

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.

Jiumaojiu International Holdings Limited

九毛九国际控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9922)

VOLUNTARY ANNOUNCEMENT OPERATIONAL UPDATE FOR THE SECOND QUARTER OF 2024

This announcement is made by Jiumaojiu International Holdings Limited (九毛九国际控股有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform the shareholders of the Company and potential investors about the unaudited key operational data of the Group for the second quarter of 2024.

Number of restaurants by brand	As of June 30, 2024
Tai Er	614
– Self-operated	<i>612</i>
– Franchised	<i>2</i>
Song Hot Pot.	73
Jiu Mao Jiu	72
Lai Mei Li ⁽¹⁾	4
Fresh Wood.	1
Shandeshanwaimian	7
– Self-operated	<i>4</i>
– Franchised	<i>3</i>
Total.	771
	For the three months ended June 30, 2024
Table turnover rate of major brands⁽²⁾	
Tai Er (self-operated only)	3.6
– Mainland China	<i>3.6</i>
– Other regions	<i>4.4</i>
Song Hot Pot.	2.8
Jiu Mao Jiu	2.6

Average spending per customer of major brands (RMB)⁽³⁾	For the three months ended June 30, 2024
Tai Er (self-operated only)	69
– Mainland China	64
– Other regions	162
Song Hot Pot.	104
Jiu Mao Jiu	55
<hr/>	
Change in same store average daily sales of major brands (year-on-year)⁽⁴⁾	For the three months ended June 30, 2024
Tai Er (self-operated only)	-18.1%
Song Hot Pot.	-36.6%
Jiu Mao Jiu	-12.6%
<hr/>	

Notes:

- (1) The Group has transferred 3 Lai Mei Li restaurants in mainland China to an independent third party in July 2024.
- (2) Table turnover rate for the period is calculated by dividing total tables served by the product of total restaurant operation days and average table count during the period.
- (3) Average spending per customer for the period is calculated by dividing revenue generated from the restaurant operations for the period by total customer traffic for the period.
- (4) Same store average daily sales for the period refers to the average daily revenue of all restaurants that qualified as same stores during that period. The Group defines its same store base to be those restaurants that opened for the same number of days in both the second quarter of 2024 and the second quarter of 2023.

During the second quarter of 2024, the decline in average spending per customer of Tai Er (mainland China restaurants) and Song Hot Pot was a result of the brands' adjustment of development strategies in response to the changes in external environment, resulting in continued (i) adjustment to the menu offerings and food prices; and (ii) increase in promotional activities. In addition, the increase in the proportion of Tai Er restaurants located in lower-tier cities, which was in line with the Group's expansion strategy to capture a larger market share, has also contributed to the decline in average spending per customer of Tai Er in mainland China.

During the same period, the decline in same store average daily sales of Tai Er (mainland China restaurants) and Song Hot Pot was mainly attributed to (i) the decline in average spending per customer based on the aforementioned reasons; and (ii) a shift in consumer habits as affected by changes in the external environment in the second quarter of 2024.

Looking ahead, the Group will adopt a more prudent restaurant network expansion strategy and adjust its expansion target for 2024 to open 25 new Song Hot Pot restaurants. Meanwhile, the Group maintains its restaurant network expansion plan for Tai Er as detailed in the announcement of annual results for the year ended December 31, 2023, i.e., planning to open 80 to 100 new Tai Er restaurants (self-operated) in mainland China and 15 to 20 new Tai Er restaurants (self-operated) outside mainland China.

The information contained in this announcement does not constitute, represent or indicate a complete picture of the Group’s revenue or financial performance. This announcement is based on a preliminary review of the unaudited consolidated management accounts of the Group and the information currently available to the Board, and is not based on any figure or information which has been audited or reviewed by the independent auditors of the Company or the audit committee of the Board. The information contained in this announcement may be subject to change or adjustment. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Jiumaojiu International Holdings Limited
Guan Yihong
Chairman

Hong Kong, July 19, 2024

As at the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive director, Mr. He Chengxiao as chief executive officer and executive director, Ms. Cui Longyu and Mr. Su Danman as executive directors, and Ms. Tang Zhihui, Ms. Zhu Rui and Ms. Wang Xiaomei as independent non-executive directors.

Certain statements included in this announcement, other than statements of historical fact, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “might”, “can”, “could”, “will”, “would”, “anticipate”, “believe”, “continue”, “estimate”, “expect”, “forecast”, “intend”, “plan”, “seek”, or “timetable”. These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include business outlook, estimates of financial performance, forecast business plans, growth strategies and projections of anticipated trends in industry. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, many of which are subjective or beyond control. These forward-looking statements may prove to be incorrect and may not be realized in future. Underlying these forward-looking statements are a large number of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this announcement should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements. Except as required by law, the Company is not obligated, and the Company undertakes no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstance occurring after the date of this announcement or those that might reflect the occurrence of unanticipated events.