



2023 Interim Results Conference

Zhou Hei Ya International Holdings Company Limited

August 2023

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Results Overview

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ZHOUHEIYA

Strategy Review

Outlook





Key Financial Highlights

Financial Summary

	1H2022 (RMB Thousand)	1H2023 (RMB Thousand)	1H2022—1H2023 YoY Growth
Revenue	1,181,078	1,414,764	+19.8%
Gross profit	671,529	742,813	+10.6%
Profit before tax	44,597	147,396	+230.5%
Net profit	18,377	101,742	+453.6%
Total No. of retail stores	3,160 ⁽¹⁾	3,706 ⁽²⁾	+546
Including: No. of self-operated retail stores	1,342 ⁽¹⁾	1,542 ⁽²⁾	+200
No. of franchised retail stores	1,818 ⁽¹⁾	2,164 ⁽²⁾	+346

Notes:

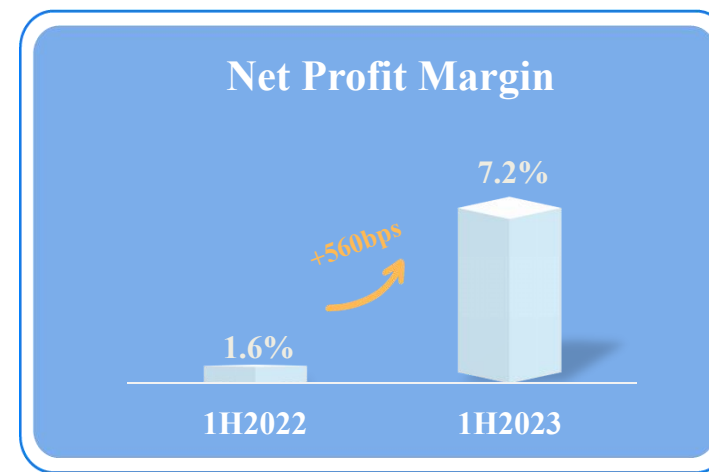
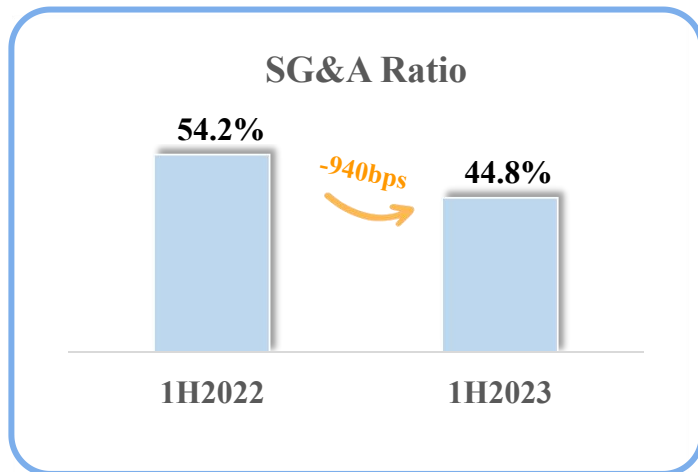
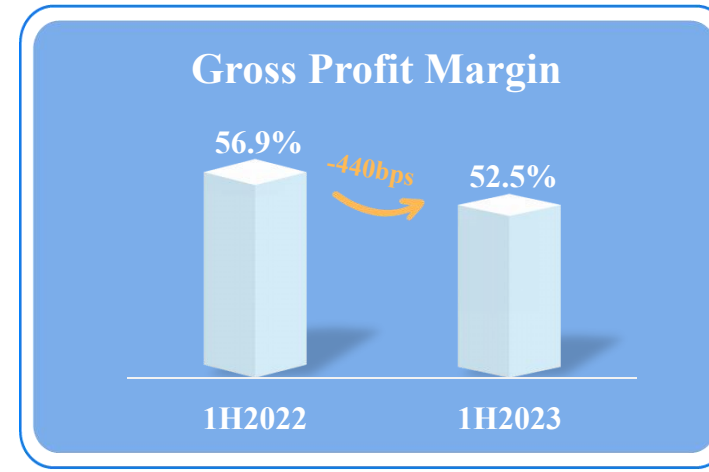
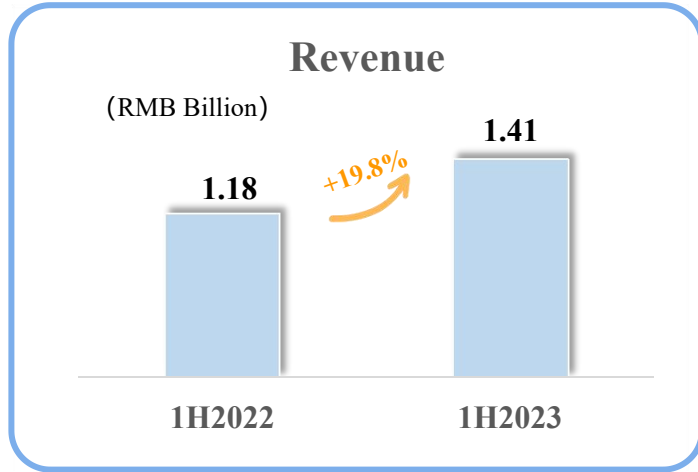
(1) As of June 30, 2022; and

(2) As of June 30, 2023.





Significant Improvement in Profitability

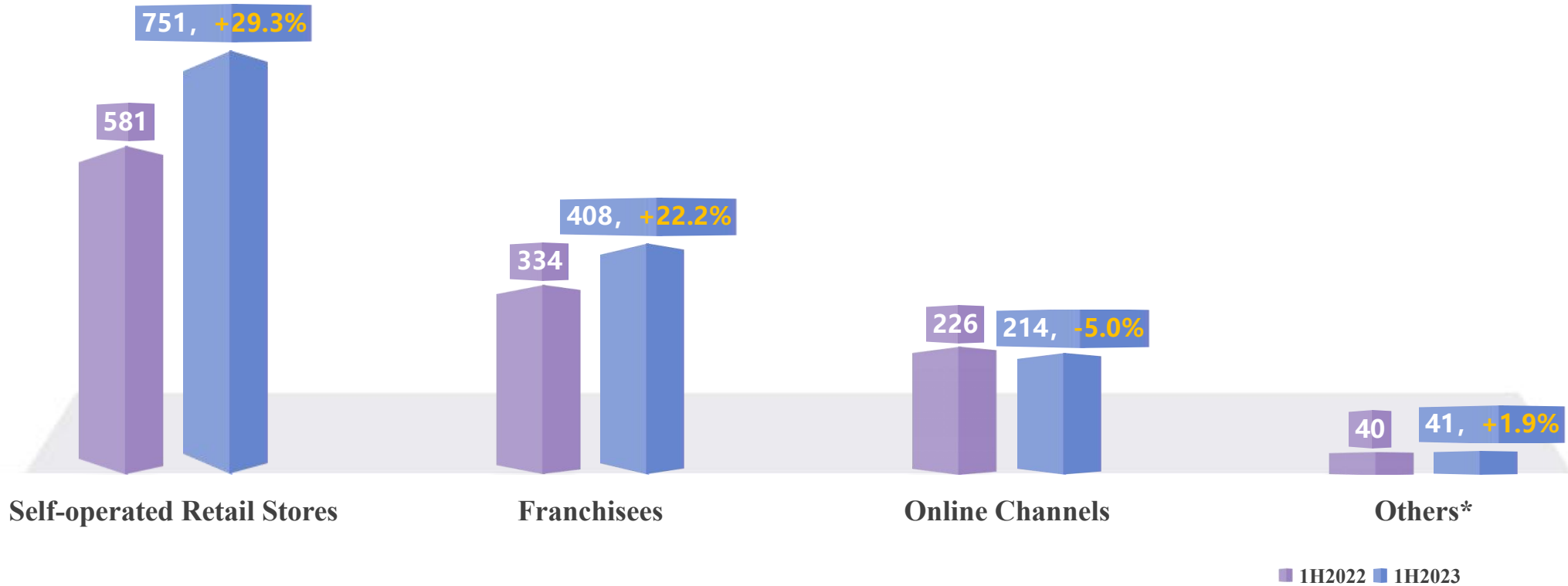




More Balanced Business Structure , Keeping Solid Growth Momentum

Growth Rate of Revenue by Sales Channels

(RMB Million)



*Primarily include revenue generated from distributors





Results Overview

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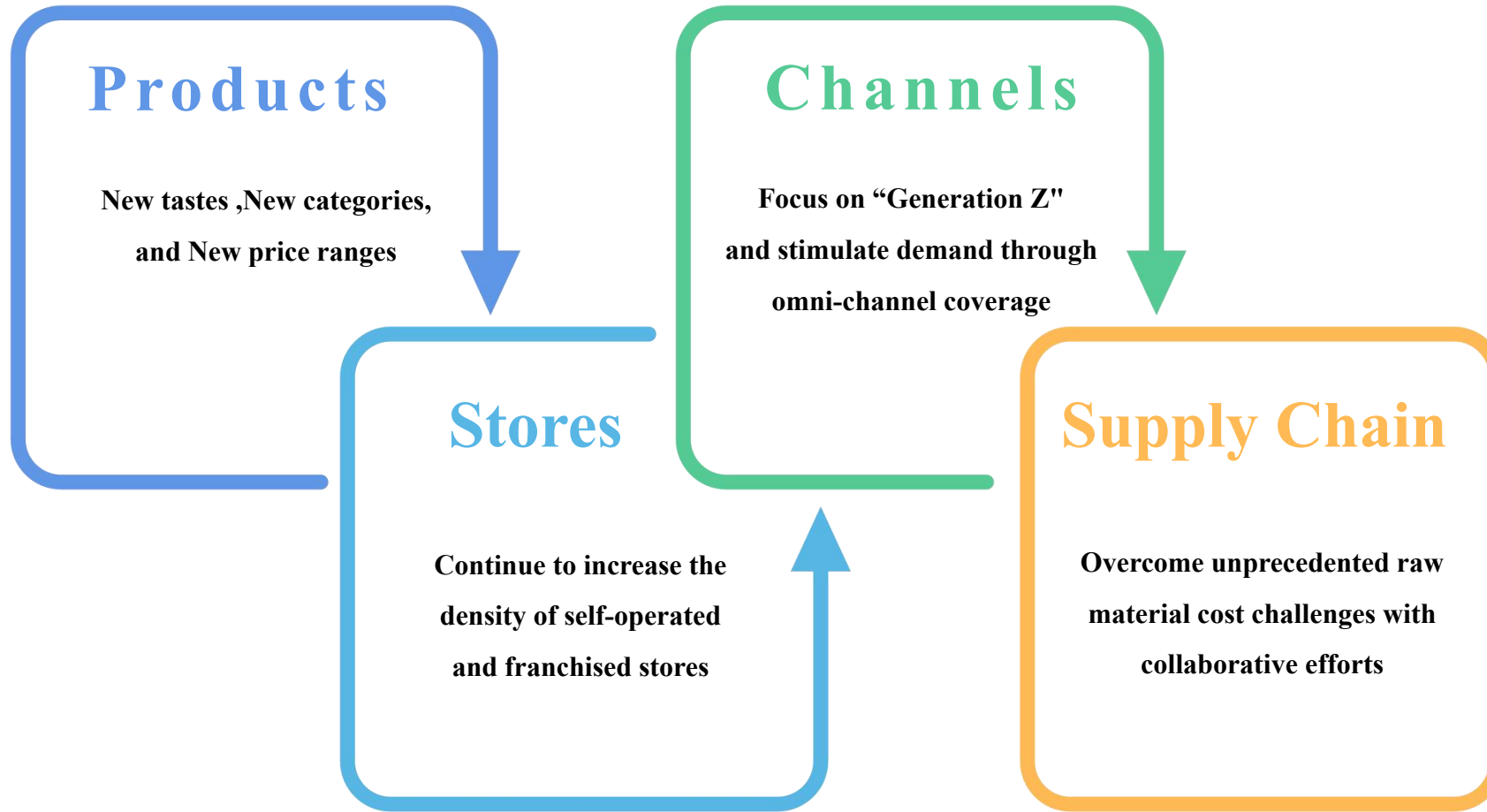
Outlook



宠物经济 z世代
 平替 实用 实用 实用
 环保 City Walk 兴趣消费 实用 地摊经济 可持续 居家消费 极简主义
实惠 治愈 实惠
平替 治愈 实惠
健康消费 即时满足 囤货消费
直播
理性消费 直播 实用
物美价廉 拼团 实用
性价比 演唱会 地摊经济
治愈 治愈 断舍离
z世代 旅行 松弛生活
实用 断舍离
z世代 露营 国货
性价比 性价比 国货 可持续
极简主义 居家消费
兴趣消费 z世代 实用
线上消费
内容种草 演唱会
促销 健康消费
打赏
精打细算 补偿
直播



Reinforce Brand Penetration in New Environment and Overcome Unprecedented Cost Challenges





New Tastes, New Categories, New Price Ranges, Deeper Brand Penetration

New Tastes - Focus on Slightly Spicy Lovers

New Categories - More Crayfish-ball Flavors

New Price Ranges - More SKUs at RMB 9.9



Terminal Sales(Including Tax) Reached Nearly RMB 300 Million in 1H2023

Terminal Sales(Including Tax) of Pop-ups Crayfish-ball Exceeded RMB 120 Million in 1H2023

Total Sales Volume of Chicken Legs Series Exceeded 960 Thousand within 2 Months

◆ Terminal Sales(Including Tax) of New Products Accounted for **More Than 20%** in 1H2023





Make Targeted Layouts for Different Retail Scenarios

Transportation Hubs



Enhanced and solidified the channel advantages

In 1H2023, the number of stores reached 224



Store in Nanjing

Shopping Zones, Commercial Complexes and Supermarkets



Steady store expansion according to environment changes

In 1H2023, the total number of stores reached 2232



Store in Wuhan

Communities



Focus on the layout of young people gathering communities

In 1H2023, the total number of stores reached 860



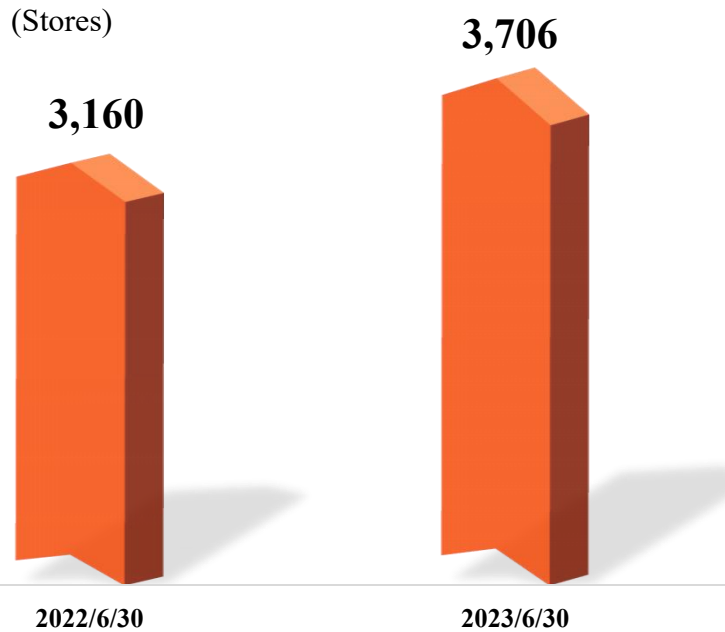
Store in Shanghai

2023
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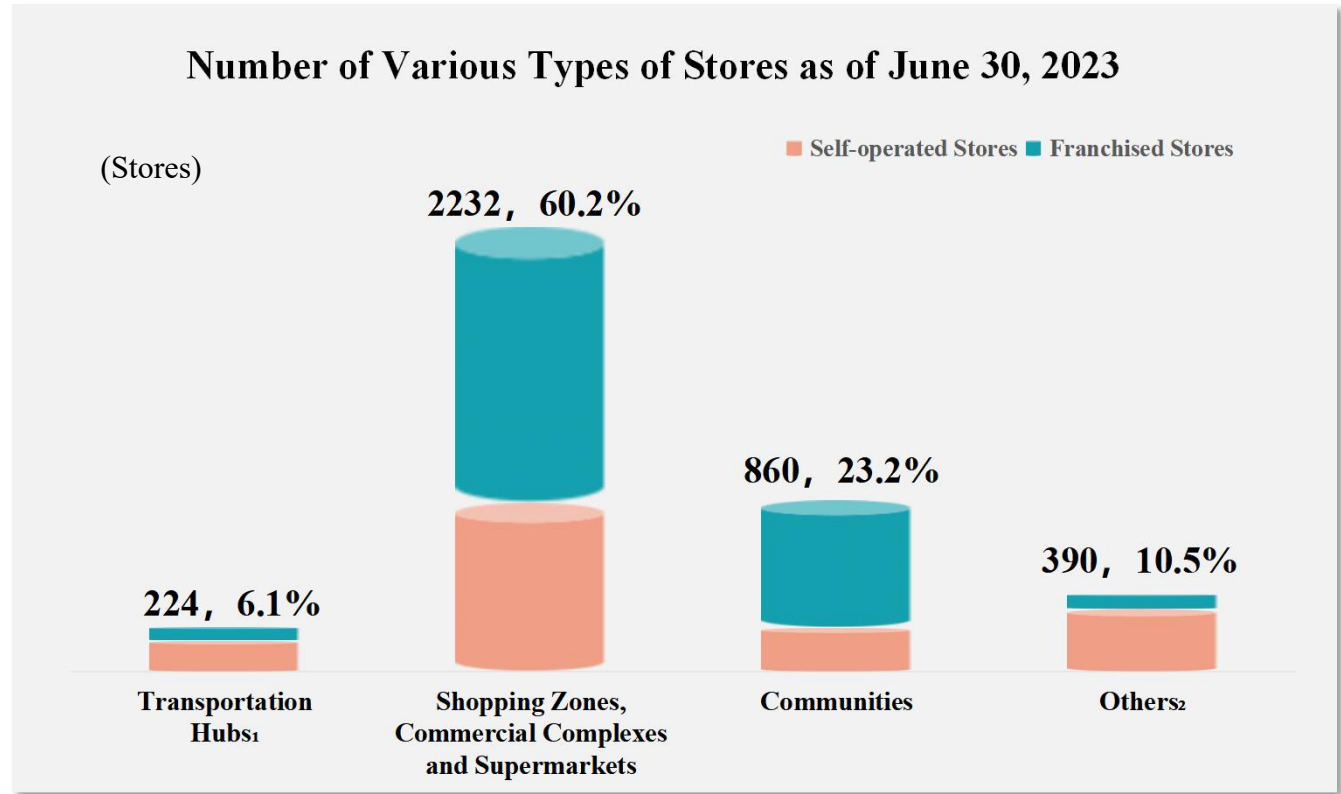


Steady Store Expansion for Sustainable Development

Total Number of Stores



Number of Various Types of Stores as of June 30, 2023



1. Include stores located in airport and train station.

2. Include stores located in metro stations, school campuses, sightseeing points, bus terminals and service areas.





Increase the Penetration into All Channels

Ordering and Delivery Business

Take measures such as customizing product packages by scene, stratifying operations at different times



Terminal Sales(Including Tax) Amounted to **RMB 390 Million**
 Almost **1500 Stores** Extend Opening Hours
 Terminal Sales(Including Tax) of Late-Night* Snacks Amounted to Nearly **RMB 57 Million**

Community Fresh Grocery Platforms

Add New SKUs and meet the need of cost-effective consumption.



Gross Sales(Including Tax) Amounted to Approximately **75 Million**



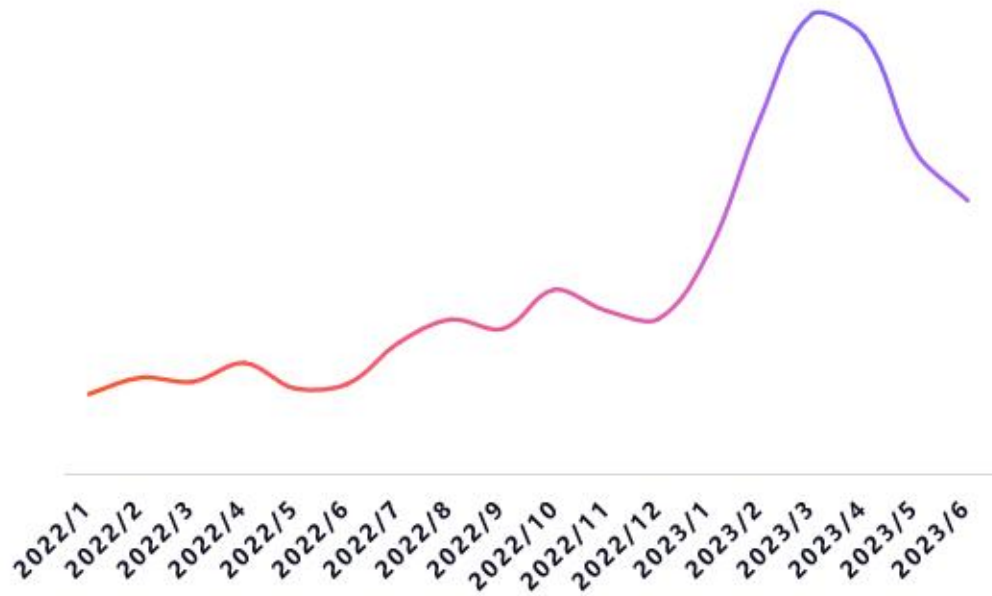
*Opening hours after 21:00





Overcome Unprecedented Cost Challenges, Effectively Achieve GPM of 52.5%

Duck Raw Price Trend From 2022 to June 2023



Data source: Company Research



Prospective Study and
Make Layouts in Advance

Flexible Purchasing and
Stocking up at Low Prices

Precise Terminal
Discount Control

Duck neck prices **began to soar from the first quarter** in 1H2023, while the prices in the second quarter has fallen, which yet **remained at the high level**





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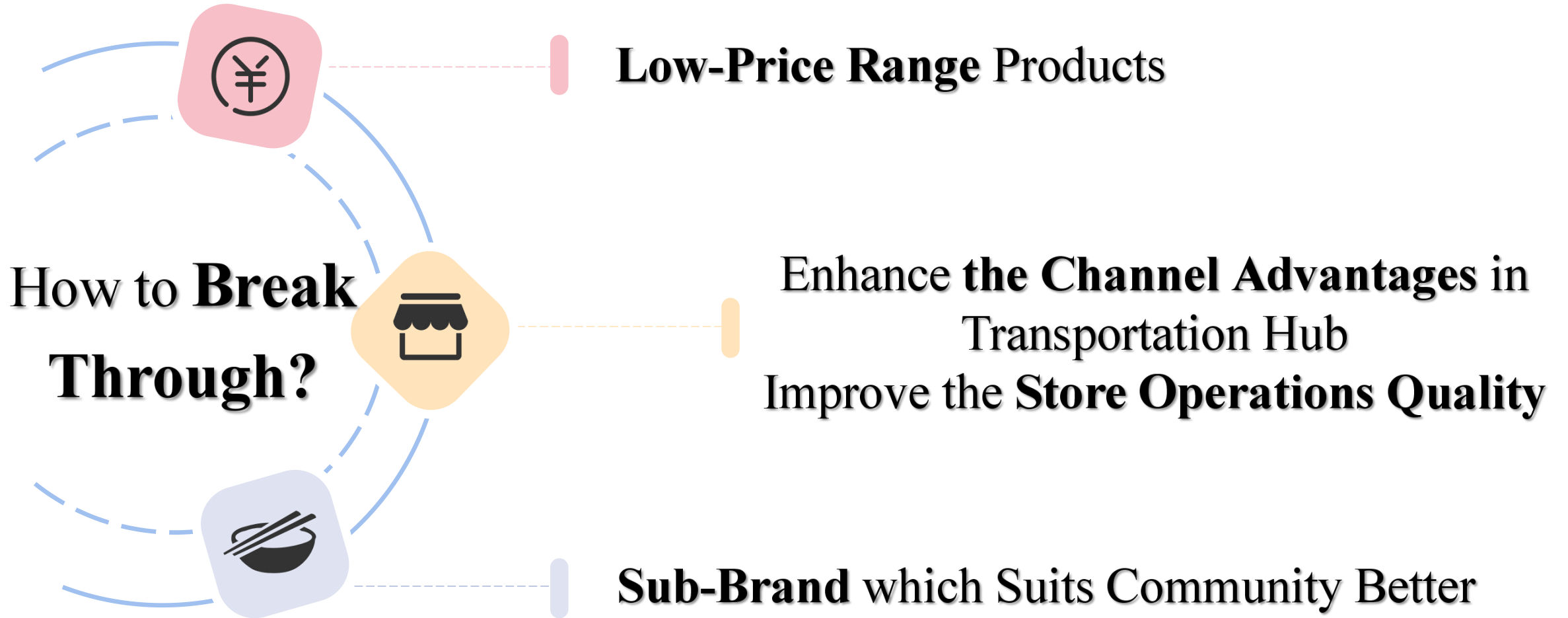
Strategy Review

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Future Outlook





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