



# **Nayuki Holdings Limited**

## **2023 Annual Results Presentation**



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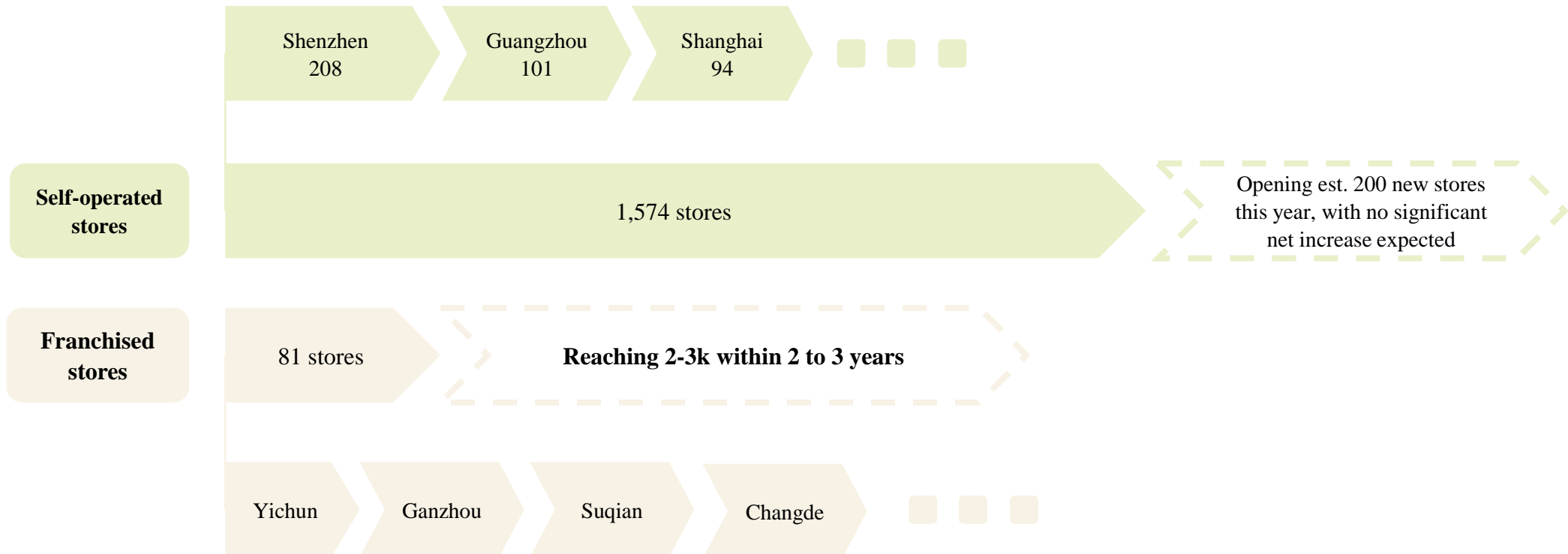
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# I. Business overview

# Penetrating low-tier cities by franchising



\* Cities and number of stores were as at the end of the period. Only four cities with highest number of franchised stores were shown.

## Franchised store recorded favorable performance



## South and Central China had better profitability, and cities with a higher proportion of fixed costs were more affected



For the year ended 31 Dec					
		2023	2022	2023	2022
	Number of same stores <sup>(1)</sup> (#)	Average daily sales per store (RMB'000)		Store-level operating margin <sup>(2)</sup> (%)	
Shenzhen	143	<b>16.0</b>	17.4	<b>23.4%</b>	17.7%
Shanghai	57	<b>11.5</b>	11.1	<b>14.0%</b>	3.6%
Guangzhou	68	<b>11.5</b>	12.4	<b>18.7%</b>	13.4%
Wuhan	51	<b>10.7</b>	11.5	<b>19.0%</b>	11.3%
Xi'an	38	<b>13.1</b>	13.6	<b>25.0%</b>	18.4%
Beijing	54	<b>11.9</b>	11.5	<b>12.5%</b>	4.9%

(1) Only stores that have been open for no less than 60 days in both the current and the same period last year, and have not closed at the end of the current period are included.

(2) The operating profit margin of the stores shown in this table excludes the impact of one-time opening expenses.

## First-tier, third-tier and other cities had higher profit margins relatively

As at and for the year ended 31 Dec 2023

	Number of teahouses <sup>(1)</sup> (#)	Average daily sales per teahouse (RMB'000)	Store-level operating margin <sup>(2)</sup> (%)
Type-I teahouses	1,105	11.1	18.3
Type-II teahouses	288	8.5	20.4

As at and for the year ended 31 Dec 2023

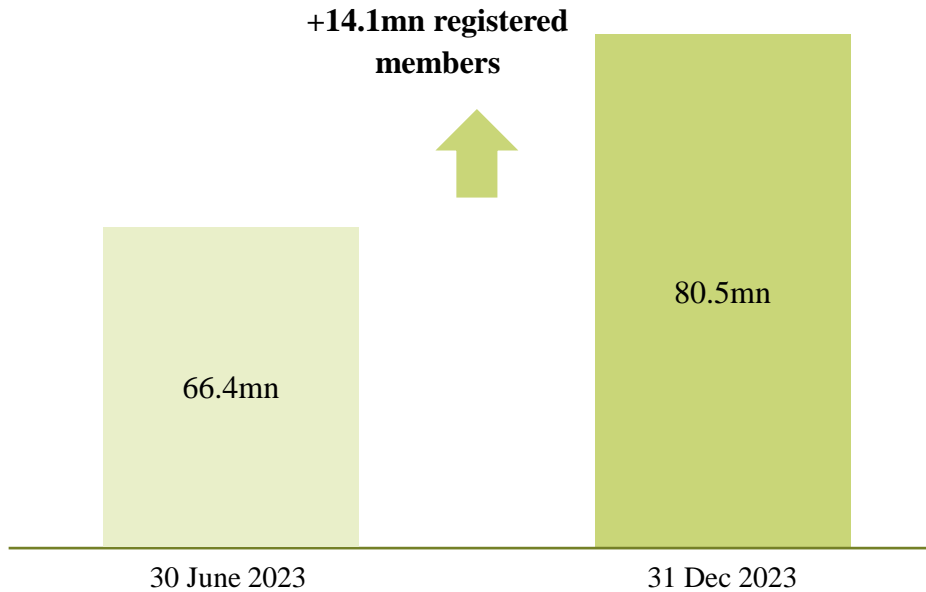
	Number of teahouses <sup>(1)</sup> (#)	Average daily sales per teahouse (RMB'000)	Store-level operating margin <sup>(2)</sup> (%)
1 <sup>st</sup> tier cities	480	12.7	19.6
New 1 <sup>st</sup> tier cities	480	9.5	17.3
2 <sup>nd</sup> tier cities	302	9.6	18.1
3 <sup>rd</sup> tier and other cities	131	9.7	19.6

(1) Only stores that have been open for no less than 60 days during and not closed at the end of the period are included.

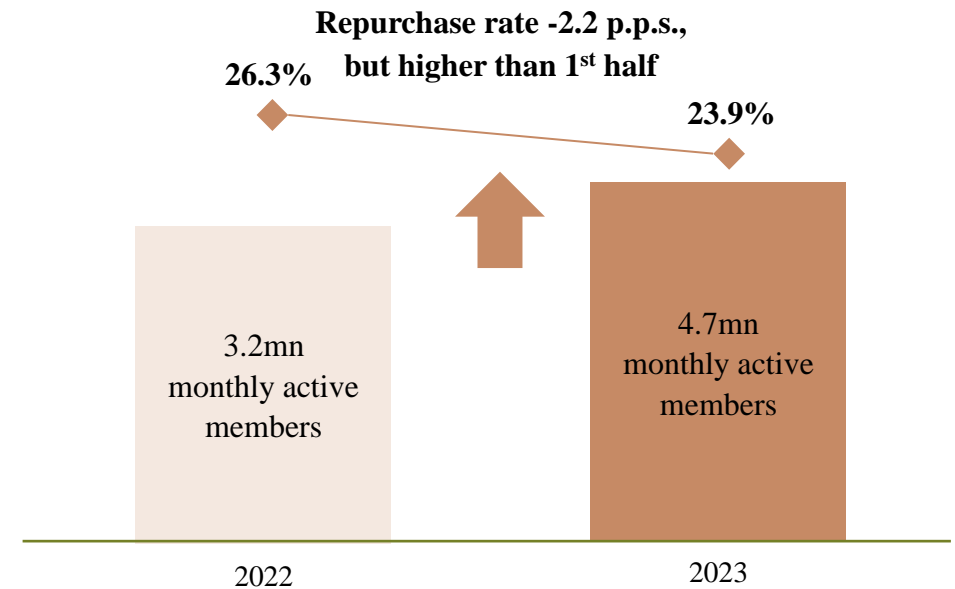
(2) The operating profit margin of the stores shown in this table excludes the impact of one-time opening expenses.

# Number of members continued to grow, and member activity and repurchase rates to improve

## High value-to-cost classic products attract new members



## Monthly repurchase rate higher than 1H2023



\* Repurchase rate: the monthly average of the proportion of members who purchased company products at least once per month to members who purchased at least twice during the period.



## Focused on health and professional quality; reshaped classics and launch Nayuki's drinkable perfume - "Nayuki Fragrant Octet" series

- Consumers in overseas markets also pay attention to health, and Nayuki has the professional ability to quickly localize;
- Based on consumer feedback, the most representative eight tea drinks, namely, "Nayuki Fragrant Octet", were selected;
- The formulas of all tea drinks have been upgraded to allow more young people to experience the charm of traditional tea aroma.



**奈雪的茶 8周年答题活动!**  
答案附上!!

时间: 11月30号-12月6号每天有获得三次机会!

品牌类型:

- 1.奈雪食品特色是“绿色”
- 2.今年是奈雪的第八“年”(她创立于2014)
- 3.奈雪的第一家店在“深圳”
- 4.奈雪女孩IP诞生在“2021”年

饮品类型:

- 1.金奖茉莉初雪,将茉莉花与雅安绿茶调制,“丁”重一斤茶才能制作而成
- 2.与碧兰法联名的是“霸气东方石糖”
- 3.2023七夕上新的是“荔枝玫瑰”
- 4.今年的新成长小料是“米布丁”
- 5.2021奈雪上新的油柑产品是“霸气玉油柑”
- 6.罗汉果糖取自“罗汉果”
- 7.霸气杨梅诞生于“2015”年

奈雪八香,买一送一  
奈雪八香 可以喝的“香水”  
8周年·请你喝一杯

12.07	12.08
12.09	12.10
12.11	12.12
12.13	12.14

已领取,查看优惠券去使用

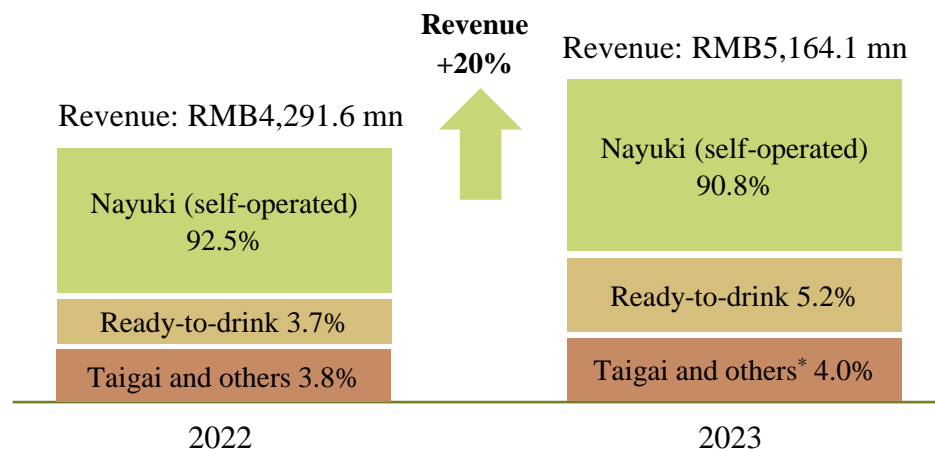
奈雪的茶八周年攻略来啦!!快冲!(附答案)  
啊啊啊啊到底是谁拥有了显赫包包!!  
尊那好想要  
#奈雪的茶 #奈雪新品奈雪的茶 #奈雪 #攻略

奈雪八连送,一周的奶茶有着落了  
#奈雪 #一起喝奶茶 #奈雪新品 #奈雪八周年  
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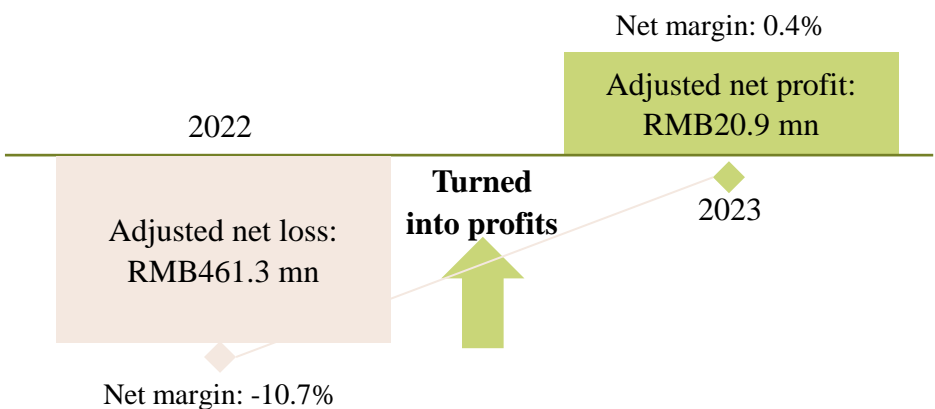
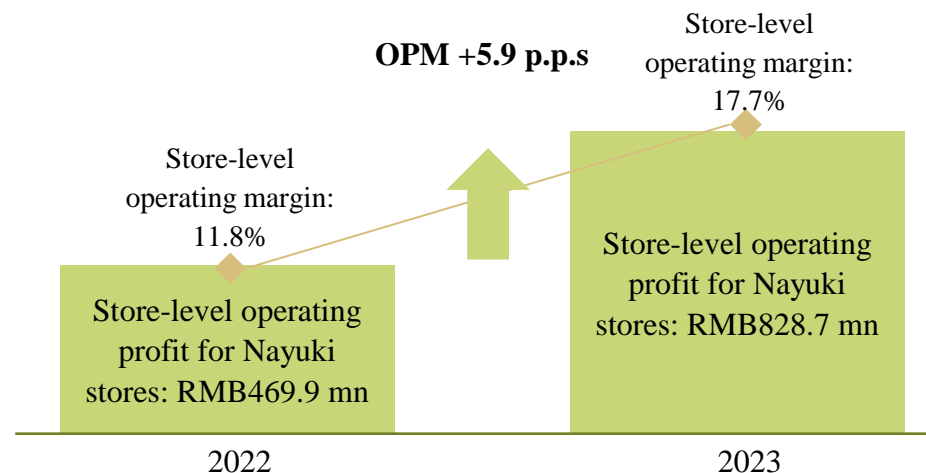
## II. Financial performance

## Maintained satisfactory store-level profitability, helping to turn losses into profits throughout the year

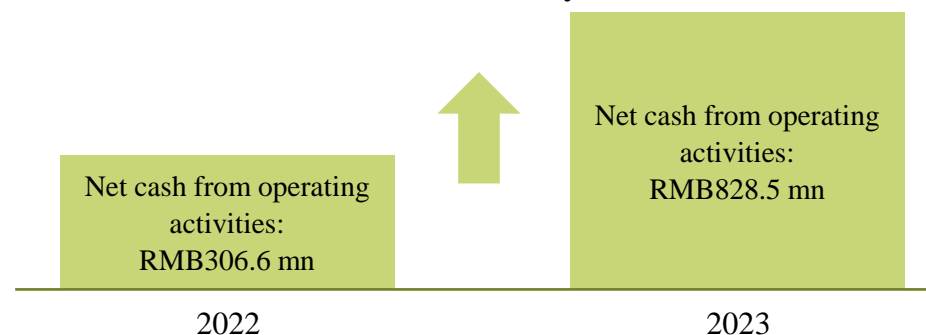
### Significant revenue growth led to full year profits



### Stores maintained satisfactory profitability



### OCF+170%, achieving positive free cash flow for the whole year



\* Revenue recorded from the franchise sector included

## The proportion of bakery products has further declined, while the proportion of takeaway has remained relatively stable



## Cost optimization achieved considerable results

(RMB mn; %)	2023	2022
Revenue	<b>5,164.1</b>	4,291.6
Cost of materials	<b>1,699.4</b>	1,416.1
<i>% of revenue</i> →	<b>32.9%</b>	33.0%
Staff costs:	<b>1,403.9</b>	1,362.1
<i>% of revenue</i> ↓	<b>27.2%</b>	31.7%
Nayuki teahouses	<b>954.6</b>	931.1
<i>% of Nayuki revenue</i> ↓	<b>20.3%</b>	23.5%
Ready-to-drink	<b>73.4</b>	Not disclosed
<i>% of RTD revenue</i>	<b>27.5%</b>	N/A
Headquarters	<b>375.9</b>	402.5
<i>% of revenue</i> ↓	<b>7.3%</b>	9.4%
Depreciation of right-of-use assets	<b>411.6</b>	434.9
<i>% of revenue</i> ↓	<b>8.0%</b>	10.1%
Other rentals and related expenses	<b>306.3</b>	229.0
<i>% of revenue</i> ↑	<b>5.9%</b>	5.3%

	2023	2022
Ready-to-drink	<b>304.4</b>	263.2
<i>% of RTD revenue</i> →	<b>5.9%</b>	6.1%
Headquarters	<b>165.8</b>	142.9
<i>% of revenue</i> →	<b>3.2%</b>	3.3%
Depreciation of right-of-use assets	<b>392.6</b>	380.5
<i>% of revenue</i> ↓	<b>7.6%</b>	8.9%
Other rentals and related expenses	<b>143.9</b>	113.6
<i>% of revenue</i> →	<b>2.8%</b>	2.6%
Ready-to-drink	<b>140.8</b>	123.1
<i>% of RTD revenue</i> →	<b>2.7%</b>	2.9%
Headquarters	<b>261.3</b>	249.6
<i>% of revenue</i> ↓	<b>5.1%</b>	5.8%
Depreciation of right-of-use assets	<b>65.9</b>	80.3
<i>% of revenue</i> ↓	<b>1.3%</b>	1.8%

\* Mainly in the form of interest on lease liabilities as a non-cash item; the Company has no interest-bearing debt.

## III. Outlook

## Franchising to maintain rapid growth; low-double-digit new overseas stores

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### Maintain the goal of opening 2-3k franchised stores in 2-3 years

- The franchise policy was updated in February 2024, the investment requirement has been reduced by nearly half to RMB580,000, and the area requirement also reduced from 90 to 40 m<sup>2</sup>;
- As of now, there are about 400 prospective franchised stores;
- 2024 goal: high hundreds of franchise stores at the end of the year.

### Go deep into Southeast Asia and enter the United Kingdom and the United States

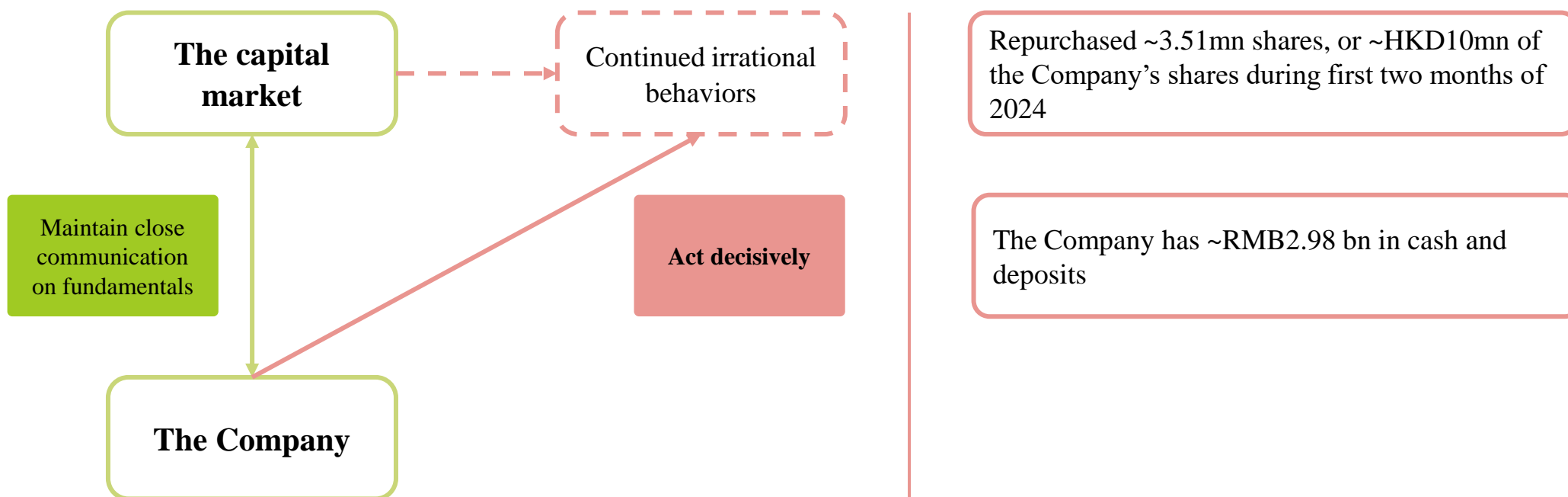
- Plans to open stores in Hong Kong, China and Macau, China, as well as Southeast Asia, the United Kingdom, the United States and other countries and regions;
- Use self-operated stores to enter the markets, while franchising is a possibility in the future;
- 2024 goal: low-double-digit new overseas stores at the end of the year.

## Revenue was under pressure, leading to labor cost rebounds, and store-level profitability still has room for improvement.

(%)	2023 management account	2022 management account	Remarks
Store-level labor costs	20.3	23.5	The guidance is that the labor cost rate will be stable within 20%. In 2H2023, the same store was under pressure and labor cost % rebounded slightly.
Real rent	14.5	15.5	Achieved the goal of maintaining the real rental cost rate within 15%
Delivery service fees	8.2	9.4	Delivery fee % remained relatively high
Cost of materials, Utility expenses, and D&A of other assets	39.3	39.7	The cost rate of raw materials remained stable; utility expenses are mostly floating costs, while D&A of other assets mostly fixed
Store-level operating margin	17.7	11.9	We remain committed to achieving our store-level operating margin goal of 20% or above



## Repurchased ~HKD10mn, will continue to act decisively in the future



奈雪的茶