Morning Snapshot

SUNWAH KINGSWAY

新華滙富

Hong Kong & China Market Daily

18 June 2025

What's Hot Today:

Café de Coral (341 HK, HK\$7.05, HK\$4bn) topline pressure remained

Topline inline yet profitability largely missed. Café de Coral (CDC), a leading fast food chain in Hong Kong, reported its March ending 2025 (FY3/25) results with revenue of HK\$8.6bn, slightly down by 1.4% YoY. GPM contracted by 1ppts YoY to 10.4%, mainly due to rising staff and rental costs, leading to a 28% YoY drop in operating profit. Net profit stood at HK\$233mn, down 30% YoY, 20% below expectations. The company declared a final dividend of 25 HK cents. Including the interim dividend of 15 HK cents, total dividend down 29% YoY even at a payout ratio of 99.7%.

HK market - more promotions to stimulate demand. To attract pricesensitive consumers, CDC implemented more promotions and leveraged its "Club 100" membership program to distribute discount coupons. Hence, Quick Service Restaurants (QSR), including Café de Coral and Super Super Congee & Noodles(一粥面), remained stable at HK\$5.1bn. While Casual Dining segment decreased by 6.4% YoY to HK\$823mn, mainly due to weak consumer sentiment and HK residents spending more in mainland China. Institutional Catering dropped LSD YoY to HK\$1.0bn.

Mainland China market - prudent expansion. The revenue of this segment dipped by 1% YoY to HK\$1.5bn, accounting for 17% of total. While segment profit declined by 9% YoY to HK\$163mn. During the reporting period, the group added a net 14 new stores, driving its total network to 185 outlets. An additional 16 new stores are under preparation. Looking forward, CDC will continue its prudent expansion strategy and optimize underperforming stores, with the goal of surpassing 200 outlets in mainland China.

Our view: As the change of local spending continues, HK market remains under pressure. CDC recorded a single-digit SSS decline during April to May 2025 for the HK market. More promotions are expected to increase traffic and narrow SSS decline yet at the expense of margins. As at the end of March 2025, the company had net cash in hand of about HK\$749mn. The counter is trading at 17x FY26 P/E and a yield of 5.5%. (Ensley Liu)

China & F	IK Indic	es		CLOSE	1D	YTD
HSI				23,980	-0.3%	19.5%
HSCEI				8,694	-0.4%	19.3%
HSCCI				4,127	-0.2%	9.2%
CSI300				3,870	-0.1%	-1.6%
Shanghai A				3,550	-0.0%	-4.3%
Shanghai B			255	-0.0%	-4.3%	
Shenzhen A			2,103	-0.1%	2.7%	
Shenzhen B				1,163	0.5%	-4.1%
Key Int'l	Indices			CLOSE	1D	YTD
Dow Jones				42,215	-0.7%	-0.8%
S&P 500				5,982	-0.8%	1.7%
Nasdaq				19,521	-0.9%	1.1%
NIKKEI Inde:	x			38,563	0.1%	-3.3%
FTSE Index				8,834	-0.5%	8.1%
CAC Index					-0.5% -0.8%	
DAX Index				7,683		4.1%
DAX Index				23,434	-1.1%	17.7%
Commod	ities			CLOSE	1D	YTD
GOLD		IS\$/oz.)		3,388	0.1%	29.0%
STEEL	(U	IS\$/oz.)		1,959	0.6%	9.7%
SILVER		IS\$/oz.)		37	2.2%	28.4%
CRUDE OIL	(US\$/bbl)		74	4.3%	4.5%	
COPPER	(US\$/oz.)			9,669	0.2%	10.3%
ALUMINIUM	(US\$/oz.)			2,550	1.9%	-0.0%
PLATINUM		(US\$/oz)		1,264	1.2%	39.2%
ZINC	(US\$/0Z.)		2,638	0.6%	-11.4%	
WHEAT		IS¢/bu)		549	2.3%	-0.5%
CORN	,	S¢/bu)		438	0.9%	-0.9%
SUGAR		IS¢/lb)		N/A	N/A	
SOYBEAN	,	S¢/bu)		1,067	0.7%	4.0%
PVC		IS\$/t.)		N/A	N/A	-6.8%
CRB	,	,		314	1.3%	3.0%
BDI						98.1%
Exchange						
	USD	HKD	EUR	JPY	CHF	RMB
USD		7.850	0.871	145.290	0.816	7.187
HKD	0.127		0.111	18.508	10.402	0.916
EUR	1.148	9.011		166.790	1.067	8.250
JPY	0.007	5.403	0.600		0.562	0.049
CHF	1.225	9.613	1.067	178.018		8.802
RMB	0.139	1.092	0.121	20.228	0.114	
Market S	entime	nt .		CL	IRRENT	5D
CDS Monitor				- 00		- 00
Greece					N/A	N/A
Ireland					83	-2.4%
Italy					139	-0.6%
Portugal					207	-0.0%
Spain					108	0.3%
VIX					21	27.4%
V IA					21	21.4%

Source: Bloomberg

Fig 1: Revenue(HK\$ mn) and YoY



Source: Company Data, Sunwah Kingsway Research





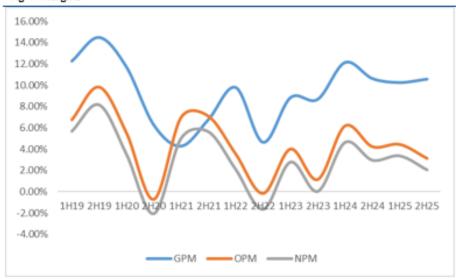
Source: Company Data, Sunwah Kingsway Research

Fig 3: Operating profit(HK\$ mn) and YoY



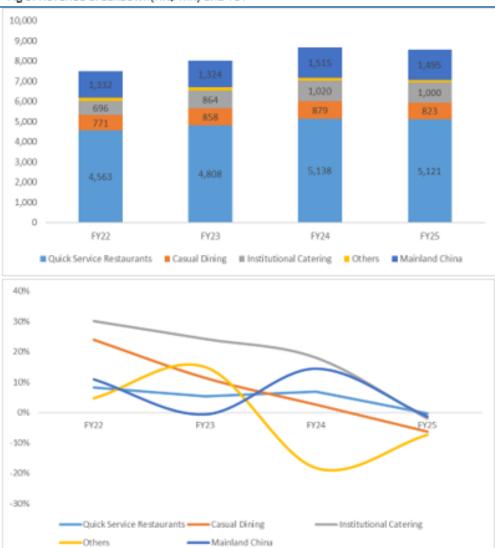
Source: Company Data, Sunwah Kingsway Research

Fig 4: Margins



Source: Company Data, Sunwah Kingsway Research

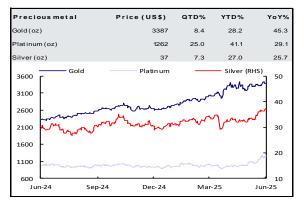
Fig 5: Revenue breakdown(HK\$ mn) and YoY

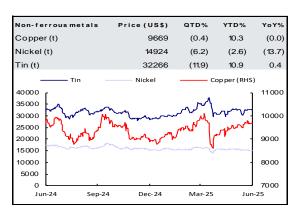


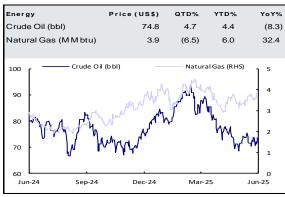
Source: Company Data, Sunwah Kingsway Research

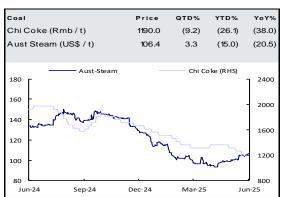


Market Watch - Major Commodities and Currencies



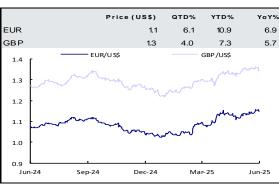














Source: Bloomberg



US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Business Inventories	MoM		17-Jun-25
Retail Sales	MoM		17-Jun-25
Industrial Production	MoM		17-Jun-25
Initial Jobless Claims	WoW		18-Jun-25
Housing Starts / Building Permits	MoM		18-Jun-25
Existing Home Sales	MoM		23-Jun-25
Consumer Confidence	MoM		24-Jun-25
New home Sales	MoM		25-Jun-25
Wholesale Inventories	MoM		26-Jun-25
Durable Goods Orders	MoM		26-Jun-25
GDP	QoQ		26-Jun-25
Personal Income & Spending	MoM		27-Jun-25
ISM Manufacturing PMI	MoM		1-Jul-25
Trade Balance	MoM		3-Jul-25
Factory Orders	MoM		3-Jul-25
Employment Report	MoM		3-Jul-25
CPI	MoM		15-Jul-25
PPI	MoM		16-Jul-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		30-Jun-25
Foreign Exchange Reserves	QoQ		7-Jul-25
Money Supply - M2	MoM		9-Jul-25
PPI	MoM		9-Jul-25
CPI	MoM		9-Jul-25
Trade Balance	MoM		14-Jul-25
Retail Sales	MoM		15-Jul-25
Industrial Production	MoM		15-Jul-25
GDP	YoY		15-Jul-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
CPI	MoM		20-Jun-25
Trade Balance	MoM		26-Jun-25
Money Supply - M2	MoM		30-Jun-25
Retail Sales	MoM		2-Jul-25
PMI	MoM		4-Jul-25
Foreign Currency Reserve	MoM		7-Jul-25
Unemployment Rate	MoM		17-Jul-25
GDP	QoQ		31-Jul-25
Producer Prices Index	QoQ		15-Sep-25
Industrial Production	QoQ		15-Sep-25
Composite Interest Rate	MoM		

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Notice of interest disclosure filed by substantial shareholde Name of listed corporation	Name of substantial share holder	No. of shares bought/sold/involved	Average price per share
China Lesso Group Holdings Ltd.	Zuo Manlun	81,286,088(L)	HKD 4.0900
Grand Pharmaceutical Group Ltd.	Tang Weikun	50,000(L)	HKD 8.9600
			HKD 0.2095
BoT Holding Ltd.	Tong Yuen To	80,000(L)	
SB Inc.	Chen Fei	100,000(L)	HKD 10.3420
M Energy Tech Co., Ltd.	ZHAN HUA FENG	500,000(L)	HKD 0.2300
engyinhe Holdings Ltd.	LIBINGJU	220,000(L)	HKD 3.8000
D Syntrust GK Test and Cert Tech Ser Ctr Co., Ltd H Shares	粤海资产管理有限公司	1,072,000(L)	HKD 10.5200
uanxi Media Group Ltd.	Dong Ping	130,000(L)	HKD 0.4835
uanxi Media Group Ltd.	New w ood Investments Limited	130,000(L)	HKD 0.4835
uanxi Media Group Ltd.	Ning Hao	130,000(L)	HKD 0.4835
uanxi Media Group Ltd.	Pacific Wits Limited	130,000(L)	HKD 0.4835
uanxi Media Group Ltd.	Tairong Holdings Limited	130,000(L)	HKD 0.4835
uanxi Media Group Ltd.		- 17	
	Xu Zheng	130,000(L)	HKD 0.4835
ysan Development Co. Ltd.	Silchester International Investors LLP	900,000(L)	HKD 14.2681
IAX China Holding, Inc.	Chen Jiande	16,186(L)	HKD 8.1600
w ung's Aroma Holdings Ltd.	Chen Jiangyan	21,000,000(L)	HKD 1.0000
v ung's Aroma Holdings Ltd.	DMA Limited	21,000,000(L)	HKD 1.0000
v ung's Aroma Holdings Ltd.	Equiom Fiduciary Services (Hong Kong) Limited	21,000,000(L)	HKD 1.0000
wung's Aroma Holdings Ltd.	Golden Existence Investment Limited	21,000,000(L)	HKD 1.0000
w ung's Aroma Holdings Ltd.	Golden Serene Co., Ltd.	21,000,000(L)	HKD 1.0000
w ung's Aroma Holdings Ltd.	JIN JIANXIN	21,000,000(L) 21,000,000(L)	HKD 1.0000
enovo Group Ltd.	Wong Wai Ming	356,359(L)	HKD 0.0000
Ning Co. Ltd.	Li Ning	1,374,500(L)	HKD 15.1462
Ning Co. Ltd.	Li Qilin	1,374,500(L)	HKD 15.1462
ainmed Medical Ltd B	huang li	13,156,000(L)	HKD 0.2420
ainmed Medical Ltd B	上海同襄灏乾企业管理合伙企业(有限合伙)	13,156,000(L)	HKD 0.2420
ainmed Medical Ltd B	新余同创精选投资管理有限公司	13,156,000(L)	HKD 0.2420
ainmed Medical Ltd B	深圳同创伟业资产管理股份有限公司	13,156,000(L)	HKD 0.2420
ainmed Medical Ltd B			
	深圳市同创伟业创业投资有限公司	13,156,000(L)	HKD 0.2420
ainmed Medical Ltd B	深圳福田同创伟业大健康产业投资基金合伙企业 (有限合伙)	13,156,000(L)	HKD 0.2420
henzhou International Group Holdings Ltd.	Ma Jianrong	30,900(L)	HKD 53.2500
Shenzhou International Group Holdings Ltd.	SPLENDID STEED INVESTMENTS LIMITED	30,900(L)	HKD 53.2500
Sino Land Co. Ltd.	Ng Chee Siong	26,000(L)	HKD 8.3346
BoT Holding Ltd.	Tong Yuen To	75,000(L)	HKD 0.2050
VuXi AppTec Co., Ltd H Shares	Computershare Hong Kong Trustees Limited	1,600,000(L)	HKD 78.7929
Taran pp 100 001, Eta. Tronaido	Computer or larger terrigent actions Elimited	1,000,000(2)	1.0.0 7 0.0 020

Source: HKEx



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