



SMOORE INTERNATIONAL HOLDINGS LIMITED

思摩尔国际控股有限公司

(于开曼群岛注册成立的有限公司)

(Incorporated the Cayman islands with limited liability)

股份代号 Stock Code: 6969

2024年中期业绩发布会

2024 INTERIM RESULTS ANNOUNCEMENT

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01

Key Financials

Key Financials of 2024 Interim Results

RMB: Million	2024 H1	2023 H1	Changes
Revenue	5,037.2	5,122.9	-1.7%
Gross profit	1,914.6	1,855.4	+3.2%
- <i>Gross margin (%)</i>	<i>38.0%</i>	<i>36.2%</i>	<i>+1.8 pp</i>
Distribution and selling expenses	374.5	208.7	+79.5%
- <i>% of total revenue</i>	<i>7.4%</i>	<i>4.1%</i>	<i>+3.3 pp</i>
Administrative expenses	339.2	465.9	-27.2%
- <i>% of total revenue</i>	<i>6.7%</i>	<i>9.1%</i>	<i>-2.4 pp</i>
R&D expenses	760.1	614.7	+23.7%
- <i>% of total revenue</i>	<i>15.1%</i>	<i>12.0%</i>	<i>+3.1 pp</i>
Profit before tax	811.6	796.2	1.9%
- <i>% of total revenue</i>	<i>16.1%</i>	<i>15.5%</i>	<i>+0.6pp</i>
Net profit	683.2	717.3	-4.8%
Earnings per share (RMB cents)	11.2	11.8	-5.1%
Dividend per share (HK\$ cents)	5.0	5.0	-



02

Business Overview

Dedicated to Building the World's Leading Atomization Technology Platform

With atomization technology at the core,
adhering to “leading in technology and manufacturing, atomization-focused diversification and technology branding”



Overview of 2024 Interim Results

Self-branded Business (APV)

Revenue **RMB 1.12Bn**
+71.9% yoy



European and Other Markets

- Revenue of **RMB 929mn**, **+88.0%** yoy
- Directly reaching the end-consumer market, comprehensively promoting digital management



U.S. Market

- Revenue of **RMB 187mn**, **+20.6%** yoy
- Increase marketing and promotion, market expansion, and strengthen the construction of terminal channels

Corporate Client Business (ODM)

Revenue **RMB 3.92Bn**
-12.3% yoy



European and Other Markets

- Revenue of **RMB 1.98Bn**, -16.0% yoy
- The regulatory framework is gradually improving, and the needs of end-consumers are shifting towards compliant products
- **Q2 revenue of pod-based products +93.2% qoq, +22.5% yoy**



U.S. Market


- Revenue of **RMB 1.86Bn**, -9.8% yoy
- The market for compliant products is gradually recovering, and the market share of major customers is ranked first
- **Q2 revenue of pod-based products, +6.1% qoq, +6.5% yoy**



China Market

- Revenue of **RMB 88mn**, **+41.4%** yoy

* Note: The above numbers are rounded to the nearest decimal place and may not be added up due to rounding.



02-1

Core Business

Self-branded Business Sales

Global Leading Brand of Open-system Products

Digitalization drives the leading technology and products



The iterative version of the XROS mouth-to-lung product is highly popular among consumers

Localized sales team
Strengthen international market expansion



Channel penetration to improve terminal coverage



Strengthen market insights
Cater to consumer taste demands



Revenue **RMB1.12Bn**
+71.9% yoy



Revenue of European and other markets **+88.0%** yoy



Revenue of U.S. market **+20.6%** yoy

Corporate Client Business (ODM) - European and Other Markets

The regulatory framework is gradually changing, and the demand for traditional disposable electronic vaping products is shifting towards new closed-system and open-system products

European Markets



TANKER


- Balance and Turbo dual modes, achieving taste differentiation
- 2+10 compliant 5000-puff solution



QUAD SHOT Pro


- Explosive growth to achieve a qualitative leap
- 4-in-1 pod kit compliant 3200-puff solution

Other Markets




GALAXY DISPLAY QUATTRO MESH

- World's first disposable solution with four-sided wraparound screen




FRAMELESS DISPLAY DUAL MESH

- 14-inch large screen, ultra-high power




FEELM TURBO Duo

- World's first 20,000-puff high-performance dual-coil



POWER ALPHA Lite

- Transparent e-liquid tank, Balance and Turbo dual modes



CLEAR TANK

- Smart display

Innovative Capability

Regulatory Compliance Adaptability

Market Responsiveness

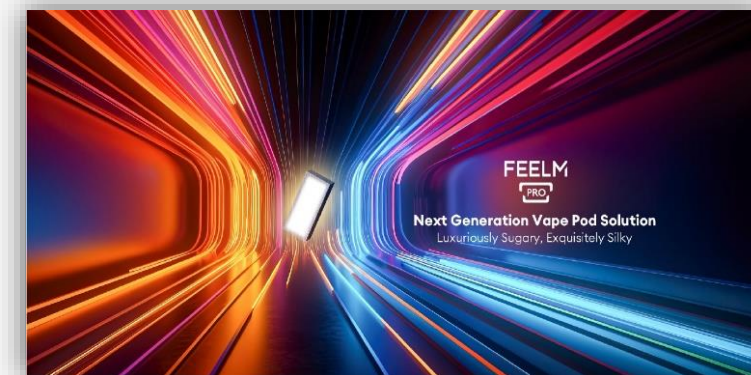
Corporate Client Business (ODM) - European and Other Markets

Launched multiple series of compliant new products in collaboration with customers, gaining recognition from both customers and end users



VUSE GO RELOAD is compatible with all Vuse Pods

User experience comprehensively upgraded
Rapidly meeting market demand
Revenue from pod-based products
+ 93.2% qoq, +22.5% yoy in Q2



FEELM Pro, the next-generation pod-based product solution

Aerosol particle size increase of **35%**

Taste consistency improved to **95%**



Birmingham electronic vaping exhibition



Awarded two major prizes - "Best Manufacturer" and "Vapouround Hall of Fame"



World vape show in Dubai

Corporate Client Business (ODM) – U.S. Market

Increase of law enforcement, revenue from pod-based products increased by 6.5% yoy and 6.1% qoq in Q2, and the U.S. market is expected to recover

Various states advancing electronic vaping registry bills



35 states have introduced electronic vaping registry bills, with 10 states having passed them

Deepening strategic customer relationships



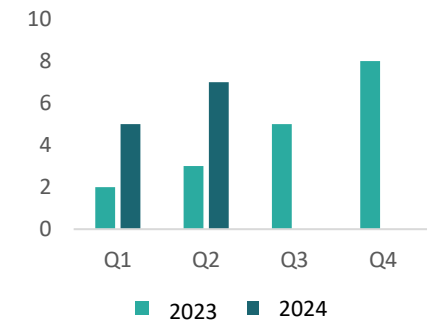
Helped a major customer **maintain its No. 1 market share in the US** through measures such as improving the level of production automation and optimizing the cost structure¹

FDA approved menthol-flavored products



FDA approved the first menthol-flavored products

FDA Strengthened Law Enforcement



FDA strengthened law enforcement, with an increase in the number of enforcement cases²

Note 1: Data from BAT's interim report and Nielsen

Note 2: Data from FDA website <https://timp-ccid.fda.gov/>

A scenic mountain landscape with a lake, mist, and a person with a camera. The scene is captured in a soft, hazy light, likely during sunrise or sunset. The mountains are covered in dense evergreen forests, and the lake reflects the surrounding scenery. In the foreground, a person is visible, sitting on a rocky outcrop and operating a camera on a tripod. The overall atmosphere is serene and majestic.

02-2

New Business

Inhalation Therapy: Steady Advancement of Project Progress and Building a Flexible Model



Drug-device Combination Solutions



- Continually developing drug-device combination products for respiratory diseases such as asthma and chronic obstructive pulmonary disease (COPD)
- Completed the development and production layout of several devices for asthma and COPD, and developed over 10 drug formulations
- Research achievements have been recognized by the industry



Collaborative R&D with Pharmaceutical Industry Clients, Sharing R&D Achievements



Establishment of Experimental Facilities and Systems



MOYAL 岚至

Exploring Beauty Beyond Health

MOYAL brand pioneered the global TPS transdermal technology to help people with problematic and sensitive skin solve effective skincare challenges, finding more efficient and safer skincare solutions.



March 10

MOYAL made its official debut at the 63rd China (Guangzhou) International Beauty Expo.



July 5 - 10

MOYAL launched the "Brand Friends - Ulanqab Hiking Trip"

A MOYAL Skincare Supply Station was set up at the hiking site to provide MOYAL's fans with skincare knowledge in harsh environments and to experience the immediate nourishing effect of the MOYAL atomization beauty products.



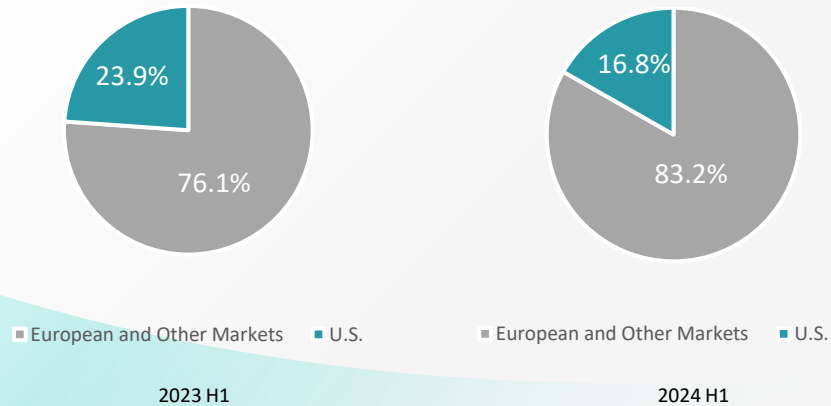
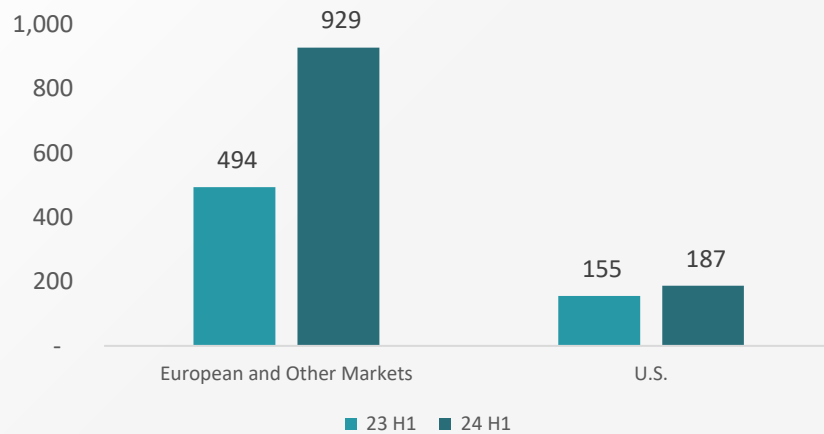
03

Financial Overview

Self-branded Business (APV)

Revenue from APV was **RMB1.12bn**, increased **71.9% yoy**

RMB Million



European and Other Markets

- Revenue was RMB929 million, **increased 88.0% yoy**
- Accurate consumer insights and continuous promotion of localization
- Localized operation system and digital management system
- Demand for traditional disposable products is shifting towards open-system and pod-based products

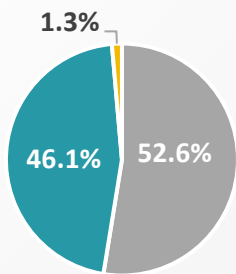
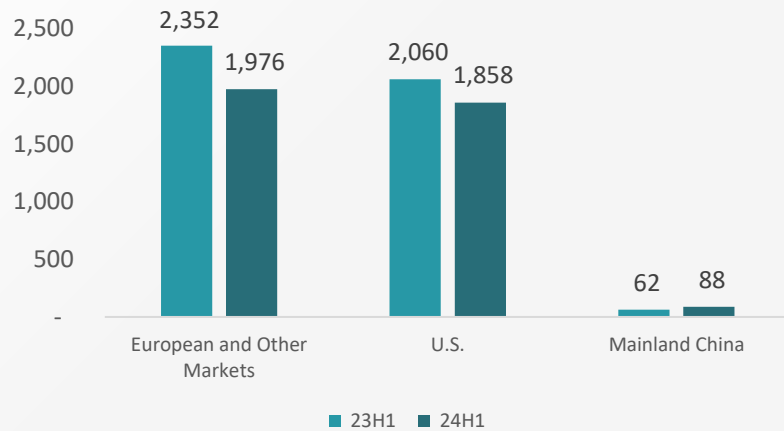
U.S. Market

- Revenue was RMB187 million, **increased 20.6% yoy**
- Replicating the successful experience in Europe and vigorously expanding the U.S. market
- Actively promoting the localization of insights, R&D, and sales systems

Corporate Client Business (ODM)

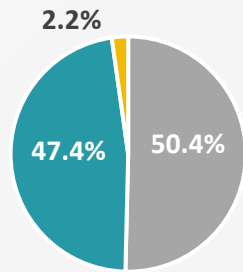
Revenue from ODM was **RMB3.92bn**, decreased **12.3% yoy**

RMB Million



European and Other Markets U.S. Mainland China

2023 H1



European and Other Markets U.S. Mainland China

2024 H1

European and Other Markets

- Revenue was RMB1.98bn, decreased 16.0% yoy
- Regulation is gradually strengthening, and demand for traditional disposable products is shifting towards new closed-system and open-system products
- Revenue from pod-based products has been improving quarter-over-quarter and increased notably by **93.2% qoq** and **22.5% yoy** in Q2

U.S. Market

- Revenue was RMB1.86bn, decreased 9.8% yoy
- The regulatory framework is becoming clearer, and enforcement is strengthening
- Helping major client maintain its No.1 ranking market share
- In Q2, pod-based product revenue increased by **6.5% yoy** and **6.1% qoq**

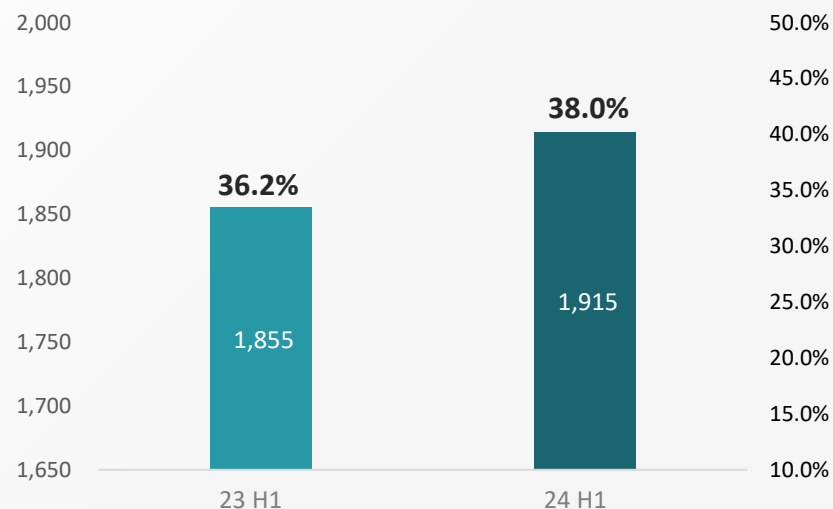
China Market

- Revenue was RMB88mn, increased **41.4% yoy**.

Product Structure Changes and Cost Efficiency Enhance Profitability

Gross Profit and Gross Profit Margin

RMB Million

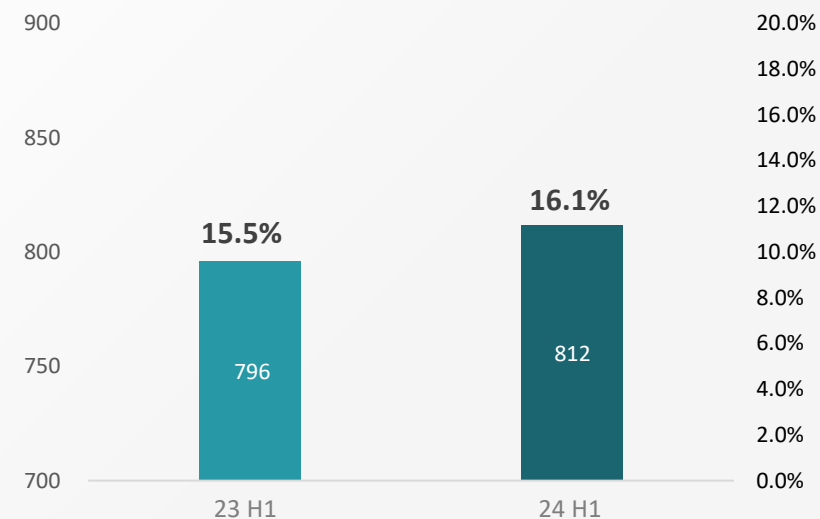


Gross profit margin increased to **38.0%**

- The self-branded business with higher gross profit margins has seen significant growth, increasing its share of revenue
- Reducing costs through Amoeba management

Profit before tax and Pre-tax Profit Margin

RMB Million



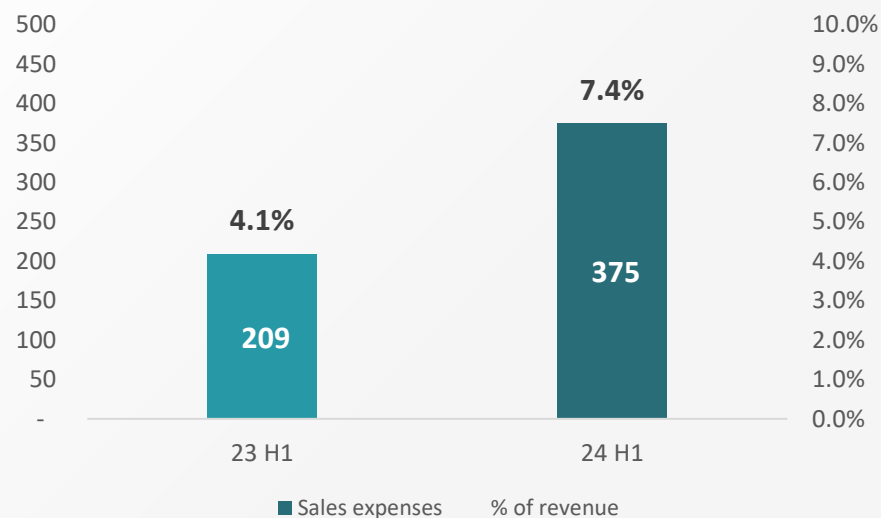
Pre-tax profit margin increased to **16.1%**

- The increase in gross profit margin, growth in other income, and significant reduction in administrative expenses have led to an improvement in pre-tax profit margin

Improving Operational Efficiency, Actively Expanding International Markets

Selling Expenses

RMB Million

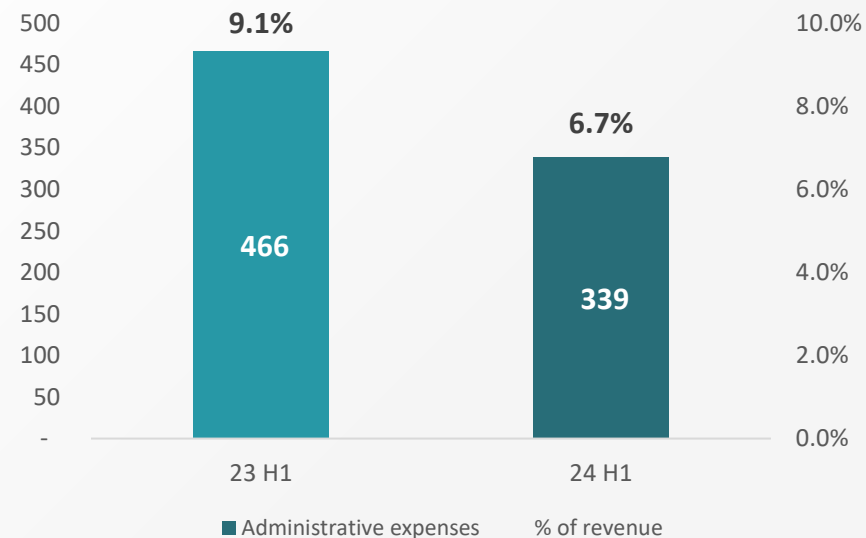


Selling expenses **+79.5%** yoy to RMB**375 million**

- Continuously improving global localization capabilities, building localized teams
- Increasing efforts to expand international markets and promote new products

Administrative Expenses

RMB Million

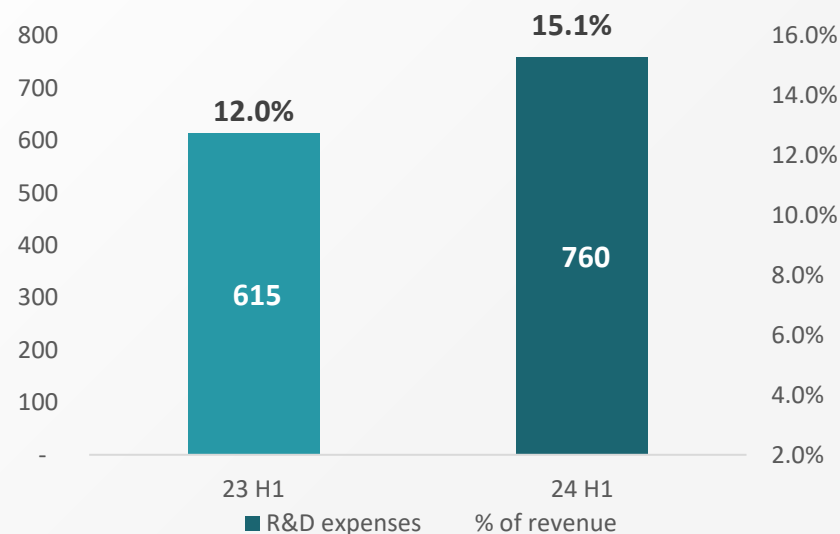


Administrative expenses **-27.2%** yoy to RMB**339 million**

- Continuously implementing the Amoeba management, strengthening budgeting management, and improving operational efficiency

Improving R&D Efficiency with Increased Investment in the field of Inhalation Therapy

RMB Million



RMB Million

	24H1	23H1	Change
Electronic Nicotine Delivery (including electronic vaping and HNB products)	482	419	15.1%
Atomization Products for Special Purpose	93	82	12.5%
Inhalation Therapy and Beauty Atomization	185	114	63.2%
Total	760	615	23.7%

R&D expenses were **RMB760mn, +23.7%** yoy

- The main growth in investment came from the inhalation therapy and HNB products

Market Demand-Driven

Hierarchical and Classified Management of Technology Development

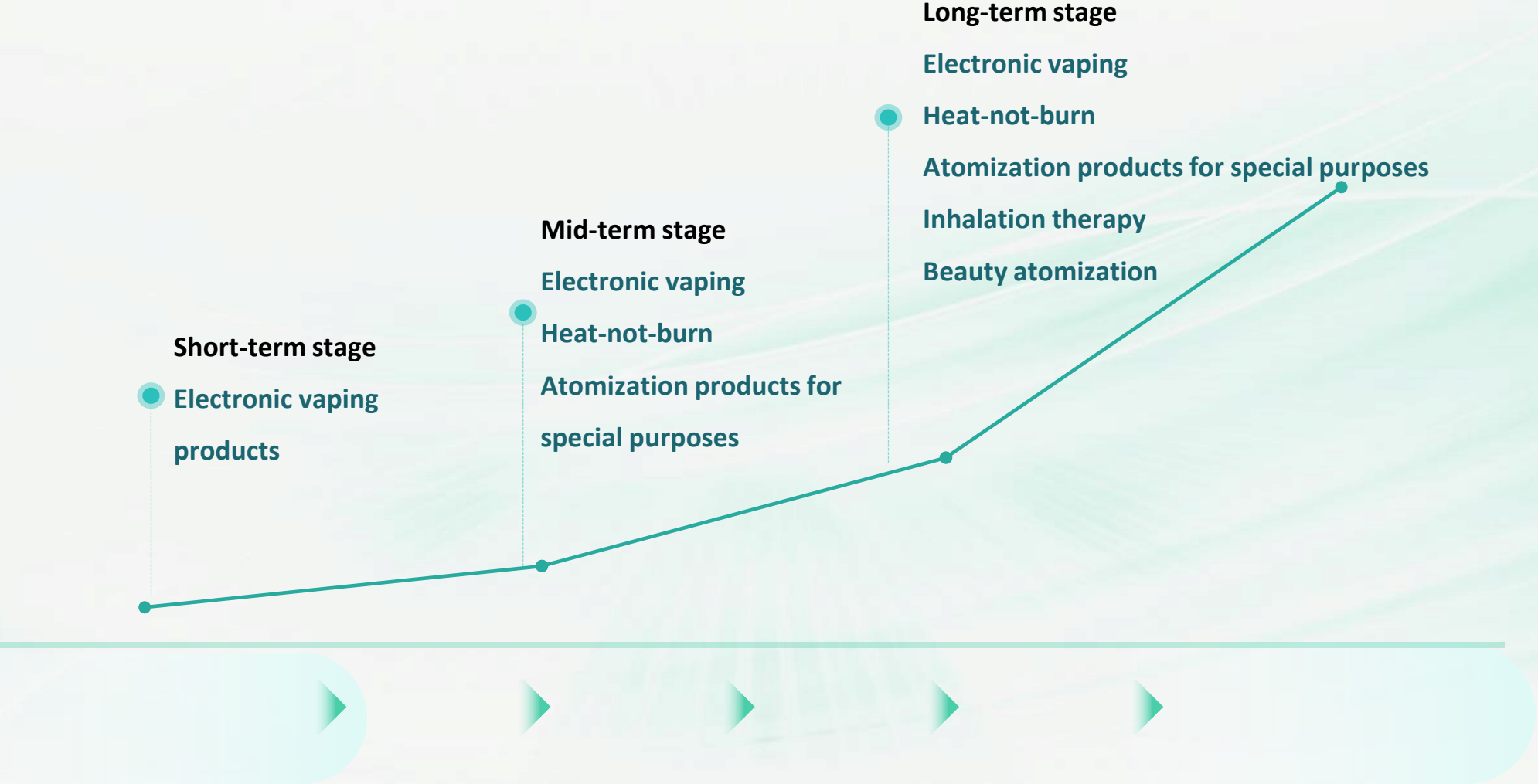
Digital Management of Product Development

04

Business Strategies



Comprehensively Building Atomization Technology Industry Ecosystem Grounded in Science and Technology



For more information about the Company,
please follow our WeChat public account

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