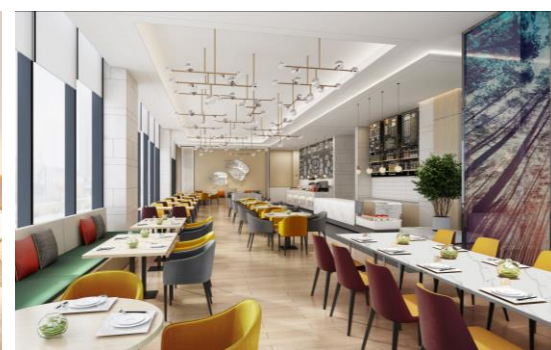
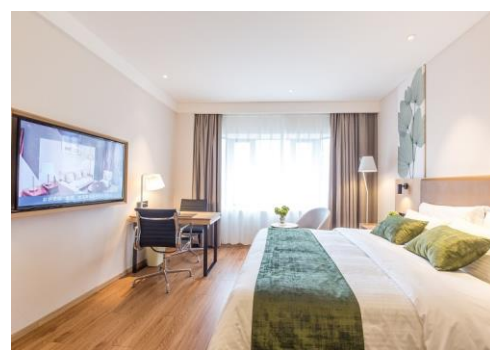
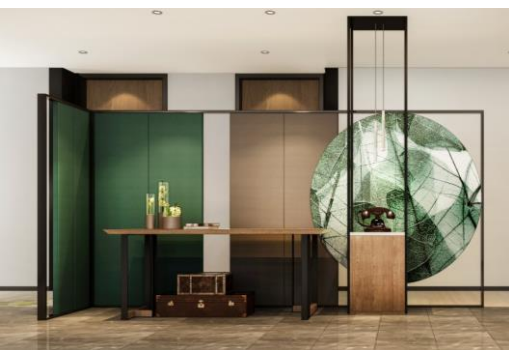




格林豪泰酒店
GreenTree Inn



Argyle



都市118·精选



AUSOTEL



GreenTree Hospitality Group Ltd. 2019Q4 and Full Year Results

April 14, 2020



This presentation does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities. Neither this presentation nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Specifically, this presentation does not constitute a “prospectus” within the meaning of the Securities Act of 1933, as amended.

Our historical results are not necessarily indicative of results to be expected for any future period. The financial data contained in this presentation for the periods and as of the dates indicated are qualified by reference to and should be read in conjunction with our financial statements and related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our public filings with the U.S. Securities and Exchange Commission (the “SEC”).

This presentation includes certain non-GAAP financial measures, which are different from financial measures calculated in accordance with U.S. GAAP. Such non-GAAP financial measures should be considered in addition to and not as a substitute for or superior to financial measures calculated in accordance with U.S. GAAP. In addition, the definitions of Adjusted EBITDA and Margin and Core Net Income and Margin in this presentation may be different from the definition of such term used by other companies, and therefore comparability may be limited. A quantitative reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures has been included in this presentation.

Except for historical information, all of the statements, expectations, and assumptions contained in this presentation constitute forward-looking statements made under the “safe harbor” provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and the U.S. Private Securities Litigation Reform Act of 1995. These statements include descriptions regarding the intent, belief or current expectations of GreenTree Hospitality Group Ltd. (the “Company”), its officers or its management with respect to the consolidated results of operations and financial condition of the Company. The Company may also make written or oral forward-looking statements in its reports filed with or furnished to the SEC, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. These statements can be recognized by the use of words or phrases such as “may,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to,” “confident,” “future,” words or expressions of similar meaning. Such forward-looking statements are not guarantees of future performance and involve known and unknown factors, risks and uncertainties that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. Such factors and risks include, but not limited to the following: the Company’s goals and growth strategies; its future business development, financial condition and results of operations; trends in the hospitality industry in China and globally; competition in our industry; fluctuations in general economic and business conditions in China and other regions where we operate; the regulatory environment in which we and our franchisees operate; and assumptions underlying or related to any of the foregoing. You should not place undue reliance on these forward-looking statements. Further information regarding these and other risks, uncertainties or factors are included in the Company’s filings with the SEC, copies of which are available for free in the Investor Relations section of the Company’s website at <http://ir.998.com> or upon request from the Company’s Investor Relations Department. All information provided, including the forward-looking statements made, in this presentation are current as of the date hereof. Neither the delivery of this presentation nor any further discussions of the Company after the date hereof shall, under any circumstances, imply that there has been no change in the affairs of the Company since such date. Except as required by law, the Company undertakes no obligation to update any such information or forward-looking statements to reflect events or circumstances after the date on which the information is provided or statements are made, or to reflect the occurrence of unanticipated events.



01

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**Performance
Review**

02

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COVID-19

03

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**Operating and
Financial
Highlights**

04

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Appendix



格林东方酒店
GREENTREE EASTERN HOTEL

01



Performance Review

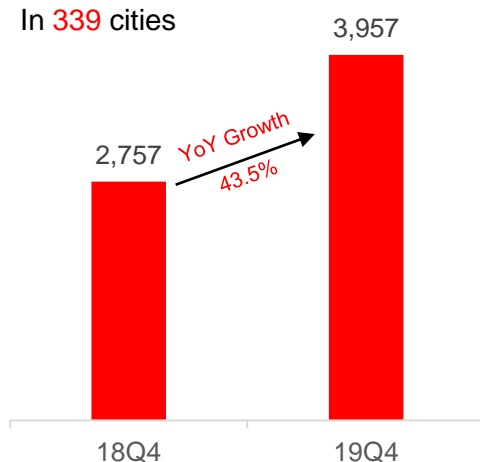
Overview of 2019Q4 and full year



As of December 31, 2019

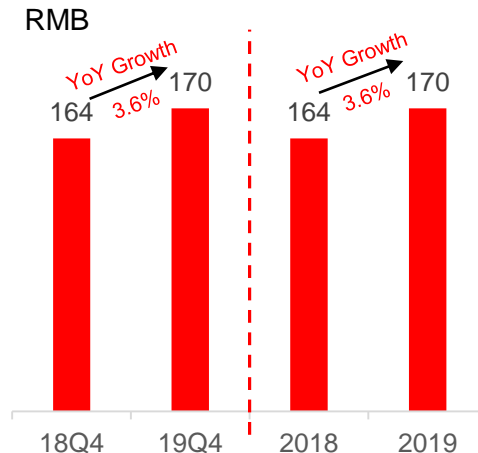
Number of Hotels

In 339 cities



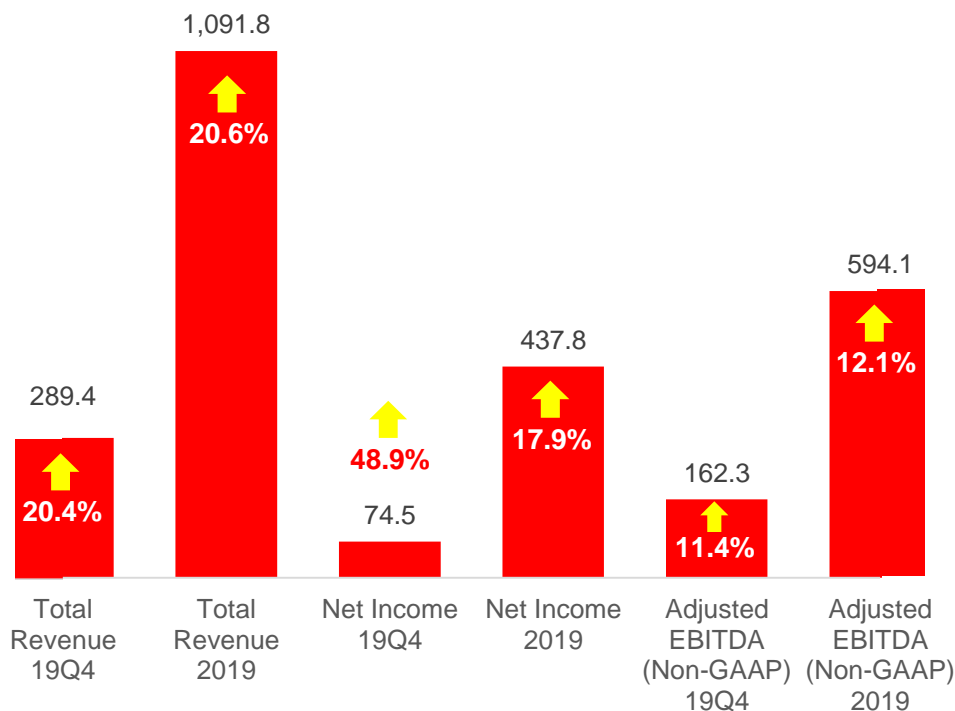
ADR

RMB

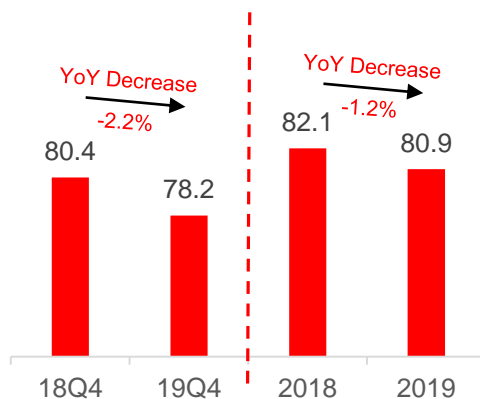


Financial Overview

RMB (M)

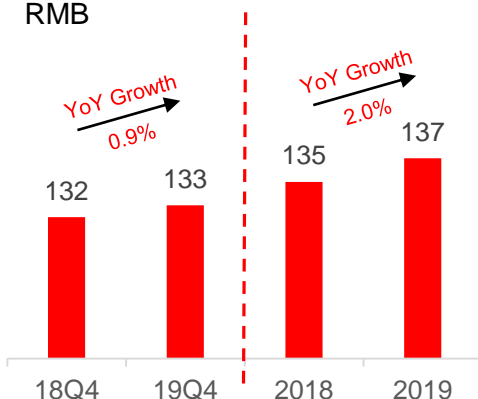


Occupancy



RevPAR

RMB



Net Income per ADS (basic and diluted) ⁽¹⁾

2019Q4 **RMB0.75 (US\$0.11)** (YoY Growth: 51.0%)

2019 FY **RMB4.34 (US\$0.62)** (YoY Growth: 15.8%)



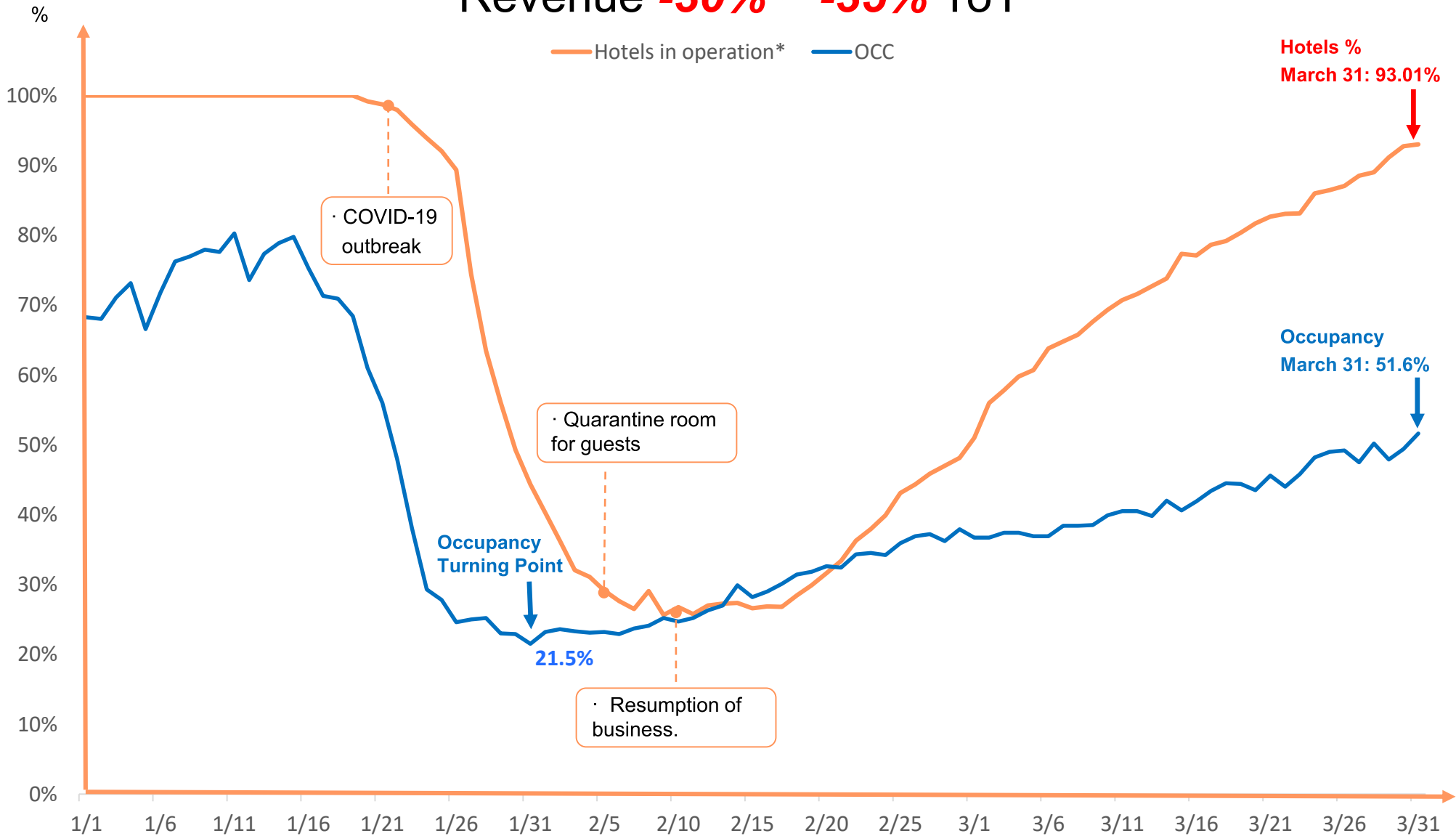
格菲酒店
VX HOTEL

02 | COVID-19

COVID-19: Impact on 2020Q1



Revenue **-30% ~ -35%** YoY



* hotels in operation = number of hotels in operation excluding requisitioned hotels / total number of hotels



0 Infection in our hotels



All regional managers took systematic epidemic prevention training from Protection Manual prepared by the Company.

All hotel staffs were trained and followed daily updated Protection Manual through hotel information system.

Most hotels launched Quarantine Rooms for returning workers of local businesses.

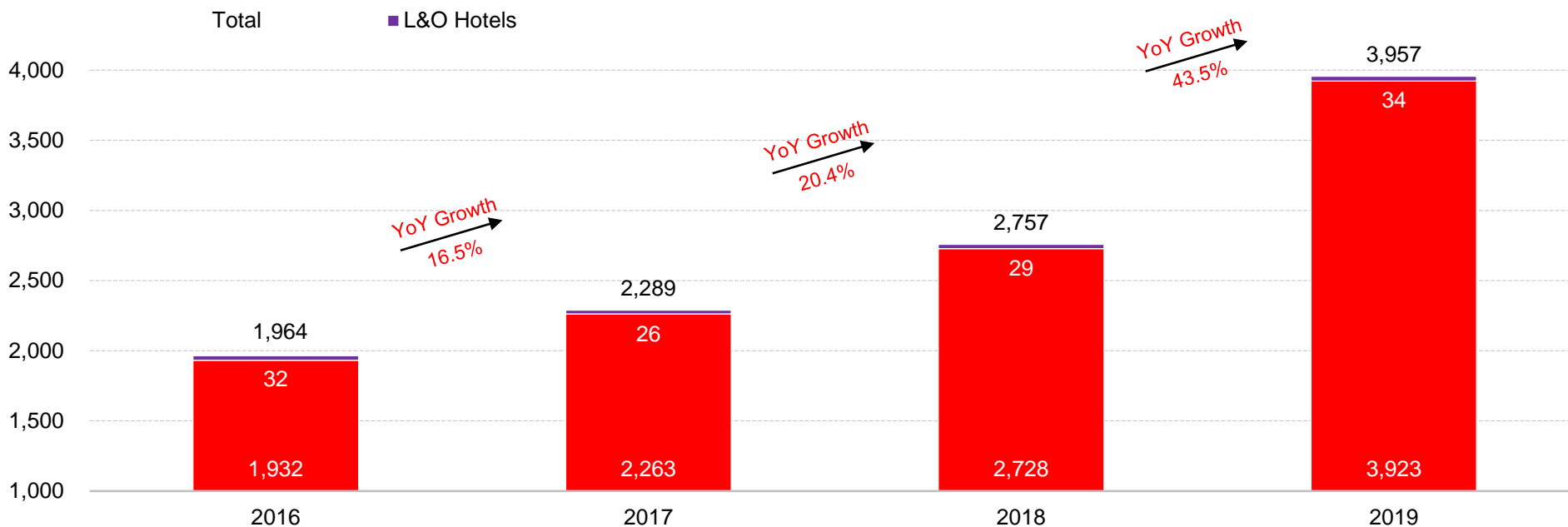
+1700 online training courses were made available for **150** newly admitted GMs during this period.

Our hotels donated gourmet food to **11** hospitals.





Increasing Number of Hotels in Operation



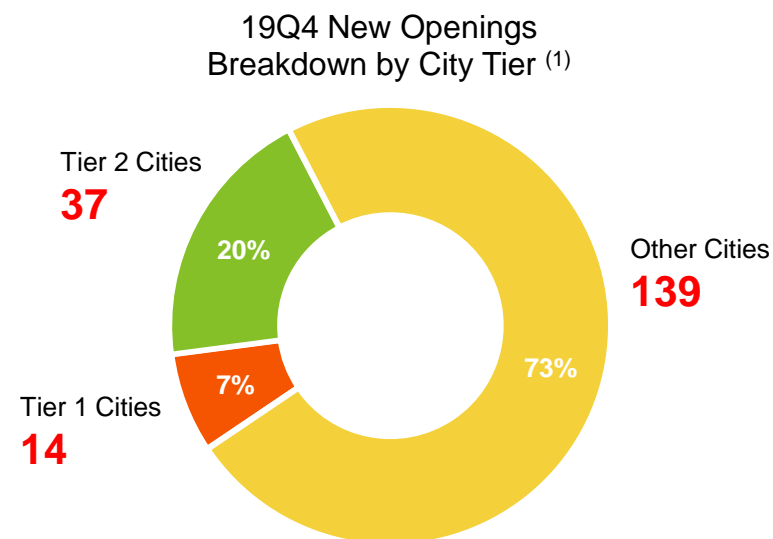
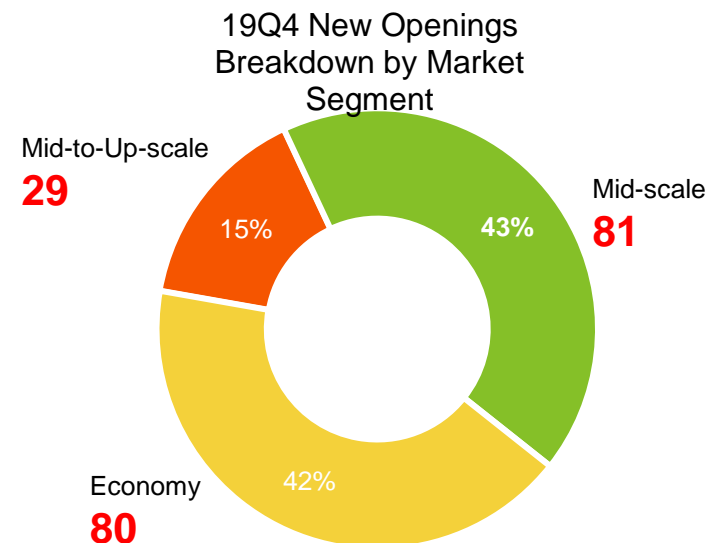
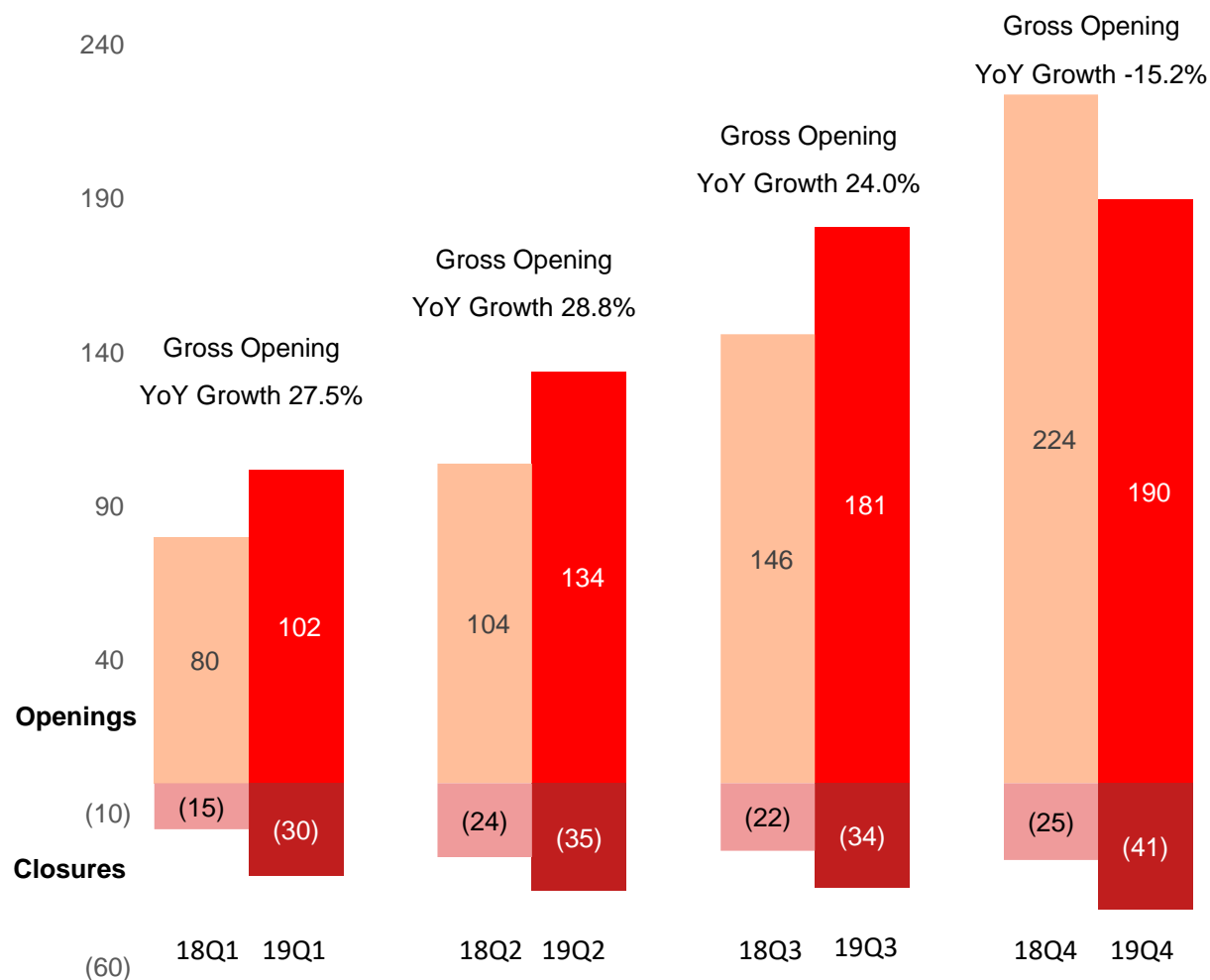
% by Hotel Segment

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Luxury	-	-	-	0.5
Mid-to-up-scale	1.5	2.2	4.0	6.7
Mid-scale	94.4	91.1	83.4	64.8
Economy	4.1	6.7	12.6	28.0

New Hotel Openings and Closures



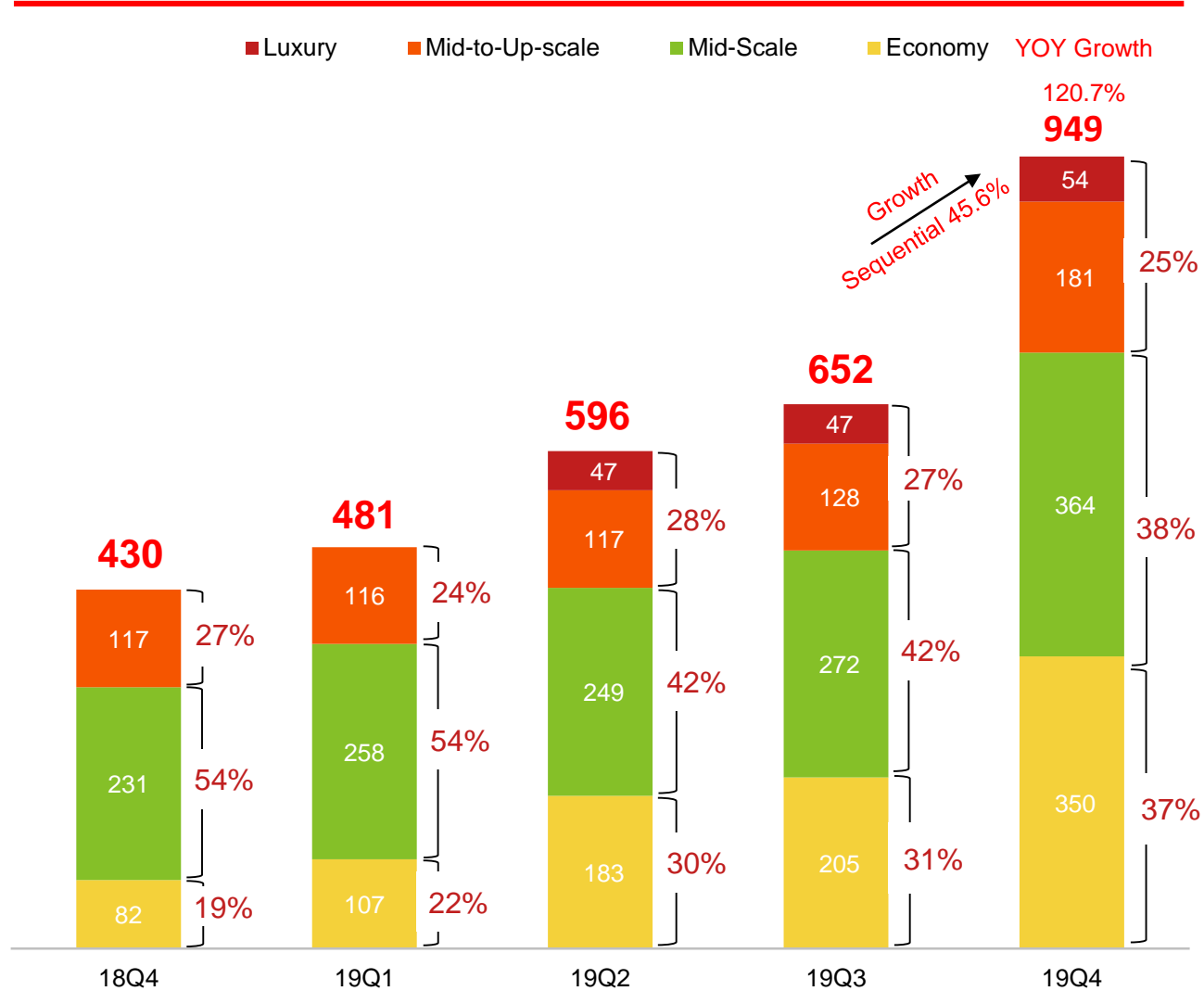
New Hotel Openings and Closures



Notes:
 1. Tier 1 Cities refers to Beijing, Shanghai, Shenzhen and Guangzhou; Tier 2 Cities refers to the 32 major cities, other than Tier 1 Cities, including provincial capitals, administrative capitals of autonomous regions, direct-controlled municipalities and other major cities designated as municipalities with independent planning by the State Council

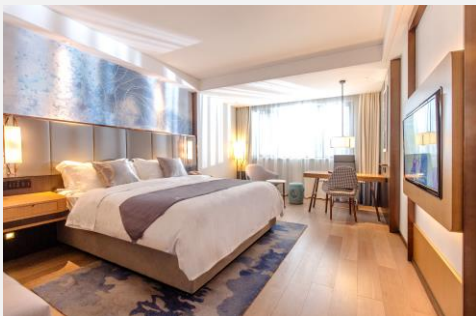


19Q4 Pipeline Growth by Market Segment





Further Expansion into Mid-to-Upscale and Luxury Brands



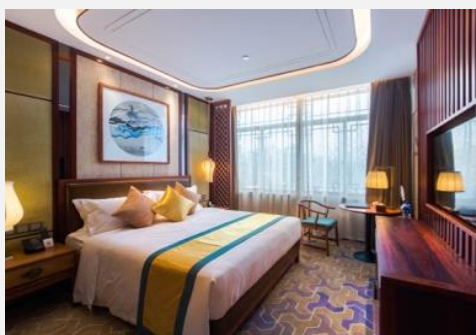
GreenTree Eastern

- Premium boutique hotels with traditional oriental themes
- **7** new openings in 19Q4
- Pipeline: **44**
- Rate: RMB **300-600**



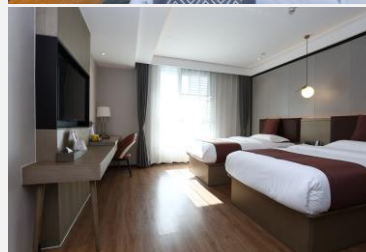
Deep Sleep Hotel ^[1]

- Intimate and stylish
- **2** hotels as of 19Q4
- Rate: RMB **270-400**



Argyle Hotel

- Mid-to-Upscale hotels with a uniquely Australian flavor
- **30** hotels as of 19Q4
- Pipeline: **73**
- Rate: Argyle RMB **400-1000**
Ausotel RMB **200-400**



Gem Hotel

- Calm sanctuary for business travelers
- **5** new openings in 19Q4
- Pipeline: **29**
- Rate: RMB **280-350**

Gya Hotel

- Fashionable and unique
- **8** new opening in 19Q4
- Pipeline: **20**
- Rate: RMB **280-350**

Vx Hotel

- Relaxing in artistic spaces
- **3** new openings in 19Q4
- Pipeline: **21**
- Rate: RMB **280-350**

Urban Garden Hotel

- Peaceful and serene
- **6** new openings in 19Q4
- Pipeline: **40**
- Rate: RMB **200-350**

Notes:

1. Wumian Hotel changed its name to Deep Sleep Hotel in 19Q2. Its English trademark is currently being registered...

Hotel Performance Q4 2019

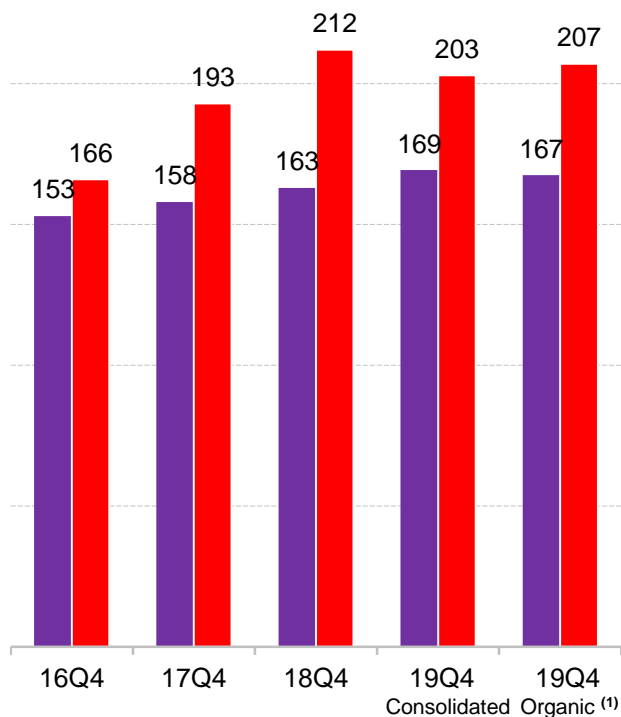


The Company achieved a steady **0.9%** RevPAR YoY growth in 19Q4. Excluding Argyle and Urban, the Company achieved a **2.0%** RevPAR YoY growth.

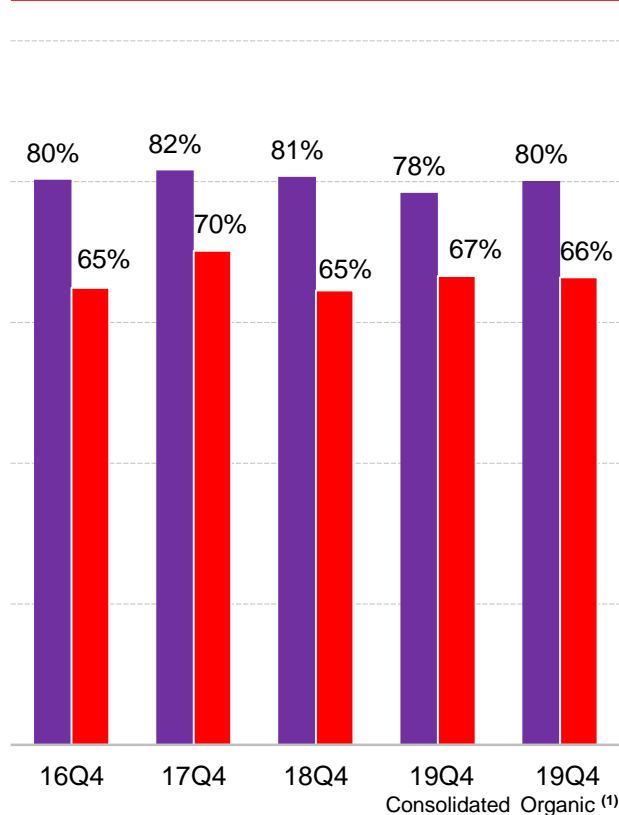
■ F&M Hotels ■ L&O Hotels

ADR

RMB

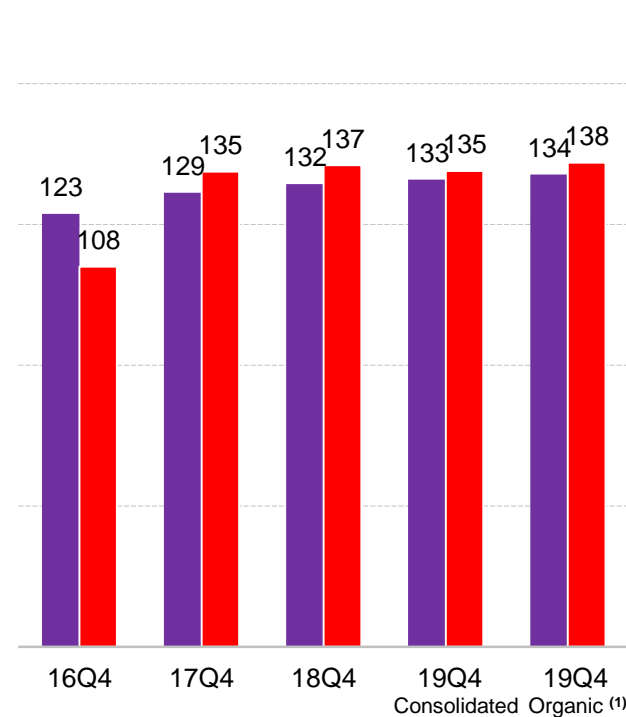


Occupancy



RevPAR

RMB



YoY Growth

F&M	3.3%	3.2%	3.9%	2.8%	F&M	1.3%	-0.9%	-2.3%	-0.6%	F&M	4.9%	2.3%	0.9%	2.0%
L&O	16.3%	9.8%	-4.3%	-2.3%	L&O	5.3%	-5.7%	2.1%	1.9%	L&O	25.0%	1.5%	-1.2%	0.5%

Notes:

1. Organic excludes Argyle and Urban.

Hotel Performance 2019 FY

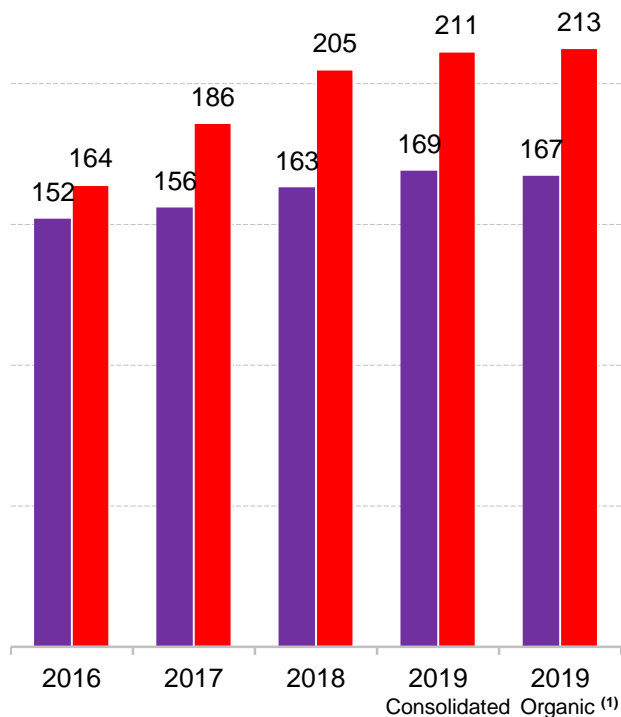


The Company achieved a steady **2.0%** RevPAR YoY growth in 2019. Excluding Argyle and Urban, the Company achieved a **1.9%** RevPAR YoY growth.

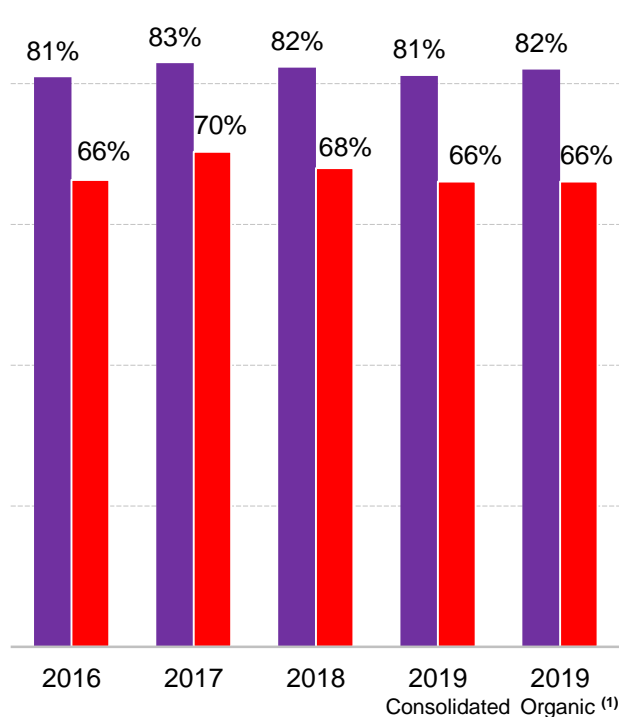
■ F&M Hotels ■ L&O Hotels

ADR

RMB

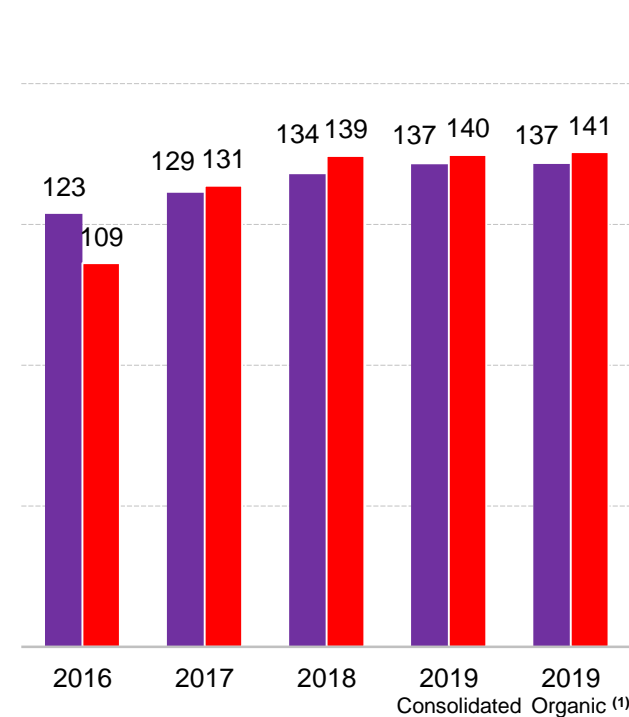


Occupancy



RevPAR

RMB



YoY Growth

F&M	2.6%	4.5%	3.6%	2.5%
L&O	13.4%	10.2%	3.1%	3.7%

F&M	2.0%	-0.6%	-1.2%	-0.3%
L&O	4.0%	-2.3%	-1.9%	-1.9%

F&M	4.9%	3.9%	2.1%	2.1%
L&O	20.2%	6.1%	0.2%	0.8%

Notes:

1. Organic excludes Argyle and Urban.



Quarterly RevPAR

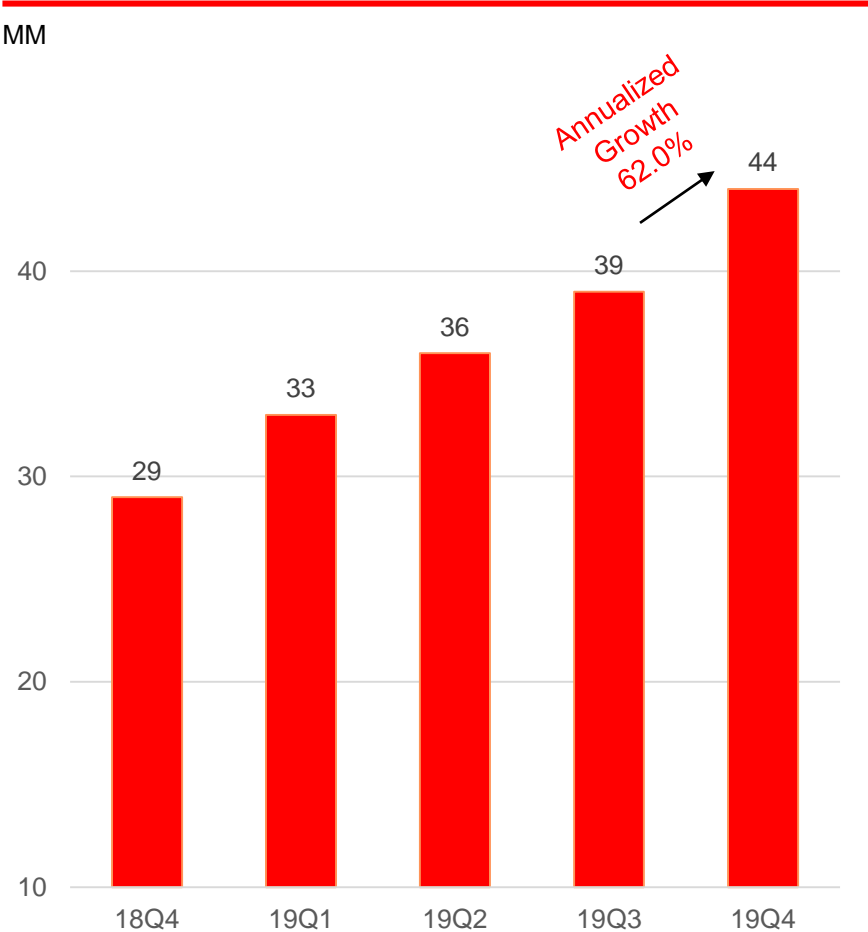
RMB



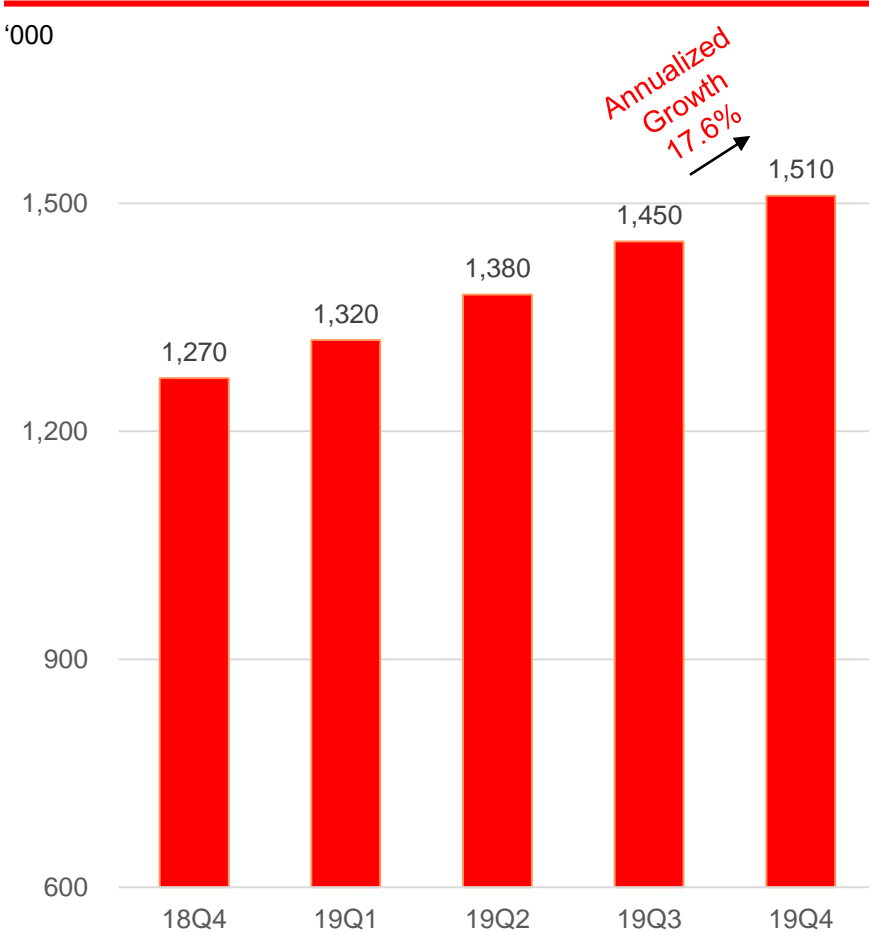


93.0% of room nights sold directly

Individual Members



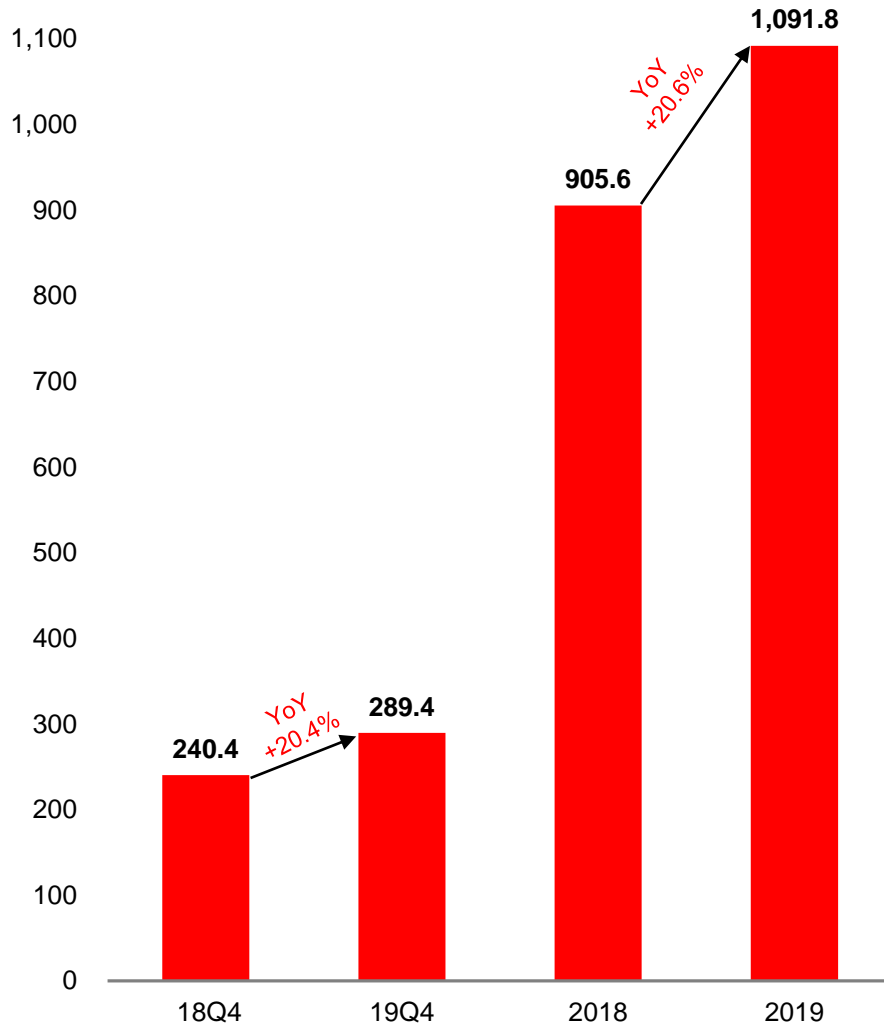
Corporate Members





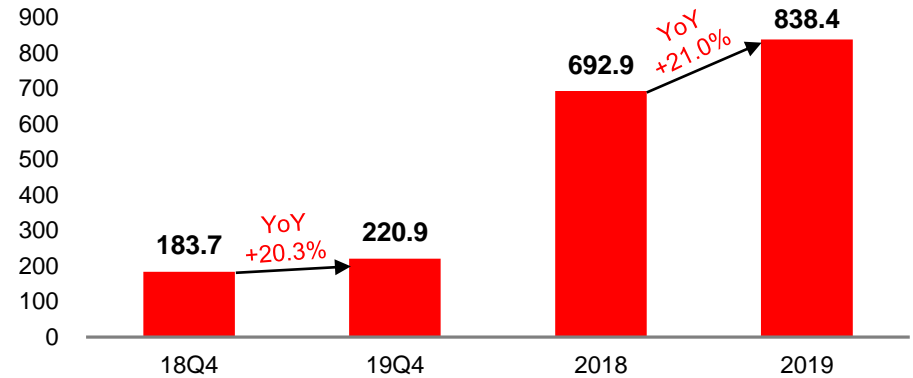
Total Revenue

RMB (M)



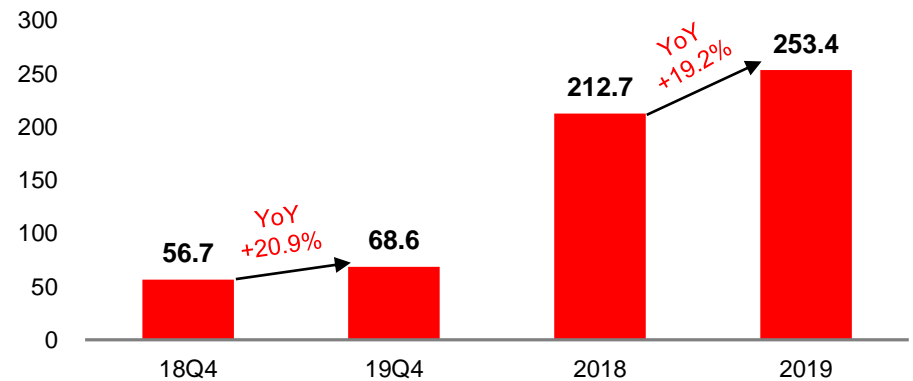
Revenue from F&M Hotels

RMB (M)



Revenue from L&O Hotels

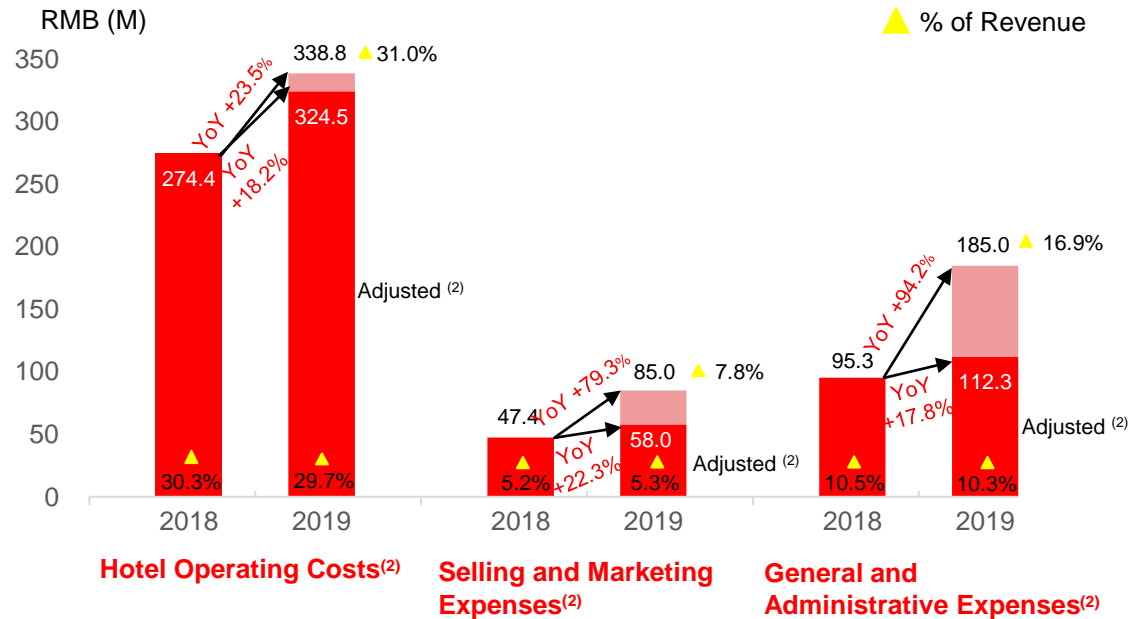
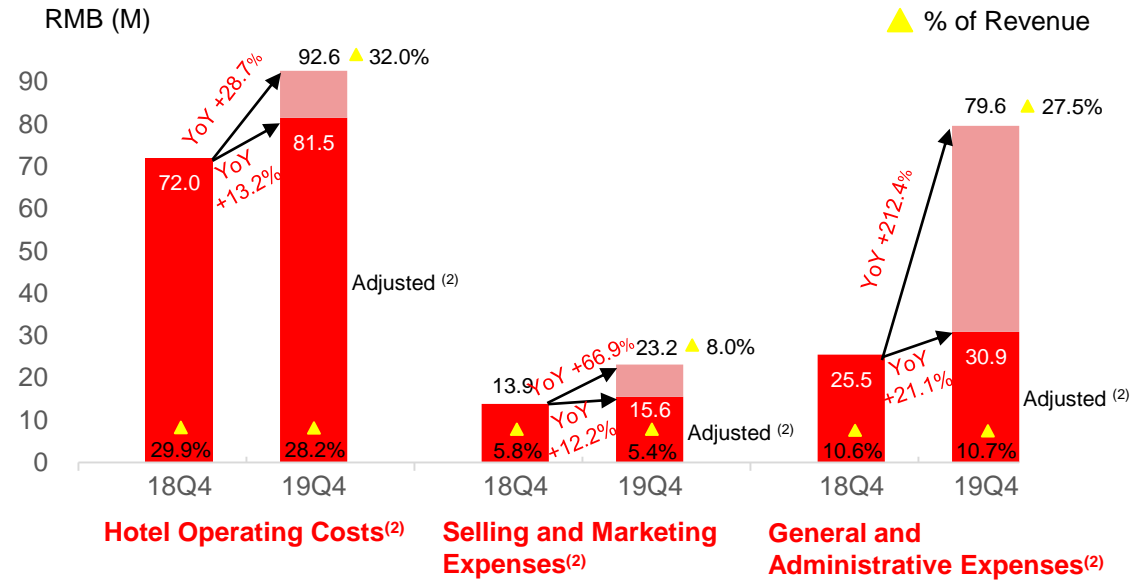
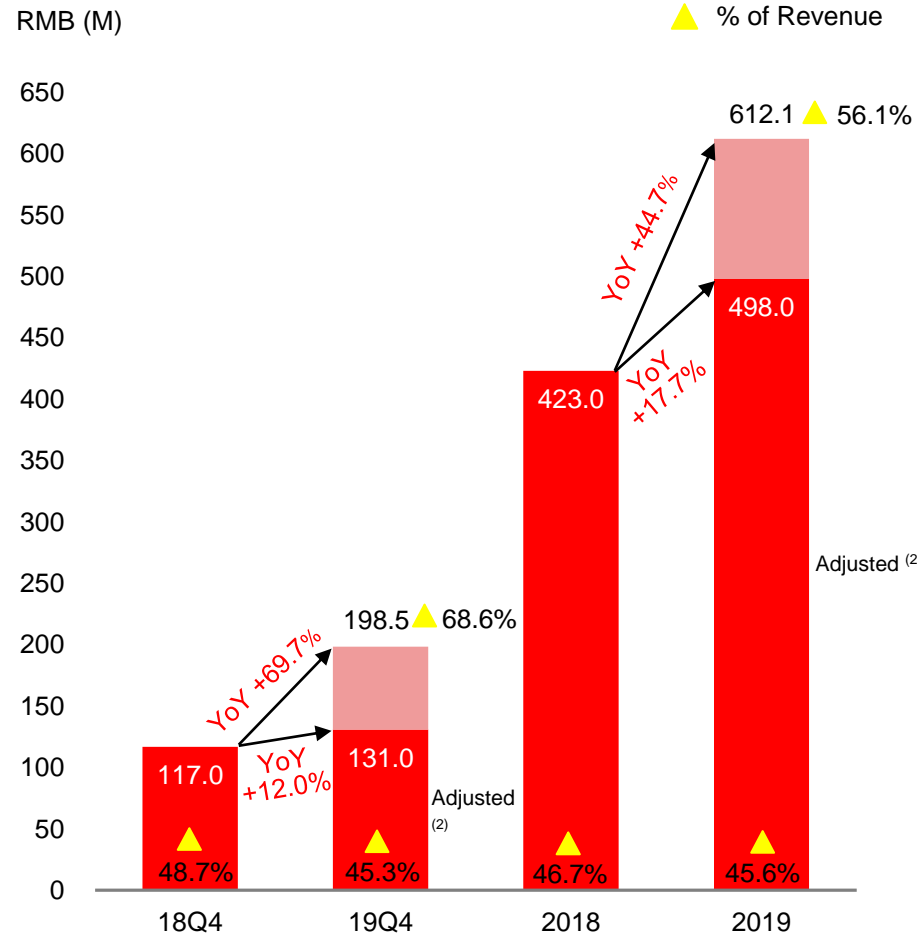
RMB (M)



Operating Costs and Expenses



Total Operating Costs and Expenses (1)

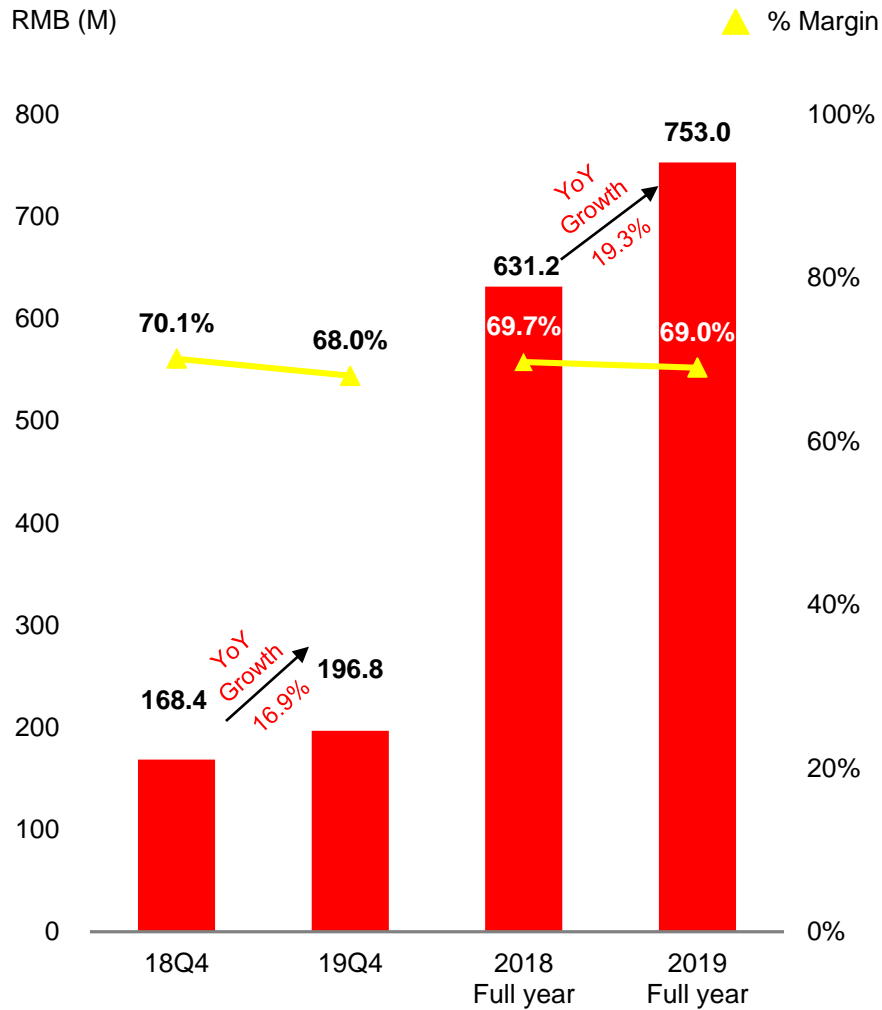


Notes:

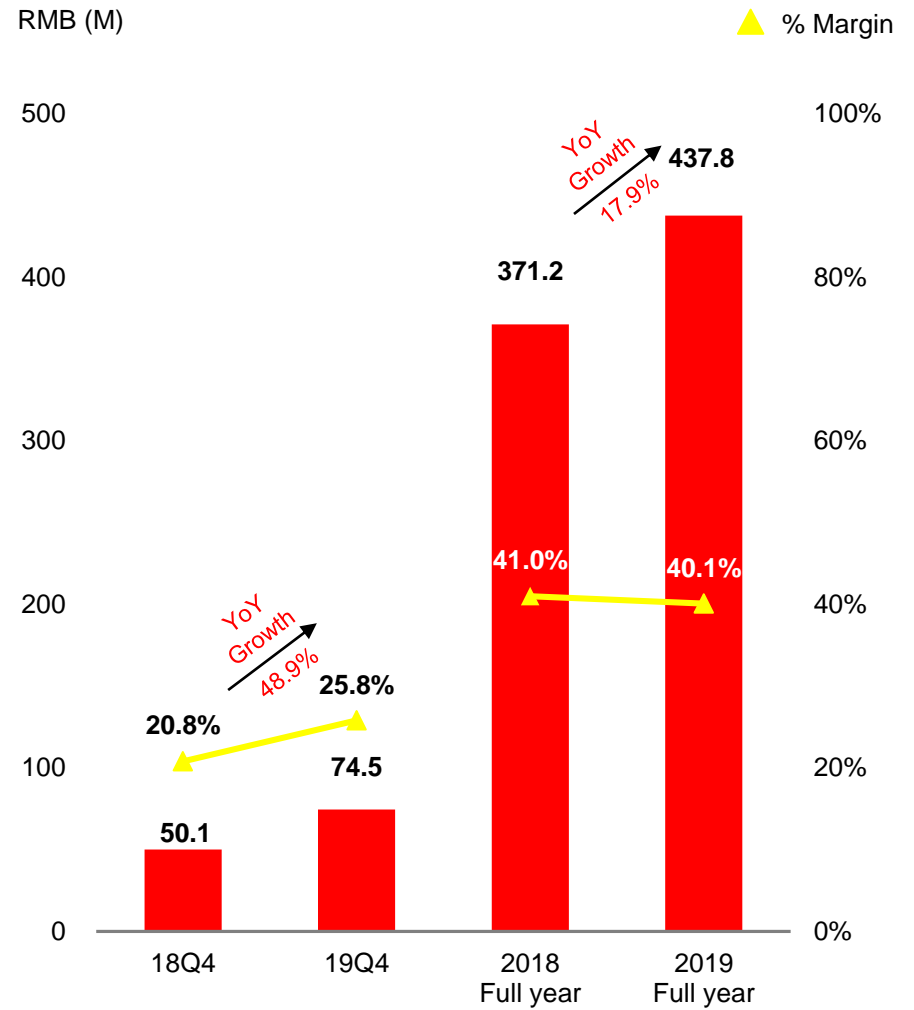
1. Total operating costs and expenses consist of hotel operating costs, sales and marketing expenses, general and administrative expenses, and other operating expenses.
2. Adjusted costs/expenses exclude impacts from newly consolidated entities, provision for bad debt, and one-time fees and expenses.



Gross Profit and Margin

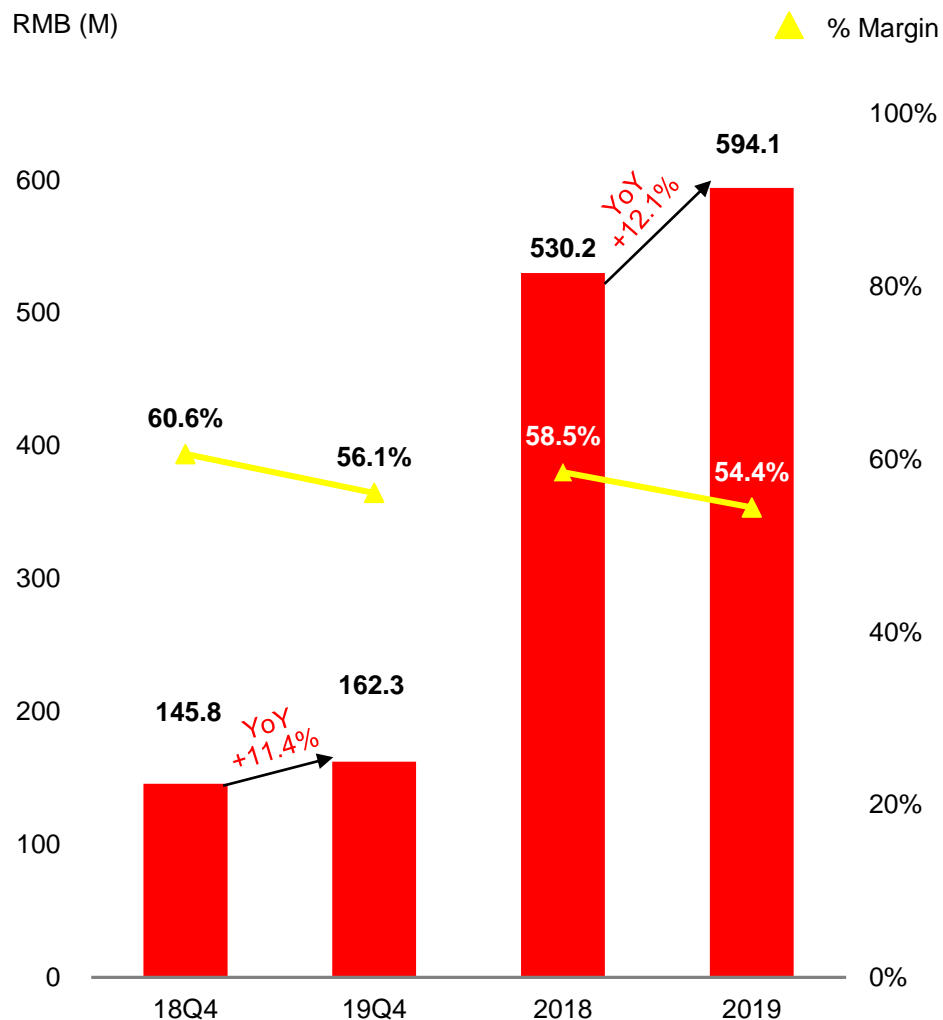


Net Income and Margin

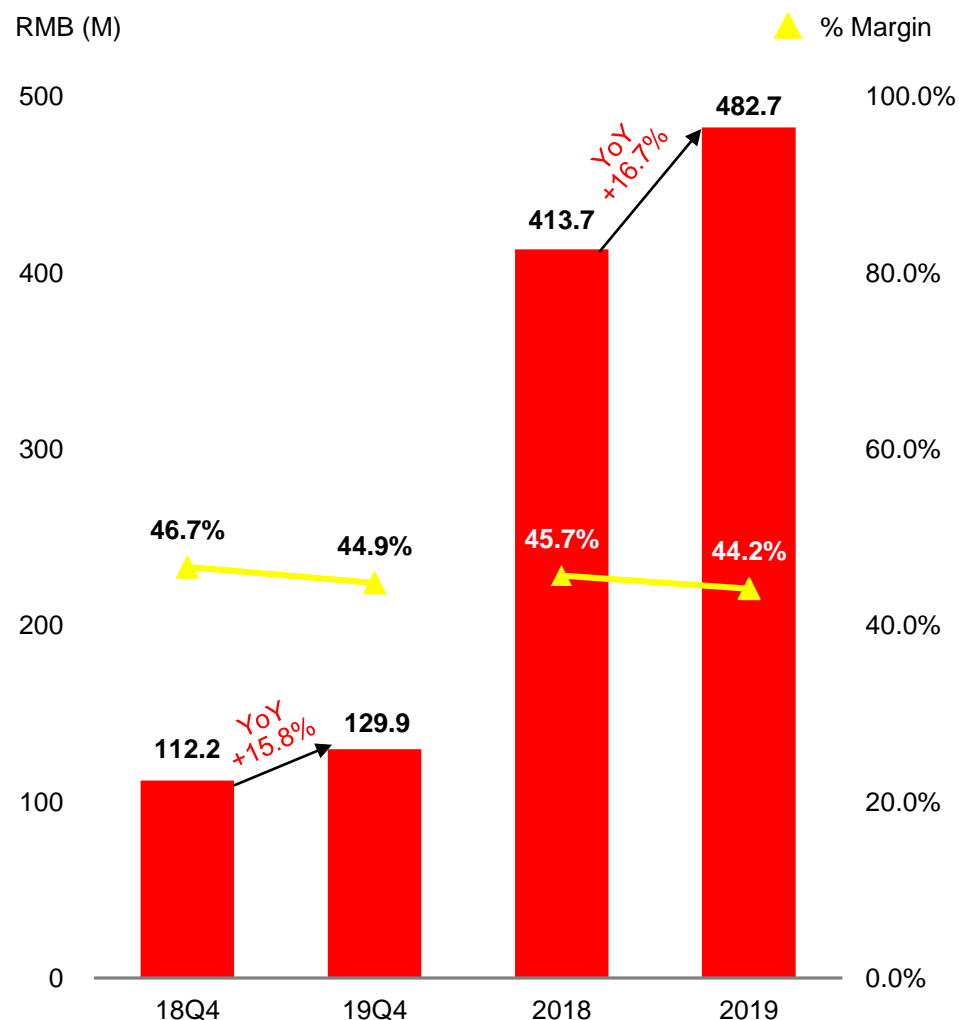




Adjusted EBITDA ⁽¹⁾ and Margin



Core Net Income ⁽²⁾ and Margin



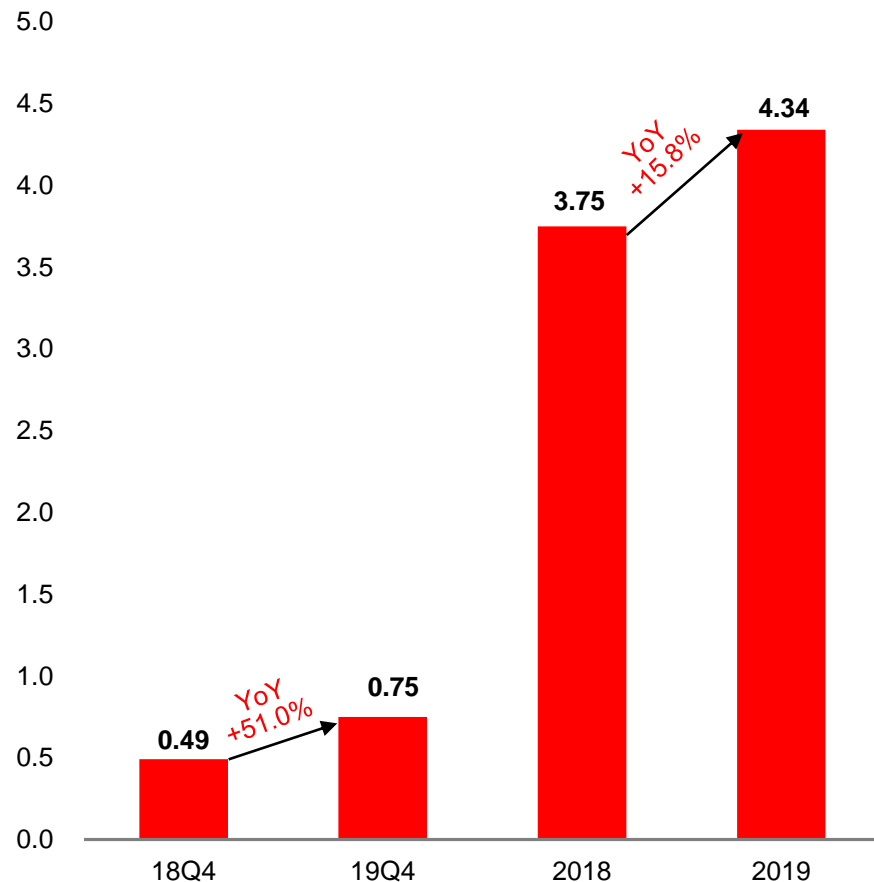
Notes:

- Adjusted EBITDA (non-GAAP) is calculated as net income plus other operating expenses, income tax expense, share of loss in equity investees (net of tax), interest expense, share-based compensation, depreciation and amortization, losses on investments in equity securities, one-time fees and expenses, provision for bad debt and other expense net, but excludes other operating income, Interest income and other, net, gains on investments in equity securities, share of gain in equity investees (net of tax) and other income net.
- Core net income is calculated as net income plus share-based compensation, losses on investments in equity securities (net of 25% tax), other expenses (net of 25% tax), one-off selling expense (net of 25% tax), one-time attorney fees for M&A (net of 25% tax), one-time fees and expenses (net of 25% tax), provision for bad debt, income tax expenses related to dividend distribution outside PRC and losses from joint venture closure but excludes government subsidies (net of 25% tax), gains on investments in equity securities (net of 25% tax), reimbursement related to the ADS program, and other income (net of 25% tax).



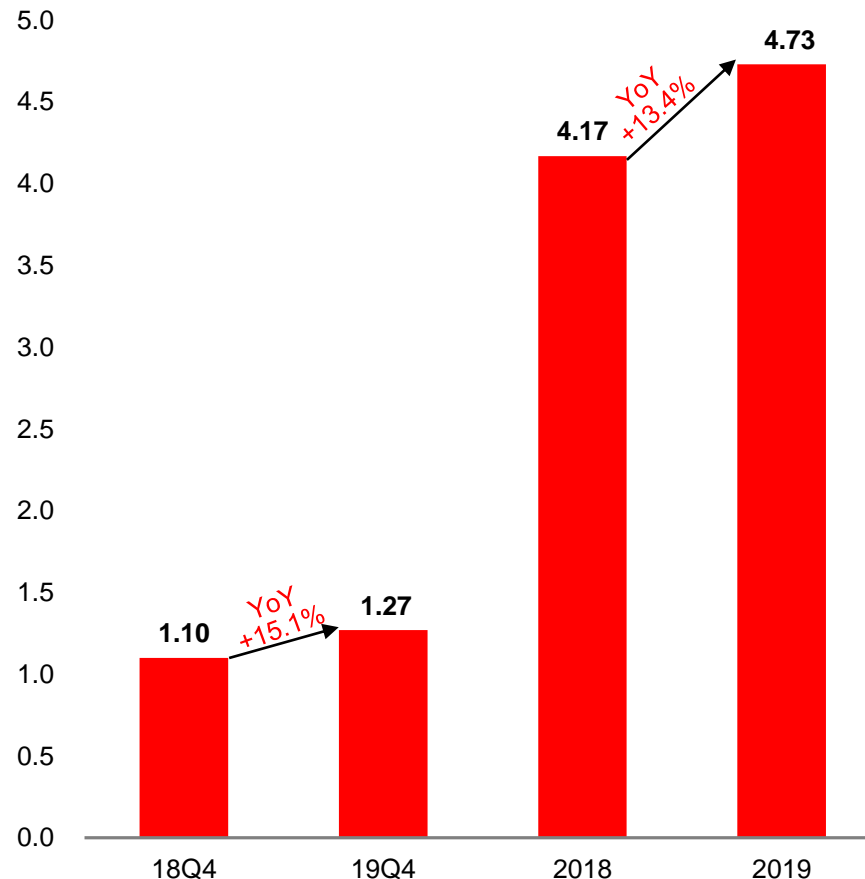
Net Income per ADS (Basic and Diluted)

RMB



Core Net Income per ADS (Basic and Diluted) (Non-GAAP) ⁽¹⁾

RMB



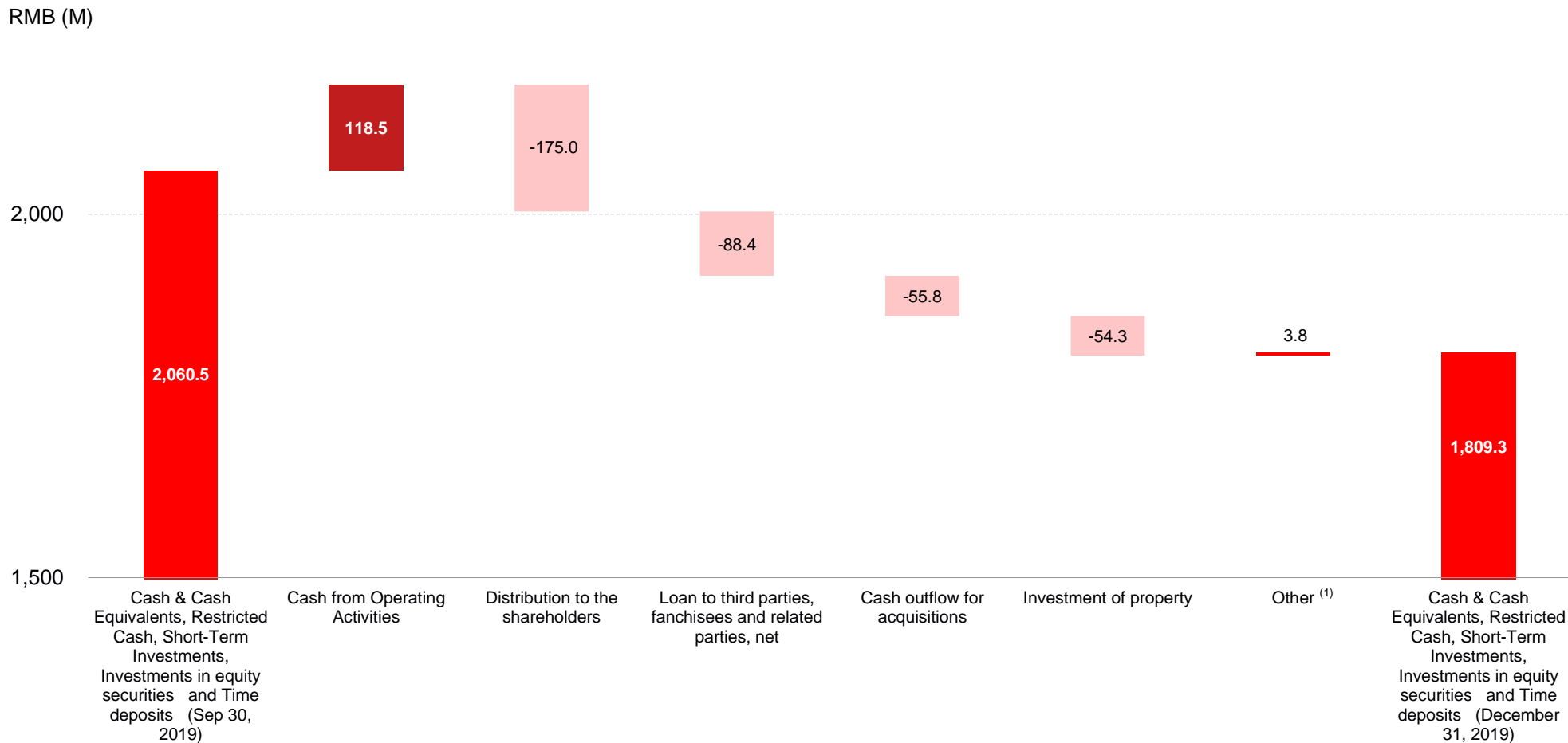
Notes:

1. Core net income is calculated as net income plus share-based compensation, losses on investments in equity securities (net of 25% tax), other expenses (net of 25% tax), one-off selling expense (net of 25% tax), one-time attorney fees for M&A (net of 25% tax), one-time fees and expenses (net of 25% tax), provision for bad debt, income tax expenses related to dividend distribution outside PRC and losses from joint venture closure but excludes government subsidies (net of 25% tax), gains on investments in equity securities (net of 25% tax), reimbursement related to the ADS program, and other income (net of 25% tax).

Cash and Cash Equivalents



Total cash and cash equivalents, restricted cash, short-term investments, investments in equity securities and time deposits of **RMB1,809 million** as of December 31, 2019.



Notes

1. Other mainly include proceeds from Non-controlling Interest (NCI), etc.



Total revenues for the first quarter of 2020 are expected to decline 30%~ 35% from 2019

Total revenues for the full year of 2020 are expected to decline 10%~ 15% from 2019

Thank you!

Q&A



格美酒店
GEM HOTEL

04

| Appendix



As of December 31, 2019

Luxury

- Hotels in operation: 20
- Hotel rooms in operation: 4,556
- Room rates: RMB 400 - 1,000

Mid-to-upscale

- Hotels in operation: 264
- Hotel rooms in operation: 23,816
- Room rates: RMB 200 - 600

Midscale

- Hotels in operation: 2,563
- Hotel rooms in operation: 209,966
- Room rates: RMB 150 - 400

Economy

- Hotels in operation: 1,110
- Hotel rooms in operation: 51,688
- Room rates: RMB 90 - 300



Hotel Breakdown



By Market Segment and Brand

	Number of Hotels in Operation		Number of Hotel Rooms in Operation	
	2018Q4	2019Q4	2018Q4	2019Q4
Luxury	-	20	-	4,556
Argyle	-	20	-	4,556
Mid-to-up-scale	109	264	11,422	23,816
GreenTree Eastern	87	105	9,487	11,263
Deep Sleep Hotel	1	2	62	161
Gem	9	27	841	2,397
GYa	1	26	63	2,167
VX	11	22	969	1,816
Ausotel	-	10	-	1,183
Urban Garden Hotel	-	69	-	4,557
Unistar Group	-	3	-	272
Mid-scale	2,300	2,563	195,125	209,966
GreenTree Inn	1,881	2,013	162,844	171,414
GT Alliance	302	314	23,607	24,141
GreenTree Apartment	-	7	-	333
Vatica	117	121	8,674	8,907
City 118 Selected	-	87	-	4,489
City Mini Selected	-	21	-	682
Economy	348	1,110	14,982	51,688
Shell	348	541	14,982	23,617
City 118	-	501	-	25,404
Youth Mini Hotel	-	49	-	1,827
Monochrome	-	8	-	278
My Zone Hotel	-	11	-	562
Total	2,757	3,957	221,529	290,026

Operating Data



	2018Q4	2019Q4
Total hotels in operation	2,757	3,957
Leased and owned hotels	29	34
Franchised hotels	2,728	3,923
Total hotel rooms in operation	221,529	290,026
Leased and owned hotels	3,734	4,290
Franchised hotels	217,795	285,736
Number of cities	290	339

	2018Q4	2019Q4
Occupancy rate		
Leased-and-owned hotels	64.5%	66.6%
Franchised hotels	80.7%	78.4%
Blended	80.4%	78.2%
Average daily rate (in RMB)		
Leased-and-owned hotels	212	203
Franchised hotels	163	169
Blended	164	170
RevPAR (in RMB)		
Leased-and-owned hotels	137	135
Franchised hotels	132	133
Blended	132	133