumption attributable to members remained at a high level, providing a solid customer base for precision marketing and the enhancement of repeat purchases.

- **Advancing Intelligent Upgrades to Enhance Operational Efficiency**

During the Reporting Period, with the objectives of "energy conservation and emission reduction", "enhancing accuracy" and "reducing complicated administrative matters", the Group advanced the intelligent development of its restaurants from both the equipment and system ends. At the equipment end, we promoted automation and intelligent control upgrades and reduced energy consumption. At the system end, complicated routine administrative matters and basic operational tasks were progressively migrated online for self-service completion.

Intelligent development forms an important component of the Group's middle office capability building. It reduces the long-term operating costs of individual restaurant and enables the restaurant operating standards to be standardised, thereby providing support for large-scale development. In the meantime, the Group will continue to improve its data foundation and information security system, and steadily explore the application of artificial intelligence in scenarios such as operational analysis.

- **Expanding the Delivery Business to Consolidate Growth Momentum**

During the Reporting Period, the delivery business was the fastest-growing business segment of the Group. Revenue from the delivery business in the first half of the year amounted to RMB2,051.4 million, representing a period-on-period increase of 121.2%, and its proportion of the Group's revenue increased from 4.5% for the corresponding period of 2025 to 9.2%. Such growth was primarily attributable to two aspects. Firstly, the broadening of the product category mix: sales of single-serving products, represented by the rice-bowl takeaway products, showed a significant period-on-period increase, expanding the delivery business from an extension of the hot pot scenario into an independent category covering daily meals, while new product lines have also entered the refinement and market testing stage. Secondly, the densification of the delivery network: the Group continued to advance its self-built delivery station model, which enhanced coverage density and fulfilment efficiency and reduced the pressure on the kitchen capacity of its restaurants, providing stable support for the continuous growth in orders.

- **Advancing the "Pomegranate Plan": From Broad Exploration to Focused Replication**

  Since the launch of the "Pomegranate Plan", the Group has broadly explored various catering formats by way of internal entrepreneurship. During the Reporting Period, the Group conducted a systematic assessment of the projects in operation and shifted from scale expansion to efficiency enhancement: resources were concentrated on supporting projects with proven potential, while restaurants or brands whose business models were not yet mature were adjusted and consolidated. The expansion of new restaurants is subject to more stringent feasibility verification, and a monthly dynamic assessment mechanism has been established. The Group considers that the incubation of multiple brands is a process of identifying successful models with limited investment, and that periodic project optimization facilitates the concentration of resources on the more competitive formats.

  During the Reporting Period, the results of such selection have begun to emerge. The two business formats of food stall hot pot and sushi have developed relatively mature single-restaurant models and a certain degree of market recognition, and have now entered the stage of large-scale replication. Unlike the previous approach whereby each entrepreneurial team explored independently, the subsequent expansion and operation of these two formats will be undertaken by the headquarters middle office on a unified basis, so as to safeguard the quality of replication with the Group's institutional capabilities. During the Reporting Period, revenue from other restaurants operation amounted to RMB1,271.4 million, representing a period-on-period increase of 113.1%, and its proportion of the Group's revenue increased to 5.7%.

Future Outlook: Consolidating the Middle Office and Building Momentum for Growth

Building on the initial results achieved in the development of middle office capabilities, the Group expects that 2027 will mark a new stage in which the rejuvenation of existing operations and incremental expansion will be pursued in parallel. Our development initiatives mainly include:

- continuing to advance the development of the middle office management system, taking the headquarters platform as the driving force to enhance the operational quality of our restaurants;

- promoting the systematic upgrade of the restaurant network of our principal brand, by implementing upgrades, relocations and renovations of aging restaurants and restaurants with leases approaching expiry in a planned manner, and, by leveraging the various restaurant models delivered by the middle office, accelerating the opening of new restaurants in quality shopping malls in higher-tier cities and in the mass market in lower-tier cities in a planned manner, with the pace of new restaurant openings expected to increase as compared to 2026;

- the Group will expand upon the efficiency-oriented mechanisms of its "Pomegranate Plan" to continuously incubate and select potential brands; amongst which the food stall hot pot and sushi business formats, having met the conditions for large-scale replication, will be given priority in terms of talent allocation and site selection resources, progressively scaling up operations from the second half of 2026 onwards, and becoming a significant source of revenue growth for the Group's other restaurants in 2027;

- continuing to expand diversified channels such as the delivery business, enriching the product mix and enhancing fulfilment efficiency, so as to consolidate our business growth momentum; and

- continuing to optimize the management of our asset structure and business model: on the one hand, adopting a more prudent approach to the franchise business on the basis of a thorough review; and on the other hand, strategically seeking to acquire of high-quality assets to further diversify our catering business patterns and customer base.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

The revenue of our Group increased by 7.9% from RMB20,703.3 million for the six months ended June 30, 2025 to RMB22,336.9 million for the corresponding period in 2026.

Revenue by Segment

We generate substantially all of our revenue from (i) restaurant operation, (ii) delivery business, (iii) sales of condiment products and food ingredients, and (iv) franchise business. The following table sets forth the components of our revenue for the periods indicated:

	For the six months ended June 30,			
	2026		2025	
	(RMB'000 except percentages)			
Haidilao restaurant operation	**17,836,692**	**79.9%**	18,580,166	89.8%
Delivery business	**2,051,445**	**9.2%**	927,620	4.5%
Other restaurant operation	**1,271,364**	**5.7%**	596,548	2.9%
Sales of condiment products and food ingredients	**902,201**	**4.0%**	463,724	2.2%
Franchise business	**254,278**	**1.1%**	90,849	0.4%
Others	**20,926**	**0.1%**	44,387	0.2%
	22,336,906	**100%**	20,703,294	100%

The revenue of our Group is mainly generated from Haidilao restaurant operation, which accounted for 79.9% of our revenue for the six months ended June 30, 2026. The revenue of Haidilao restaurant operation decreased by 4.0% from RMB18,580.2 million for the six months ended June 30, 2025 to RMB17,836.7 million for the corresponding period in 2026, mainly due to the decrease in the number of self-operated Haidilao restaurants. Self-operated Haidilao restaurants' average table turnover rate for the six months ended June 30, 2026 was 3.9 times per day and the average spending per guest amounted to RMB97.0.

Revenue of delivery business increased by 121.2% from RMB927.6 million for the six months ended June 30, 2025 to RMB2,051.4 million for the corresponding period in 2026, mainly due to rapid growth of the single-serving high-quality fast food business.

Revenue from other restaurant operation increased by 113.1% from RMB596.5 million for the six months ended June 30, 2025 to RMB1,271.4 million for the corresponding period in 2026, primarily attributable to the steady development of other innovative catering brands under the "Pomegranate Plan" and contributions from various dining scenarios such as camping hot pot and late night hot pot.

The following table sets forth certain key performance indicators of our self-operated Haidilao restaurants for the periods indicated.

	For the six months ended June 30,	
	2026	2025
Average spending per guest[1] (RMB)		
Tier 1 cities[2]	**104.2**	105.2
Tier 2 cities[3]	**96.0**	96.9
Tier 3 cities and below[4]	**90.9**	91.6
Chinese mainland restaurants	**95.0**	95.8
Hong Kong, Macau and Taiwan regions	**196.6**	205.8
Overall	**97.0**	97.9
Table turnover rate[5] (times/day)		
Tier 1 cities[2]	**3.9**	3.8
Tier 2 cities[3]	**3.9**	3.8
Tier 3 cities and below[4]	**3.9**	3.9
Chinese mainland restaurants	**3.9**	3.8
Hong Kong, Macau and Taiwan regions	**4.5**	4.3
Overall	**3.9**	3.8
Newly-opened restaurants[6]	**4.2**	4.1
Other restaurants	**3.9**	3.8
Overall	**3.9**	3.8

Notes:

(1) Calculated by dividing gross revenue generated from restaurant operation for the period by total number of guests served for the period.

(2) Beijing, Shanghai, Guangzhou and Shenzhen.

(3) All municipalities and provincial capitals excluding tier 1 cities, plus Qingdao, Xiamen, Ningbo, Dalian, Zhuhai, Suzhou and Wuxi.

(4) All the cities and regions excluding tier 1 cities and tier 2 cities.

(5) Calculated by dividing the total tables served for the period by the product of total number of operation days for the period and average table count during the period.

(6) We define our newly-opened restaurants as those that commenced operations during the Reporting Period.

The following table sets forth details of our same store sales of self-operated Haidilao restaurants for the periods indicated.

	For the six months ended June 30,	
	2026	2025
Number of same stores[1]		
Tier 1 cities	**186**	
Tier 2 cities	**446**	
Tier 3 cities and below	**509**	
Hong Kong, Macau and Taiwan regions	**22**	
Overall	**1,163**	
Same store sales[2] **(in thousands of RMB)**		
Tier 1 cities	**2,744,363**	2,727,973
Tier 2 cities	**5,978,131**	6,135,166
Tier 3 cities and below	**6,928,019**	7,007,055
Hong Kong, Macau and Taiwan regions	**698,348**	700,872
Overall	**16,348,861**	16,571,065
Average same store sales per day[3] **(in thousands of RMB)**		
Tier 1 cities	**81.6**	81.2
Tier 2 cities	**74.2**	76.1
Tier 3 cities and below	**75.3**	76.2
Hong Kong, Macau and Taiwan regions	**176.8**	177.4
Overall	**77.8**	78.9
Average same store table turnover rate[4] **(times/day)**		
Tier 1 cities	**3.9**	3.8
Tier 2 cities	**3.8**	3.9
Tier 3 cities and below	**3.9**	3.9
Hong Kong, Macau and Taiwan regions	**4.5**	4.3
Overall	**3.9**	3.9

Notes:

(1) Includes restaurants that had commenced operations prior to the beginning of the periods under comparison and opened for 150 days and above in both the six-month periods ended June 30, 2025 and 2026.

(2) The gross revenue from restaurant operation at our same stores for the period indicated.

(3) Calculated by dividing the gross revenue from restaurant operation at our same stores for the period by the total operation days at our same stores for the period.

(4) Calculated by dividing the total tables served at our same stores for the period by the total number of operation days for the period and average table count during the period.

Revenue from Haidilao Restaurant Operation by Geographic Region

Our business was mainly conducted in Chinese mainland, Hong Kong, Macau and Taiwan regions. The following table sets forth our breakdown of gross revenue from Haidilao restaurant operation by geographic region for the periods indicated:

	As of and for the six months ended June 30,					
	2026			2025		
	Number of restaurants	**Gross Revenue/ Revenue** *(RMB'000)*		Number of restaurants	Gross Revenue/ Revenue *(RMB'000)*	
Chinese mainland						
Tier 1 cities	**220**	**3,160,651**	**17.7%**	218	3,160,624	17.0%
Tier 2 cities	**479**	**6,366,598**	**35.8%**	512	6,922,927	37.3%
Tier 3 cities and below	**568**	**7,569,316**	**42.5%**	569	7,757,355	41.8%
Subtotal	**1,267**	**17,096,565**	**96.0%**	1,299	17,840,906	96.1%
Hong Kong, Macau and Taiwan regions	**23**	**707,695**	**4.0%**	23	729,803	3.9%
Total number of restaurants/gross revenue	**1,290**	**17,804,260**	**100%**	1,322	18,570,709	100%
Add: customer loyalty program		**32,432**			9,457	
Total number of restaurants/revenue	**1,290**	**17,836,692**		1,322	18,580,166	

System Sales Growth for Haidilao Restaurants

For the six months ended June 30, 2026, system sales of Haidilao restaurants achieved a period-on-period growth of 0.8%. The system sales for Haidilao restaurants represent the total sales generated by all Haidilao-branded restaurants, including both self-operated and franchised restaurants. Although the sales from franchised restaurants are not directly recognized as part of the Company's revenue in the condensed consolidated statement of profit or loss and other comprehensive income, they contribute to our revenues through ongoing royalty fees. We consider system sales growth a valuable metric for investors, as it serves as a key driver of our revenue and profit, while reflecting the overall performance of our business.

Raw Materials and Consumables Used

Our raw materials and consumables used increased by 12.7% from RMB8,243.5 million for the six months ended June 30, 2025 to RMB9,289.2 million for the corresponding period in 2026. As a percentage of revenue, our raw materials and consumables used increased from 39.8% for the six months ended June 30, 2025 to 41.6% for the corresponding period in 2026, primarily due to (i) higher revenue contribution from business with lower gross margin, and (ii) impact of various consumer promotional concessions aimed at enhancing customer experience.

Labor Costs

Our labor costs increased by 1.5% from RMB6,988.0 million for the six months ended June 30, 2025 to RMB7,093.3 million for the corresponding period in 2026. As a percentage of revenue, our labor costs decreased from 33.8% for the six months ended June 30, 2025 to 31.8% for the corresponding period in 2026, primarily due to changes in our revenue mix.

Rentals and Related Expenses

Our rentals and related expenses increased by 4.0% from RMB216.2 million for the six months ended June 30, 2025 to RMB224.8 million for the corresponding period in 2026. As a percentage of revenue, rentals and related expenses remained stable at 1.0% for the six months ended June 30, 2026 and 2025.

Utilities Expenses

Our utilities expenses increased by 4.0% from RMB700.6 million for the six months ended June 30, 2025 to RMB728.5 million for the corresponding period in 2026. As a percentage of revenue, the utilities expenses remained relatively stable at 3.3% and 3.4% for the six months ended June 30, 2026 and 2025.

Travelling and Communication Expenses

Our travelling and communication expenses increased by 15.1% from RMB109.6 million for the six months ended June 30, 2025 to RMB126.2 million for the corresponding period in 2026. As a percentage of revenue, our travelling and communication expenses stayed relatively steady at 0.6% and 0.5% for the six months ended June 30, 2026 and 2025.

Depreciation and Amortization

Our depreciation and amortization decreased by 21.5% from RMB1,155.9 million for the six months ended June 30, 2025 to RMB907.9 million for the corresponding period in 2026, primarily due to full provision for depreciation and amortization of properties, plants and equipment of certain restaurants previously. As a percentage of revenue, depreciation and amortization decreased from 5.6% for the six months ended June 30, 2025 to 4.1% for the corresponding period in 2026, primarily due to the decrease in depreciation and amortization.

Other Expenses

Our other expenses increased by 38.9% from RMB1,086.9 million for the six months ended June 30, 2025 to RMB1,510.1 million for the corresponding period in 2026. As a percentage of revenue, our other expenses increased from 5.2% for the six months ended June 30, 2025 to 6.8% for the corresponding period in 2026, primarily due to increased charges from delivery and other platforms, which were mainly related to the expansion of the delivery business.

Share of Results of Associates

Our share of results in relation to (i) our associate Fuhai (Shanghai) Food Technology Co., Ltd. (馥海(上海)食品科技有限公司), in which we held a 40% equity interest and (ii) other associates invested by Beijing Youdingyou Catering Co., Ltd. (北京優鼎優餐飲管理有限公司), increased from RMB19.2 million for the six months ended June 30, 2025 to RMB20.4 million for the corresponding period in 2026.

Other Gains and Losses

Our other gains and losses amounted to losses of RMB96.5 million for the six months ended June 30, 2026 as compared to RMB235.0 million of gains for the corresponding period in 2025. This decrease was primarily due to (i) an increase of RMB149.3 million of net loss on disposal of property, plant and equipment, other intangible assets and termination of leases and net impairment loss related to assets attributable to closed or underperforming restaurants and (ii) a decrease of RMB141.0 million in net gain from the disposal of certain restaurant business to franchisees.

Finance Costs

Our finance costs decreased by 30.5% from RMB120.0 million for the six months ended June 30, 2025 to RMB83.5 million for the corresponding period in 2026, primarily due to the redemption of our long-term bonds.

Income Tax Expense

Our income tax expense decreased by 9.1% from RMB872.4 million for the six months ended June 30, 2025 to RMB793.1 million for the corresponding period in 2026, primarily due to the decrease of deferred tax expense.

Profit for the Period

As a result of the foregoing, our profit for the period increased from RMB1,754.6 million for the six months ended June 30, 2025 to RMB1,764.0 million for the corresponding period in 2026.

Core Operating Profit (Non-IFRS Measure)

To supplement our condensed consolidated financial statements that are presented in accordance with IFRS, we also use core operating profit that is not required by or presented in accordance with IFRS. The core operating profit (non-IFRS measure) represents the profit for the period excluding the following: interest income, share of results of associates, gain on disposal of certain restaurant business to franchisees, net foreign exchange gain, net gain arising on financial assets at FVTPL, net loss arising on forward foreign exchange contracts, finance costs and income tax expense.

The following table sets out a reconciliation of the core operating profit (non-IFRS measure) for the period indicated to the profit for the period (the most directly comparable financial measure calculated and presented under IFRS):

	For the six months ended June 30,	
	2026	2025
	(RMB'000)	*(RMB'000)*
	(Unaudited)	*(Unaudited)*
Profit for the period	**1,763,979**	1,754,576
Net of the following gains/(losses):		
Interest income	**105,172**	140,381
Share of results of associates	**20,435**	19,217
Gain on disposal of certain restaurant business to franchisees	**43,168**	184,134
Net foreign exchange gain	**18,317**	48,505
Net gain arising on financial assets at FVTPL	**28,416**	110,737
Net loss arising on forward foreign exchange contracts	**(88,439)**	(164,091)
Finance costs	**(83,472)**	(120,034)
Income tax expense	**(793,108)**	(872,377)
Core operating profit (non-IFRS measure)	**2,513,490**	2,408,104

We present the non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. These non-IFRS financial measures are not intended to be a substitute for the presentation of the Company's financial results in accordance with IFRS. Rather, the Company believes that the presentation of such non-IFRS financial measures provides investors with additional information, and removes items that the Company does not believe are indicative of its core operations, to better compare past and current results. We believe that the presentation of core operating profit (non-IFRS measure) provides additional information to further enhance the comparability of our historical results of operations with the trends in their underlying results of operations, while we utilize this metric to assess the performance of our core operations. We consider both quantitative and qualitative factors when assessing whether to adjust for the impact of items that may be material or that may affect the understanding to our ongoing financial and business performance or trends.

The core operating profit (non-IFRS measure) should not be considered in isolation or construed as an alternative to profit for the period or any other measure of performance. Investors are encouraged to examine our historical non-IFRS financial measures with the most directly comparable IFRS measures. The core operating profit (non-IFRS measure) presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

Capital Liquidity and Financial Resources

For the six months ended June 30, 2026, we primarily funded our operations, expansion, capital expenditures, and dividend distributions through cash generated from our operations and bank borrowings. We monitor our cash flows and cash balance on a regular basis and strive to maintain an optimum liquidity that can meet our working capital needs while supporting continuing business expansion.

Cash and Cash Equivalents

Our principal uses of cash are for procuring food ingredients and consumables, paying labor costs, renovating and decorating our restaurants and other business activities. Our cash and cash equivalents increased from RMB3,950.9 million as of December 31, 2025 to RMB4,944.0 million as of June 30, 2026. In addition, as of June 30, 2026, the Group held certain time deposits with original maturity over three months, and the total amount of bank balances and cash was RMB5,928.7 million.

Right-of-use Assets

Under International Financial Reporting Standards 16 *Leases* ("**IFRS 16**"), we recognize right-of-use assets with respect to our property and land leases. Our right-of-use assets are depreciated over the lease term or the useful life of the underlying asset, whichever is shorter. As of June 30, 2026, we recognized right-of-use assets of RMB2,739.7 million.

Inventories

Our inventories mainly represented our food ingredients, condiment products, beverage and other materials used in our restaurant operation. Our inventories increased from RMB1,076.9 million as of December 31, 2025 to RMB1,169.2 million as of June 30, 2026, primarily due to the increase of our total business scale. The inventory turnover days decreased from 22.3 days for the year ended December 31, 2025 to 21.9 days for the six months ended June 30, 2026.

Trade Receivables

The majority of our trade receivables were from payment platforms such as Alipay or WeChat Pay and from our franchisees. Receivables from these payment platforms and the franchisees were normally settled within a short period of time. Our trade receivables decreased from RMB448.2 million as of December 31, 2025 to RMB322.6 million as of June 30, 2026. The turnover days of trade receivables decreased from 3.4 days for the year ended December 31, 2025 to 3.1 days for the six months ended June 30, 2026.

Trade Payables

Trade payables mainly represent the balances due to the independent third-party suppliers of food ingredients and consumables. Our trade payables decreased from RMB1,910.7 million as of December 31, 2025 to RMB1,668.4 million as of June 30, 2026. The turnover days of trade payables decreased from 38.6 days for the year ended December 31, 2025 to 34.9 days for the six months ended June 30, 2026.

Bank Borrowings

As of June 30, 2026, we had bank borrowings of RMB2,561.8 million. During the six months period ended June 30, 2026, the Group obtained new bank borrowings amounting to RMB2,562.0 million and repaid bank borrowings amounting to RMB400.0 million.

Contingent Liabilities

As of June 30, 2026, we did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of our Group that is likely to have a material and adverse effect on our business, financial condition or results of operation.

Charge of Assets

As of June 30, 2026, the Group's pledged/restricted bank deposit amounted to RMB146.8 million, primarily as guarantees for our short-term bank borrowings.

As of June 30, 2026, no property, plant and equipment was charged by the Group.

Debt-to-equity Ratio

As of June 30, 2026, the Group's debt-to-equity ratio was 26.2%.

Note: Equals bank borrowings divided by total equity as of the same date and multiplied by 100%.

Foreign Exchange Risk and Hedging

The Group mainly operates in Chinese mainland with most of the transaction denominated and settled in RMB. However, the Group has certain business operations outside Chinese mainland and monetary assets and monetary liabilities denominated in other currencies, which are exposed to foreign currency exchange risks. We manage foreign exchange risk by performing periodic reviews of our net foreign exchange exposures and try to minimize these exposures through natural hedges, wherever possible and may enter into forward foreign exchange contracts, when necessary.

Employees and Remuneration Policy

As of June 30, 2026, the Group had a total of 113,325 employees. For the six months ended June 30, 2026, the Group has incurred a total labor costs (including salaries, wages, allowance, benefits and outsourced labor costs) of RMB7,093.3 million.

Material Acquisitions and Disposals

The Company had no material acquisitions and disposals during the Reporting Period.

No Material Changes

Save as disclosed in this announcement, during the Reporting Period, there were no material changes affecting the Group's performance that needs to be disclosed under Paragraphs 32 and 40(2) of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Future Plans for Material Investments or Capital Assets

As of June 30, 2026, the Group has no specific plans for any material investments or acquisition of capital assets.

The Group will continue to extensively identify potential strategic investment opportunities, and seek to acquire potential high-quality target businesses and assets that create synergies for the Group.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	3	**22,336,906**	20,703,294
Other income	4	**259,794**	290,252
Raw materials and consumables used		**(9,289,237)**	(8,243,496)
Labor costs		**(7,093,266)**	(6,988,012)
Rentals and related expenses		**(224,831)**	(216,201)
Utilities expenses		**(728,516)**	(700,581)
Depreciation and amortization		**(907,929)**	(1,155,936)
Travelling and communication expenses		**(126,228)**	(109,649)
Other expenses		**(1,510,063)**	(1,086,880)
Share of results of associates		**20,435**	19,217
Other gains and losses	5	**(96,506)**	234,979
Finance costs	6	**(83,472)**	(120,034)
Profit before tax		**2,557,087**	2,626,953
Income tax expense	7	**(793,108)**	(872,377)
Profit for the period	8	**1,763,979**	1,754,576
Other comprehensive (expense) income			
Item that will not be reclassified subsequently to profit or loss:			
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**")		**(56,033)**	(100,339)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(174,467)**	11,066
Share of other comprehensive (expense) income of an associate, net of related income tax		**(75)**	118
		(174,542)	11,184
Other comprehensive expense for the period, net of income tax		**(230,575)**	(89,155)
Total comprehensive income for the period		**1,533,404**	1,665,421

	Notes	For the six months ended June 30, **2026** *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
Profit (loss) for the period attributable to:			
Owners of the Company		**1,766,871**	1,758,525
Non-controlling interests		**(2,892)**	(3,949)
		1,763,979	1,754,576
Total comprehensive income (expense) attributable to:			
Owners of the Company		**1,536,296**	1,669,370
Non-controlling interests		**(2,892)**	(3,949)
		1,533,404	1,665,421
EARNINGS PER SHARE			
Basic (RMB)	*10*	**0.33**	0.32
Diluted (RMB)	*10*	**0.33**	0.32

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at June 30, 2026** *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Non-current Assets			
Property, plant and equipment		**3,507,024**	3,511,284
Right-of-use assets	*11*	**2,739,741**	2,867,679
Goodwill		**84,845**	84,845
Other intangible assets		**49,770**	49,252
Interests in associates		**121,475**	173,115
Deferred tax assets		**430,988**	407,568
Other financial assets		**2,719,581**	2,142,022
Financial assets at FVTPL		**411,711**	57,451
Financial assets at FVTOCI		**126,638**	182,671
Rental deposits		**176,893**	184,913
Pledged/restricted bank deposits		**2,044**	2,125
		10,370,710	9,662,925
Current Assets			
Inventories		**1,169,162**	1,076,904
Trade and other receivables and prepayments	*12*	**1,339,741**	1,503,657
Amounts due from related parties		**273,638**	279,149
Other financial assets		**316,614**	1,397,641
Financial assets at FVTPL		**1,493,412**	1,228,803
Rental deposits		**109,984**	91,305
Pledged/restricted bank deposits		**144,753**	110,996
Bank balances and cash		**5,928,694**	6,602,348
		10,775,998	12,290,803
Assets classified as held for sale		**–**	136,474
		10,775,998	12,427,277

	Notes	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Current Liabilities			
Trade payables	*13*	**1,668,363**	1,910,661
Other payables	*14*	**1,907,016**	2,297,502
Amounts due to related parties		**525,261**	354,804
Long term bonds		**–**	2,028,881
Tax payable		**283,328**	395,395
Lease liabilities		**898,994**	856,802
Bank borrowings		**2,561,779**	399,183
Financial liabilities at FVTPL		**98,004**	121,152
Contract liabilities		**867,460**	895,767
Provisions		**5,797**	6,227
		8,816,002	9,266,374
Liabilities directly associated with assets classified as held for sale		**–**	57,588
		8,816,002	9,323,962
Net Current Assets		**1,959,996**	3,103,315
Total Assets less Current Liabilities		**12,330,706**	12,766,240
Non-current Liabilities			
Deferred tax liabilities		**93,323**	94,445
Lease liabilities		**2,447,700**	2,649,704
Provisions		**16,421**	16,956
		2,557,444	2,761,105
Net Assets		**9,773,262**	10,005,135
Capital and Reserves			
Share capital		**183**	183
Reserves		**9,764,997**	10,013,749
Equity attributable to owners of the Company		**9,765,180**	10,013,932
Non-controlling interests		**8,082**	(8,797)
Total Equity		**9,773,262**	10,005,135

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on July 14, 2015 under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111 in Cayman Islands, and the address of the Company's principal place of business is Office Nos. 3-4, 25/F, Righteous Centre, 585 Nathan Road, Kowloon, Hong Kong. The ultimate controlling parties are Mr. Zhang Yong and his spouse namely Ms. Shu Ping (collectively the "**Controlling Shareholders**").

The shares of the Company have been listed on the Stock Exchange with effect from September 26, 2018.

The Company is an investment holding company. Its subsidiaries are engaged in restaurant operation, delivery business, sales of condiment products and food ingredients, franchise business and others mainly located in Chinese mainland and Hong Kong, Macau and Taiwan regions.

Items included in the financial statements of each of the Group's entities are recorded using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries in Chinese mainland.

The condensed consolidated financial statements have been prepared in accordance with IAS 34 issued by the International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of the Listing Rules.

2. MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the above amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

During the six months ended June 30, 2026 and 2025, the Group's revenue which represents the amount received and receivable, net of discounts and sales related taxes, from the restaurant operation, delivery business, sales of condiment products and food ingredients, franchise business and others, are as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of services or goods:		
Restaurant operation	**19,108,056**	19,176,714
Delivery business	**2,051,445**	927,620
Sales of condiment products and food ingredients	**902,201**	463,724
Franchise business	**254,278**	90,849
Others	**20,926**	44,387
	22,336,906	20,703,294
Timing of revenue recognition:		
At a point in time	**22,061,702**	20,570,127
Over time	**275,204**	133,167
	22,336,906	20,703,294

Information reported to the chief executive officer of the Company, who is identified as the chief operating decision maker of the Company, in order to allocate resources and to assess performance, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is reviewed. Accordingly, no operating segment information is presented.

No revenue from individual customer contributes over 10% of total revenue of the Group during the six months ended June 30, 2026 (six months ended June 30, 2025: Nil).

The following table sets forth the breakdown of the Group's revenue during the six months ended June 30, 2026 and 2025, and the breakdown of the Group's non-current assets as at June 30, 2026 and December 31, 2025 based on the location of operation:

	Revenue For the six months ended June 30,		Non-current assets *(Note)* As at	
	2026	2025	**June 30, 2026**	December 31, 2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Chinese mainland	**21,577,845**	19,932,751	**5,810,970**	5,969,025
Outside Chinese mainland	**759,061**	770,543	**691,885**	717,150
	22,336,906	20,703,294	**6,502,855**	6,686,175

Note:

Non-current assets have excluded deferred tax assets, other financial assets, financial assets at FVTPL, financial assets at FVTOCI, rental deposits and pledged/restricted bank deposits.

4. OTHER INCOME

	For the six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest income on:		
– bank deposits	**49,183**	79,800
– other financial assets	**51,687**	55,716
– rental deposits	**4,302**	4,865
	105,172	140,381
Government grants *(Note)*	**43,155**	42,107
Compensation claim income	**20,854**	13,862
Others	**90,613**	93,902
	259,794	290,252

Note:

The amounts represented the subsidies received from the local governments for the Group's business development. There were no unfulfilled conditions or contingencies relating to these government grants in the periods that the relevant income was recognized.

5. OTHER GAINS AND LOSSES

	For the six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net impairment loss recognized in respect of:		
– property, plant and equipment	**(53,045)**	(15,797)
– right-of-use assets	**(826)**	(3,896)
– interests in associates	**–**	(16,247)
	(53,871)	(35,940)
Impairment losses reversed (recognized) on financial assets:		
– trade receivables	**71**	–
– rental deposits	**(4,466)**	(1,946)
(Loss) gain on disposal of property, plant and equipment, other intangible assets and termination of leases, net	**(43,515)**	71,648
Gain on disposal of certain restaurant business to franchisees	**43,168**	184,134
Net foreign exchange gain	**18,317**	48,505
Net gain arising on financial assets at FVTPL	**28,416**	110,737
Net loss arising on forward foreign exchange contracts	**(88,439)**	(164,091)
Others	**3,813**	21,932
	(96,506)	234,979

6. FINANCE COSTS

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interests on lease liabilities	**76,369**	91,179
Interests on long term bonds	**1,696**	23,827
Interests on bank borrowings	**4,881**	4,564
Interests charge on provisions	**526**	464
	83,472	120,034

7. INCOME TAX EXPENSE

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax:		
– PRC Enterprise Income Tax ("**EIT**")	**636,923**	669,360
– withholding tax	**126,547**	112,033
– other jurisdictions	**37,227**	29,385
	800,697	810,778
Under (over) provision in prior periods:		
– PRC EIT	**14,861**	5,571
– other jurisdictions	**2,092**	(3,978)
	16,953	1,593
	817,650	812,371
Deferred tax	**(24,542)**	60,006
	793,108	872,377

Under the Law of the People's Republic of China (the "PRC") on EIT, withholding tax is imposed on dividends declared and paid to non-PRC resident in respect of profits earned by the PRC subsidiaries from January 1, 2008 onwards. As at June 30, 2026, a deferred tax liability of RMB90,000,000 (December 31, 2025: RMB91,000,000) has been recognized in respect of the undistributed earnings expected to be distributed in the foreseeable future with the tax rate of 5% (December 31, 2025: 5%).

8. PROFIT FOR THE PERIOD

The Group's profit for the period has been arrived at after charging:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**534,726**	784,924
Depreciation of right-of-use assets	**364,498**	362,517
Amortization of other intangible assets	**8,705**	8,495
Total depreciation and amortization	**907,929**	1,155,936
Cost of inventories recognized as an expense	**9,289,237**	8,243,496
Property and equipment rentals		
– office premises, quarters and equipment (short-term leases)	**2,686**	4,736
– restaurants (variable lease payments)	**62,531**	53,817
	65,217	58,553
Other rental related expenses	**159,614**	157,648
Total rentals and related expenses	**224,831**	216,201
Directors' emoluments	**41,308**	64,434
Other labor costs:		
Salaries, allowance and outsourced labor costs	**5,990,961**	5,718,357
Retirement benefit scheme contributions	**563,154**	645,251
Employee welfare	**496,803**	556,110
Share-based payment expense	**1,040**	3,860
Total labor costs	**7,093,266**	6,988,012

9. DIVIDENDS

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Dividends for ordinary shareholders of the Company recognized as distribution during the period *(Note i)*	**1,815,816**	2,525,361
Dividends declared and paid to non-controlling shareholders of a subsidiary *(Note ii)*	**1,589**	1,158
	1,817,405	2,526,519

Notes:

i. On May 19, 2026, as approved by the shareholders at the annual general meeting, a final dividend of HKD0.384 (equivalent to RMB0.335*) per share with a total amount of HKD2,079,544,000 (equivalent to RMB1,815,816,000*) was declared to be distributed to shareholders for the year ended December 31, 2025 by the Company out of retained profits. The dividend was paid in June 2026.

   On May 19, 2025, as approved by the shareholders at the annual general meeting, a final dividend of HKD0.507 (equivalent to RMB0.466*) per share with a total amount of HKD2,745,405,000 (equivalent to RMB2,525,361,000*) was declared to be distributed to shareholders for the year ended December 31, 2024 by the Company out of share premium and retained profits. The dividend was paid in June 2025.

ii. During the six months ended June 30, 2026, dividends with the amount of RMB1,589,000 were declared and paid to non-controlling shareholders by a subsidiary.

   During the six months ended June 30, 2025, dividends with the amount of RMB1,158,000 were declared and paid to non-controlling shareholders by a subsidiary.

* calculated based on the exchange rate of RMB against HKD announced by the People's Bank of China on the approval date.

Subsequent to the end of the Reporting Period, the directors of the Company have resolved to declare an interim dividend of HKD0.377 per share amounting to HKD2,041,635,000 in aggregate to be paid to the shareholders of the Company whose names appear on the register of members of the Company on Friday, September 11, 2026.

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings for the purpose of basic earnings per share	**1,766,871**	1,758,525

	For the six months ended June 30,	
	2026	2025
	'000	*'000*
Weighted average number of ordinary shares for the purpose of calculating earnings per share	**5,415,478**	5,415,000

No diluted earnings per share for the six months ended June 30, 2026 and 2025 were calculated as there were no potential ordinary shares in issue for the six months ended June 30, 2026 and 2025.

11. RIGHT-OF-USE ASSETS

	RMB'000
At January 1, 2025 (Audited)	**3,018,798**
Additions	896,239
Termination of leases	(220,038)
Lease modification	(1,100)
Depreciation charge	(742,739)
Transfer from assets classified as held for sale	16,826
Net impairment loss recognized	(3,109)
Reclassified as held for sale	(97,198)
At December 31, 2025 (Audited)	**2,867,679**
Additions	293,042
Termination of leases	(70,988)
Lease modification	(17,404)
Depreciation charge	(364,498)
Transfer from assets classified as held for sale	35,498
Net impairment loss recognized	(826)
Reclassified as held for sale	(2,762)
At June 30, 2026 (Unaudited)	**2,739,741**

12. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at June 30, 2026 *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Trade receivables *(Note)*	**324,058**	449,786
Less: allowance for credit losses	**(1,501)**	(1,572)
	322,557	448,214
Other receivables and prepayments:		
Prepayment to suppliers	**443,505**	431,615
Prepaid operating expenses	**130,728**	192,097
Input value-added tax recoverable	**322,769**	282,818
Loans to employees	**49,524**	53,142
Others	**70,658**	95,771
	1,017,184	1,055,443
Total trade and other receivables and prepayments	**1,339,741**	1,503,657

Note:

Majority of trade receivables are due from payment platforms and franchisees, which are normally settled within 30 days. Majority of trade receivables are aged within 30 days based on the date of rendering of services. There were no significant past due trade receivables.

13. TRADE PAYABLES

Trade payables are non-interest bearing and the majority of which are with a credit term of 30 to 60 days. An aged analysis of the Group's trade payables, as at the end of the Reporting Period, based on the invoice date, is as follows:

	As at June 30, 2026 *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Within 60 days	**1,464,645**	1,657,632
61 to 180 days	**129,451**	193,759
More than 181 days	**74,267**	59,270
	1,668,363	1,910,661

14. OTHER PAYABLES

	As at June 30, 2026 *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Staff costs payable	**1,225,761**	1,414,251
Other taxes payables	**70,860**	107,067
Renovation fee payables	**242,155**	359,303
Deposits from suppliers and franchisees	**144,062**	204,880
Others	**224,178**	212,001
	1,907,016	2,297,502

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company had adopted and applied the principles and code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules. During the six months ended June 30, 2026, the Company has complied with the code provisions in the Corporate Governance Code, except for a deviation from the code provision C.2.1 of Part 2 of the Corporate Governance Code as disclosed below.

Pursuant to Code Provision C.2.1 of Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Although Mr. Zhang Yong concurrently has been serving as the chairman of the Board and the chief executive officer since January 13, 2026 resulting in the Company's deviation from Code Provision C.2.1, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) there are sufficient checks and balances within the Board, as decisions to be made by the Board require approval by at least a majority of the Directors, and the Board includes six independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Zhang Yong and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit of and in the best interests of the Company and make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategies and other key business, financial, and operational policies of the Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether the separation of the roles of the chairman of the Board and chief executive officer is necessary.

Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the six months ended June 30, 2026.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company during the six months ended June 30, 2026.

Purchase, Sale or Redemption of Listed Securities

With respect to the USD600 million 2.150% 2026 Senior Notes, the Company has redeemed the 2026 Senior Notes in full at their remaining outstanding principal amount of USD285,480,000 on January 14, 2026.

As of June 30, 2026, the Company's issued share capital included 158,521,660 ordinary shares held by the trusts established under the Company's share award scheme ("**Share Award Scheme**") and the Company's post-IPO share scheme (existing shares) (the "**2025 Share Scheme**") (adopted on February 13, 2025), which were established by the Company to hold the shares for the benefit of the participants of the Share Award Scheme and the 2025 Share Scheme. As the trusts act solely as custodians of the shares, these shares are presented as treasury shares (as ascribed in the Listing Rules) in the consolidated financial statements of the Group.

Save as disclosed above, as of June 30, 2026, the Company did not hold any other treasury shares.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

Audit Committee

The audit committee of the Board (the "**Audit Committee**") has three members, namely, the independent non-executive Directors Mr. Qi Daqing (being the chairman of the Audit Committee), Mr. Hee Theng Fong and Dr. Chua Sin Bin, with terms of reference in compliance with the Listing Rules.

The Audit Committee has considered and reviewed the Group's interim results for the six months ended June 30, 2026, the accounting principles and practices adopted by the Company and the Group. The Audit Committee considers that the interim financial results for the six months ended June 30, 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

Use of Proceeds from the Global Offering

The Company's shares were listed on the Stock Exchange on September 26, 2018 (the "**Global Offering**"). The net proceeds from the Global Offering amounted to approximately HKD7,299.3 million. As of January 1, 2026 and June 30, 2026, the proceeds from the Global Offering of the Company had been fully utilized.

Use of Proceeds from the Placing

The placing of existing shares and top-up subscription of new shares pursuant to the share placing and subscription agreement dated November 12, 2021 was completed on November 22, 2021 (the "**2021 Placing**").

The net proceeds raised from the 2021 Placing were approximately HKD2,337.0 million. As of June 30, 2026, the net proceeds had been applied in the manner as set out in the announcements dated November 12, 2021 and November 22, 2021. As of June 30, 2026, the proceeds from the 2021 Placing had been fully utilized.

					As of June 30, 2026	
	Percentage	Net Proceeds	Unutilized amount as of January 1, 2026	Utilized amount during the Reporting Period	Utilized amount	Unutilized amount
	%	*HKD million*	*HKD million*	*HKD million*	*HKD million*	*HKD million*
For supply chain management and product development	30.0	701.1	–	–	701.1	–
For payment of credit facilities	30.0	701.1	–	–	701.1	–
For working capital and general corporate purposes[Note]	40.0	934.8	194.3	194.3	934.8	–
Total	**100.0**	**2,337.0**	**194.3**	**194.3**	**2,337.0**	**–**

Note:

With respect to the net proceeds from the 2021 Placing which were allocated for working capital and general corporate purposes, (i) for the year ended December 31, 2025, an aggregate amount of approximately HKD451.2 million was utilized, primarily comprising salaries and employee benefits of approximately HKD269.9 million (59.8%), purchase of assets of approximately HKD107.7 million (23.9%), leasing and office expenses of approximately HKD42.5 million (9.4%) and professional supplier service expenses and related tax fees of approximately HKD31.1 million (6.9%); and (ii) for the six months ended June 30, 2026, an aggregate amount of approximately HKD194.3 million was utilized, comprising salaries and employee benefits of approximately HKD128.4 million (66.1%), leasing and office expenses of approximately HKD56.8 million (29.2%) and purchase of assets of approximately HKD9.1 million (4.7%).

Events after the Reporting Period

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to June 30, 2026 and up to the date of this announcement.

Closure of Register of Members for Interim Dividend

The register of members of the Company will be closed from Wednesday, September 9, 2026 to Friday, September 11, 2026, both days inclusive, in order to determine the entitlement of the Shareholders to the interim dividend. The Shareholders whose names appear on the register of members of the Company at the close of business on Friday, September 11, 2026, will be entitled to the interim dividend. In order to qualify for the entitlement of the interim dividend, all share transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, September 8, 2026.

Publication of Interim Results Announcement and Interim Report

This announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.haidilao.com**). The interim report for the six months ended June 30, 2026 containing all the information required by Appendix D2 to the Listing Rules will be dispatched to the Shareholders (if applicable) and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Company for their support and contribution to the Group.

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

Hong Kong, August 25, 2026

As of the date of this announcement, the Board of Directors of the Company comprises Mr. Zhang Yong as the Chairman and executive Director; Mr. Zhou Zhaocheng as the Vice Chairman and executive Director; Mr. Li Peng, Ms. Li Nana, Ms. Zhu Yinhua, Ms. Jiao Defeng and Ms. Zhu Xuanyi as executive Directors; and Dr. Chua Sin Bin, Mr. Hee Theng Fong, Mr. Qi Daqing, Dr. Ma Weihua, Mr. Wu Xiaoguang and Mr. Zhang Junjie as Independent Non-executive Directors.