Bubble tea chain bigger than Starbucks sees shares jump on debut



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Mixue Ice Cream and Tea may be unfamiliar to many of us but the Chinese firm has more outlets than McDonald's and Starbucks.On Monday, the bubble tea chain's shares jumped by 40% as they started trading on the Hong Kong Stock Exchange.The company raised $444m (£352m) in the financial hub's biggest initial public offering (IPO) of the year.

Mixue's popularity comes as many people in China are grappling with the country's economic challenges - including a property crisis, and weak consumer and business confidence. It sells ice creams and drinks for an average of six Chinese yuan ($0.82; £0.65).The company was founded in 1997 by Zhang Hongchao, a student at Henan University of Finance and Economics, as a part time job to help his family's finances.Its full name Mìxuě Bīngchéng means "honey snow ice city", with its stores adorned According to Mixue, it has more than 45,000 stores across China and 11 other countries, including Singapore and Thailand. The firm has also said it plans to continue expanding.

That compares to "over 43,000 locations" for McDonald's and Starbucks' 40,576 outlets.While it is often seen as China's biggest bubble tea, iced drinks, and ice cream chain, it operates more like a raw-materials supplier than a traditional brand.Unlike Starbucks, which operates more than half of its stores directly, almost all of Mixue's outlets are run by franchisees.

Mixue's strong market debut contrasts with its smaller rival Guming, which saw its share slide on its first day of trading in February.first day of trading in February.Last year, shares in the owner of bubble tea chain Chabaidao also fell on their market debut.