



Super Hi International Ltd reaches US\$558 million in 2022, an increase of nearly 80% compared to 2021

March 30, 2023

March 30, 2023 - Super Hi International Holdings Limited (stock code: 9658.HK, hereinafter referred to as "Super Hi International" or the "Company") released its 2022 annual report. In 2022, the revenue of Super Hi International reached 558 million US dollars as compared with 312 million US dollars in 2021, a year-on-year increase of 78.7%. The average daily revenue of restaurants has reached US\$15,400 in 2022, an increase of 54% over 2021. It is evident that green shoots of recovery have emerged in the international economy and financial markets. Super Hi International has an average table turnover rate of 3.3 / day in 2022, and served as many as 21.7 million customers, a year-on-year increase of 121.43%. As of December 31, 2022, Super Hi International operates a total of 111 Haidilao Hot Pot restaurants in 11 countries on 4 continents apart from Greater China (Mainland China and Hong Kong, Macao and Taiwan).

2022 is a milestone year for Super Hi International - Haidilao International Holdings Co., Ltd. ("Haidilao International") was spun off and listed independently on the main board of the Hong Kong Stock Exchange Limited in December 2022. It mainly operates Haidilao Hot Pot directly-operated restaurants in the international market, providing customers with Haidilao's signature dining experience. In terms of the number of countries covered by its self-operated restaurants, Super Hi International is the third largest Chinese catering brand in the international market and also the largest Chinese catering brand originating from China in the international market.

Haidilao took the first step in overseas expansion in 2012, and completed the independent spin-off and listing of Super Hi International after exactly 10 years in 2022. The first overseas Haidilao Hot Pot opened in Singapore's Clarke Quay, taking the first step in the brand's international development. Over the years of Haidilao's global expansion, it has gradually transformed into what is called Chinese "immigrant catering" into "branded catering", where The Company attracts customers through its brand value, dining experience, and high standards of ingredients and food safety.

As the global epidemic is gradually coming under control, Super Hi International's restaurants in various countries have ushered in varying degrees of dining recovery. The company continuously optimizes the management structure, improves the quality of store operations, and actively develops regional dishes that are more in line with the tastes of local palates while retaining signature products and cultural elements. The superposition of multiple factors has resulted in significant optimization and improvement of multiple operational indicators of Super Hi International Ltd.

Optimize Localization Strategy for Super Hi International Ltd

In the process of operation, Super Hi International has continuously optimized the "region-in charge" management structure with 12 regional managers and acting regional managers and clarified the responsibilities, rewards and punishments of personnel at all levels. For the supporting functions, business units were reorganized to better empower restaurant operations.

Super Hi International also implements the management philosophy of "Aligned Interests and Disciplined Management", and adopts the method of "low basic salary and high bonus". It formulates localized growth strategies suitable for regional needs and restaurant-level operations guidance. And through the reorganization of functional departments, internal standards were systematically established to regulate the specific implementation standards of restaurants, coordinate global resources and experience, and empower restaurants in various regions more efficiently.

The company actively develop localized dishes that are more in line with the tastes of local customers such as classic Sichuan Spicy Hot Pot, Tomato Hot Pot, and featured dishes such as Haidilao styled Beef Tripe, Haidilao Beef, and Haidilao signature noodles are widely welcomed in overseas markets. Combining the local traditional food "Teochew Fish Head Stove" in Singapore, the "So-fish-ticated" Hot Pot was developed as well as TomYum Kung Hot Pot launched in Thailand, Ginseng Chicken Hot Pot and Kimchi Hot Pot launched in South Korea, etc.

Chinese catering goes globally due to Chinese population migration

Haidilao's brand culture is infused with Sichuan elements, including Sichuan style Hot Pot dishes, warm and friendly services, Sichuan opera face-changing as well as Chinese Kung Fu noodles performances. The Sichuan style culture is spread internationally through food and unique dining experience. These Haidilao signature services are loved by international customers.

According to the F&S Report, the Company was also the largest Chinese cuisine restaurant brand originating from China in the international market in terms of 2021 revenue. Chinese catering has spread to 130 countries around the world, and there are more than 600,000 Chinese restaurants overseas. In 2021, overseas Chinese catering revenue reached a total of US\$261.1 billion, accounting for 9.9% of the international catering market. It is estimated that by 2026, the overseas Chinese catering market is expected to reach US\$409.8 billion. As Chinese cuisine has been going overseas in recent years, Hot Pot is one of the most influential Chinese catering dining experiences in the world, and has further increased its worldwide market. This trend also provides sufficient development space for the further expansion of Super Hi International in the international market.

Plans for improvement with upward trend of business performance

Addressing the topic of future development strategy, Super Hi International stated that the Company will continue to improve customer dining experience through diversified product innovation and value-added service innovation in the future, and increase the utilization rate of stores during off-peak hours. More restaurants are launching takeout services and expanding sales of prepackaged food. At the same time, Super Hi International will further optimize and expand its restaurant network, through brand development in the current markets, increasing the capacity of restaurants, expanding the coverage area of restaurants, and seeking opportunities for entering new country markets.

In terms of internal management, Super Hi International will continue to improve the business models through strengthening internal training, supervision and assessment, and also fine-tune management and operation structure from regions to restaurants. Through incubation, exploration, and strategic acquisitions, the company will develop other brand structures, explore the new Chinese catering brands in the international market, pursue synergistic high-quality businesses or assets, and further enrich the business and customer base.

Dr. Zhou Zhaocheng (周兆呈), the Chairman of the Board said: "In 2023, we will continue to implement the philosophy of 'Aligned Interests and Disciplined Management'"(連住利益, 鎖住管理), Super Hi International has been promoting the chain and localization of Haidilao brand overseas, and has become the third largest Chinese restaurant brand in the international market. Going forward, we will continue to spread the joy of Chinese cuisine culture overseas and bring hot pot to the whole world. "

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