

What’s Hot Today:

► **Haidilao (6862.HK, HK\$17.62, HK\$98.2bn)**

2024 Results Better than expected

Haidilao reported its 2024 results with revenue of RMB42.8bn (+3% YoY) and net profit of RMB4.7bn (+5% YoY), better than expected (consensus bottom line: RMB4.5bn). The revenue was driven by a 5% increase in customer visits and improved operational efficiency, which offset the ASP drop. GPM/OPM were up 3.0/1.1ppts to 62.1/15.1%, mainly due to drop in raw material cost. Haidilao declared a final dividend of HK\$0.507 per share with a robust dividend payout ratio of 95%.

Key operational metrics shown resilience: average table turnover improved to 4.1 times/day (2023: 3.8), while same-store sales grew by 3.0% YoY system-wide. However, average spending per guest dipped slightly to RMB97.5 (2023: RMB99.1). The company blamed the weakness to regional pricing adjustments and a change in product mix. Cost optimization continues, with raw material costs declining 4.3% YoY due to locked-in procurement prices and supply chain efficiencies. Staff costs rose 8.2% YoY, due to wage hikes and talent retention initiatives.

Outlook: Haidilao adopted a cautious expansion strategy in 2024, closing 70 underperforming stores while opening 59 self-operated and 13 franchised outlets. It aims to grow the number of shops by mid-single-digit in 2025 with a focus on lower-tier cities.

Valuation: Haidilao is trading at 17.5x FY25 P/E.

(Research Department)

China & HK Indices	CLOSE	1D	YTD
HSI	23,483	0.6%	17.1%
HSCBI	8,654	0.4%	18.7%
HSCCI	3,849	0.1%	1.8%
CSI300	3,919	-0.3%	-0.4%
Shanghai A	3,530	-0.0%	2.8%
Shanghai B	274	1.1%	2.8%
Shenzhen A	2,140	0.4%	4.5%
Shenzhen B	1,232	0.4%	1.6%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	42,454	-0.3%	-0.2%
S&P 500	5,712	-1.1%	-2.9%
Nasdaq	17,899	-2.0%	-7.3%
NIKKEI Index	37,738	-0.8%	-5.4%
FTSE Index	8,689	0.3%	6.3%
CAC Index	8,030	-1.0%	8.8%
DAX Index	22,839	-1.2%	14.7%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	3,019	-0.0%	15.2%
STEEL (US\$/oz.)	1,939	0.4%	8.6%
SILVER (US\$/oz.)	33	-0.3%	16.6%
CRUDE OIL (US\$/bbl)	69	-22.5%	-2.7%
COPPER (US\$/oz.)	9,927	-0.3%	13.2%
ALUMINIUM (US\$/oz.)	2,607	-0.3%	2.2%
PLATINIUM (US\$/oz)	977	-0.4%	7.7%
ZINC (US\$/oz.)	2,956	0.3%	-0.8%
WHEAT (US\$/bu)	535	-1.5%	-3.1%
CORN (US\$/bu)	451	-1.4%	-3.1%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,001	-0.1%	-2.0%
PVC (US\$/t.)	N/A	N/A	-2.7%
CRB	307	0.2%	3.0%
BDI			64.7%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.776	0.930	150.570	0.884	7.268
HKD	0.129		0.120	19.365	11.364	0.935
EUR	1.075	8.362		161.920	1.052	7.817
JPY	0.007	5.164	0.618		0.587	0.048
CHF	1.131	8.799	1.052	170.372		8.215
RMB	0.138	1.070	0.128	20.703	0.122	

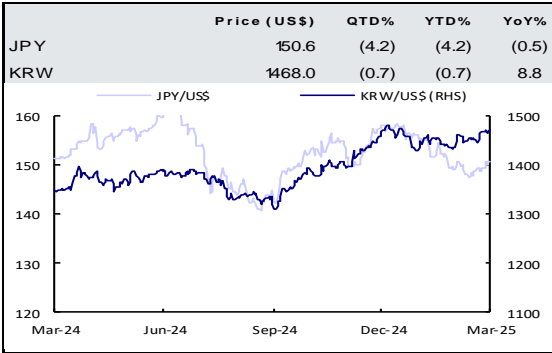
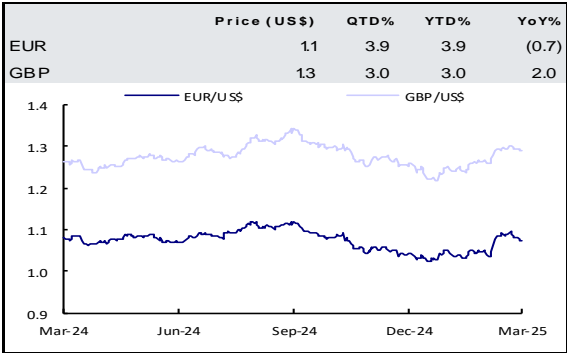
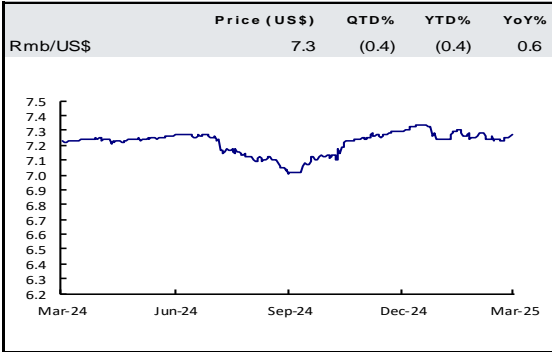
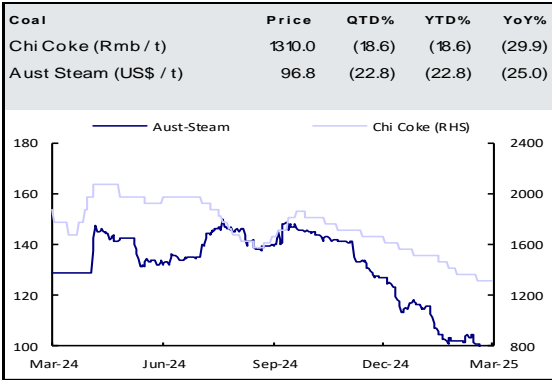
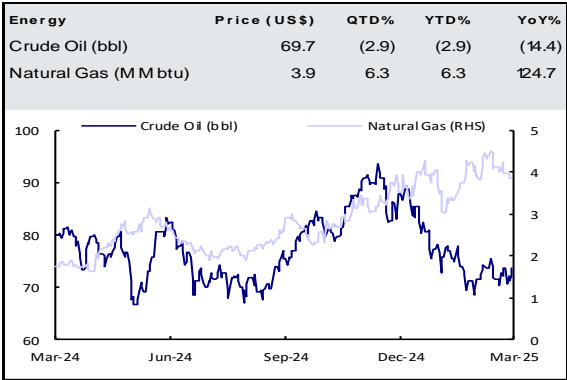
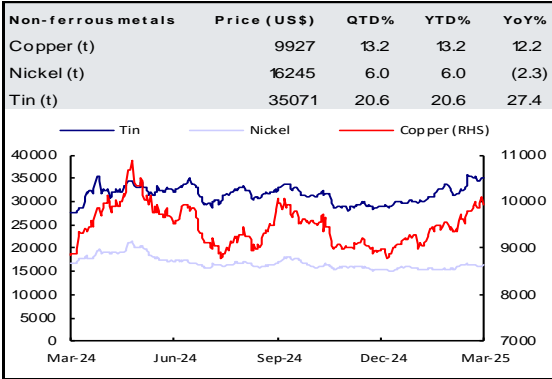
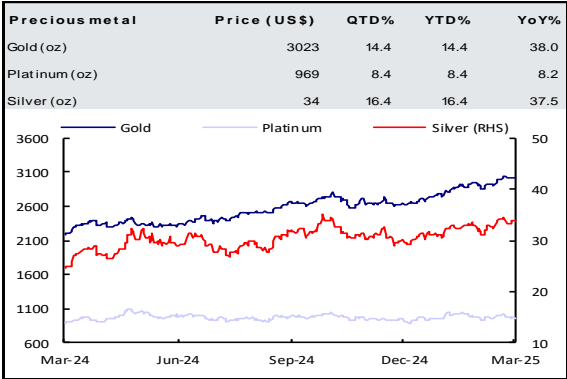
Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	18	-7.9%
Source: Bloomberg		

Latest Research Reports		
Date	Company	Analyst
20/12/2024	Aeon Credit (900 HK)	Howard Wong
27/09/2024	Aeon Credit (900 HK)	Ensley Liu
29/02/2024	Xinyi Solar (968.HK)	Research Department
29/02/2024	Xinyi Energy (3868.HK)	Research Department
26/02/2024	Conant Optical (2276.HK)	Research Department
05/01/2024	Aeon Credit (900 HK)	Ensley Liu
13/10/2023	Aeon Credit (900 HK)	Howard Wong
17/04/2023	Xtep International (1368 HK)	Eason Cui
14/04/2023	Perfect Medical (1830 HK)	Research Department
03/04/2023	Meidong Auto (1268 HK)	Eason Cui
31/03/2023	Prosperous Industrial (1731 HK)	Research Department

Kingsway coverage list

Name	Ticker	Market Cap (HK\$'m)	Price (HK\$)	1D (%)	Rec.	TP (HK\$)	Upside (%)	PER (X)*			Dividend FY2	Absolute performance			Latest update date
								Hist	FY1	FY2		5D%	1M%	3M%	
HANG SENG INDEX	HSI		23,483.32	0.6				11.1	10.5	9.7	3.5%	(5.2)	(1.0)	16.9	
HANG SENG CHINA ENT IND	HSCEI		8,654.26	0.4				10.4	10.5	10.0	3.1%	(5.6)	(0.9)	18.5	
CSI 300 INDEX	SHSZ300		3,919.36	(0.3)				15.7	15.1	13.1	2.9%	(2.3)	(1.2)	(1.5)	
FUYAO GLASS	3606 HK	157,379	56.00	(0.4)	LONG	41.50	(25.9)	18.2	15.3	13.3	4.1%	(0.6)	2.9	1.1	1-Sep-20
BEUR	3718 HK	1,280	0.36	0.0	LONG	1.80	400.0	50.0	4.0	3.4	9.2%	(1.4)	(4.0)	(23.4)	30-Mar-21
BINJIANG SERVICES	3316 HK	7,311	26.45	4.1	LONG	23.50	(11.2)	12.5	10.6	9.3	6.7%	0.2	21.6	31.9	N/A
BYDE	285 HK	92,832	41.20	(2.9)	NEUTRAL	17.60	(57.3)	20.4	14.8	11.7	2.2%	(18.1)	(26.4)	(5.0)	N/A
CHINA LILANG	1234 HK	4,526	3.78	1.1	LONG	5.32	40.7	9.2	7.3	6.6	9.7%	(1.0)	(8.5)	(2.3)	N/A
CHINASOFT INTL	354 HK	15,054	5.51	0.2	LONG	12.80	132.3	21.1	20.1	16.2	1.1%	(9.1)	(11.7)	6.6	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	2,622	2.67	0.4	LONG	8.70	225.8	5.6	N/A**	N/A**	N/A**	0.0	(10.7)	(27.2)	26-Feb-20
DUIBA GROUP	1753 HK	240	0.22	6.2	LONG	5.55	2388.8	N/A**	N/A**	N/A**	N/A**	9.9	(20.4)	(8.2)	N/A
EDVANTAGE GROUP	382 HK	2,333	1.98	0.5	LONG	4.50	127.3	2.9	2.7	2.7	11.0%	(7.5)	(3.4)	(7.5)	3-May-22
EVERGREEN PG	1962 HK	323	0.50	1.0	LONG	1.75	250.0	7.9	N/A**	N/A**	N/A**	(2.0)	1.0	8.7	26-Jan-21
HUAHONG SEMI	1347 HK	63,550	32.65	0.0	NEUTRAL	26.30	(19.4)	123.9	47.2	29.6	0.0%	(13.9)	(12.1)	46.4	29-Jul-21
KINGDEE INTL	268 HK	46,828	13.20	4.8	NEUTRAL	17.62	33.5	N/A**	262.5	97.9	0.0%	(15.2)	(0.9)	49.8	20-Aug-20
MEIDONG AUTO	1268 HK	3,460	2.57	6.2	LONG	19.76	668.9	N/A**	8.0	5.3	7.2%	(1.2)	21.8	18.4	3-Apr-23
MINGYUAN CLOUD	909 HK	6,084	3.15	2.3	NEUTRAL	28.00	788.9	N/A**	N/A**	294.4	1.0%	(11.3)	(16.4)	11.7	N/A
PLOVER BAY TECH	1523 HK	7,000	6.35	5.7	LONG	1.70	(73.2)	23.6	19.4	16.0	0.7%	9.9	20.6	41.0	6-Aug-20
POU SHENG INTL	3813 HK	3,089	0.58	1.8	LONG	2.80	382.8	5.7	5.4	4.7	12.4%	(1.7)	1.8	13.7	16-Nov-20
Q TECH	1478 HK	9,595	8.10	(0.5)	NEUTRAL	4.97	(38.6)	32.2	17.3	14.3	1.3%	(9.5)	7.3	25.0	10-Aug-22
SUNNY OPTICAL	2382 HK	82,384	75.25	(2.2)	LONG	160.80	113.7	28.3	23.4	19.5	1.0%	(15.0)	(19.9)	6.5	17-Aug-22
TRYLY INTL	732 HK	3,509	1.11	0.0	LONG	2.80	152.3	11.6	N/A**	N/A**	N/A**	(5.1)	(11.2)	(2.6)	8-Apr-21
XINYI ENERGY	3868 HK	8,042	0.96	0.0	LONG	1.62	68.8	10.1	7.8	7.1	7.2%	(7.7)	14.3	24.7	29-Feb-24
XINYI GLASS	868 HK	34,770	7.98	0.1	LONG	18.60	133.1	10.0	7.9	7.3	6.4%	(3.2)	2.0	0.0	28-Feb-23
XINYI SOLAR	968 HK	28,869	3.18	1.0	LONG	7.20	126.4	26.0	13.9	10.3	4.1%	(7.6)	(11.7)	2.3	29-Feb-24
XTEP INTL	1368 HK	14,233	5.13	0.2	LONG	11.91	132.2	9.3	9.4	8.5	5.6%	(7.6)	(4.5)	(10.2)	17-Apr-23
YONGDA AUTO	3669 HK	5,203	2.75	1.5	LONG	6.73	144.7	17.6	21.2	12.7	3.7%	(13.8)	(6.5)	12.2	28-Mar-23
YUEXIU PROPERTY	123 HK	21,455	5.33	0.9	LONG	13.00	143.9	7.1	6.4	6.1	6.1%	(6.7)	(4.3)	4.1	10-Feb-23
WEIMOB	2013 HK	6,906	1.91	0.0	LONG	14.40	653.9	N/A**	N/A**	148.8	0.0%	(18.4)	(28.2)	(43.0)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Durable Goods Orders	MoM		26-Mar-25
Initial Jobless Claims	WoW		27-Mar-25
Wholesale Inventories	MoM		27-Mar-25
GDP	QoQ		27-Mar-25
Personal Income & Spending	MoM		28-Mar-25
ISM Manufacturing PMI	MoM		1-Apr-25
Factory Orders	MoM		2-Apr-25
Trade Balance	MoM		3-Apr-25
Employment Report	MoM		4-Apr-25
CPI	MoM		10-Apr-25
PPI	MoM		11-Apr-25
Business Inventories	MoM		16-Apr-25
Retail Sales	MoM		16-Apr-25
Industrial Production	MoM		16-Apr-25
Housing Starts / Building Permits	MoM		17-Apr-25
New home Sales	MoM		23-Apr-25
Existing Home Sales	MoM		24-Apr-25
Consumer Confidence	MoM		29-Apr-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		31-Mar-25
Foreign Exchange Reserves	QoQ		7-Apr-25
Money Supply - M2	MoM		9-Apr-25
PPI	MoM		10-Apr-25
CPI	MoM		10-Apr-25
Trade Balance	MoM		14-Apr-25
Retail Sales	MoM		16-Apr-25
Industrial Production	MoM		16-Apr-25
GDP	YoY		16-Apr-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		31-Mar-25
Retail Sales	MoM		31-Mar-25
PMI	MoM		3-Apr-25
Foreign Currency Reserve	MoM		7-Apr-25
Unemployment Rate	MoM		22-Apr-25
CPI	MoM		23-Apr-25
Trade Balance	MoM		28-Apr-25
GDP	QoQ		2-May-25
Producer Prices Index	QoQ		12-Jun-25
Industrial Production	QoQ		12-Jun-25
Composite Interest Rate	MoM		

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