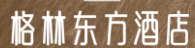




# 2021Q4 Results

## May 11, 2022



GreenTree Eastern Hotel  
Zhuodaoquan, Hongshan District,  
Wuhan city





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 terms 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 are 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 is 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**

—

**2021Q4 Performance  
Review**

**02**

—

**2021Q4 Strategic  
Execution**

**03**

—

**2021Q4 Operating and  
Financial Highlights**

**04**

—

**Appendix**



格菲酒店 VX HOTEL

Vx Hotel Wufutang Subway station,  
Daxing District, Beijing, Zhongke E-  
commerce Valley Jiuding

01

2021Q4 Performance Review





	As % of 2020Q4		As % of 2019Q4
RevPAR	<b>94.4%</b>	to RMB <b>117</b>	<b>91.3%</b>
Total Revenues	<b>106.1%</b>	to RMB <b>307.4MM</b>	<b>106.2%</b>
Income from <sup>(1)</sup> Operations	<b>30.5%</b>	to RMB <b>36.1MM</b> with margin <b>11.8%</b>	<b>36.6%</b>
Net Income	<b>35.9%</b>	to RMB <b>28.6MM</b> with margin <b>9.3%</b>	<b>38.3%</b>
Adjusted EBITDA (non-GAAP) <sup>(2)</sup>	<b>52.6%</b>	to RMB <b>68.8MM</b> with margin <b>22.4%</b>	<b>61.7%</b>
Core Net Income per ADS <sup>(3)</sup>	<b>32.8%</b>	to RMB <b>0.35</b>	<b>39.8%</b>

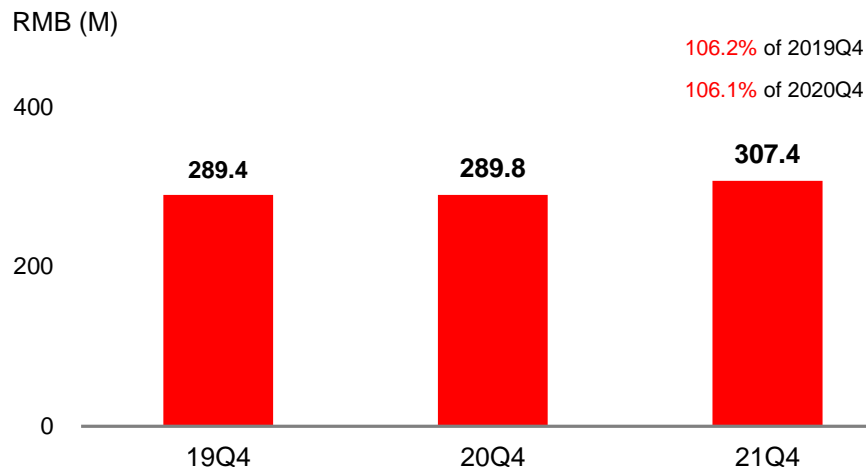
**Notes:**

- Income from operations, adjusted EBITDA and core net income are negatively affected by RMB 33.6 million loss from newly opened LO hotels in 2021 incurred during the ramp-up period.
- 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, depreciation and amortization and losses from investment in equity securities but excludes other operating income, interest income and other, net, gains from investment in equity securities, share of gains in equity investees (net of tax), and other income, net. The calculation of Adjusted EBITDA (non-GAAP) included in this report has been aligned according to the abovementioned definition.
- EPS, Earnings per ADS (basic and diluted), is calculated as net (loss) income attributable to ordinary shareholders divided by weighted average shares outstanding.

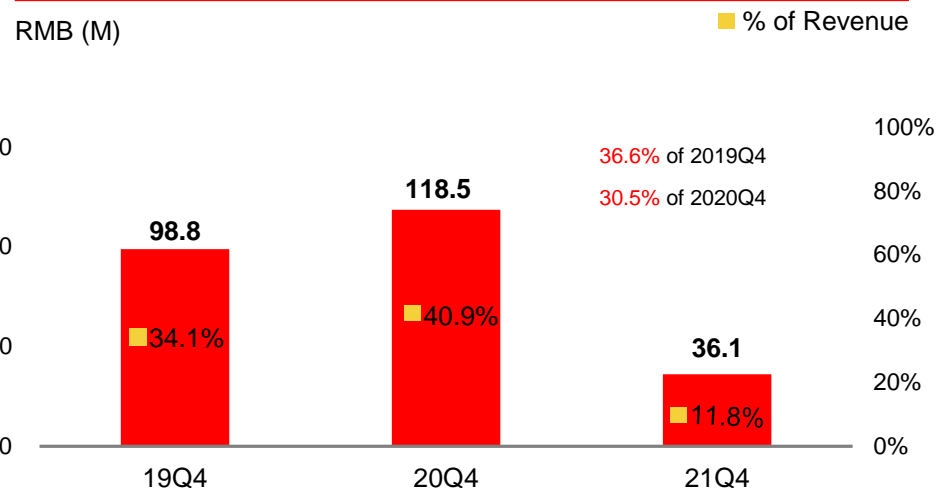
# Overview of 2021Q4



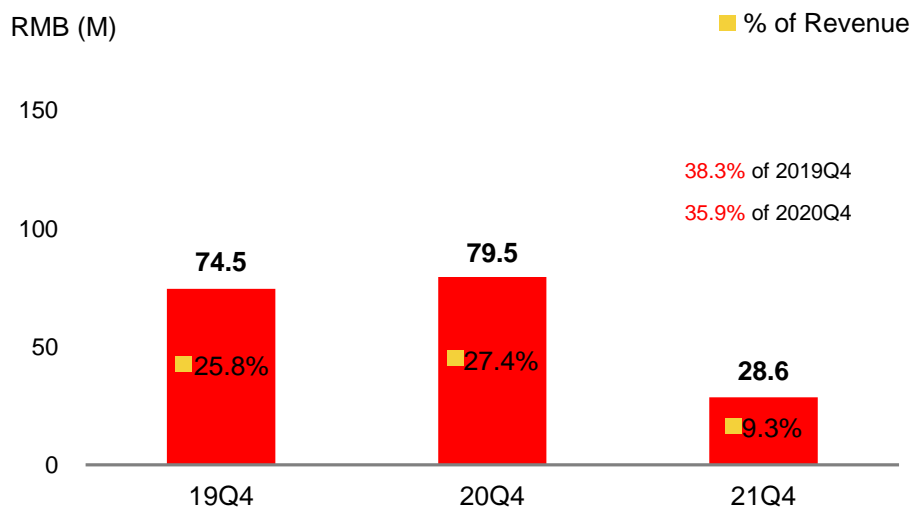
## Total Revenues



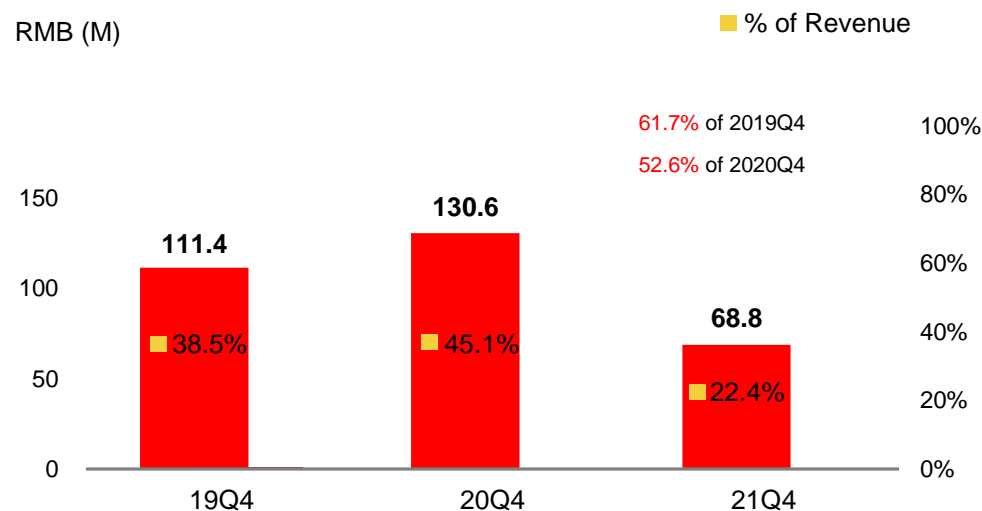
## Income from Operations



## Net Income



## Adjusted EBITDA <sup>(1)</sup>



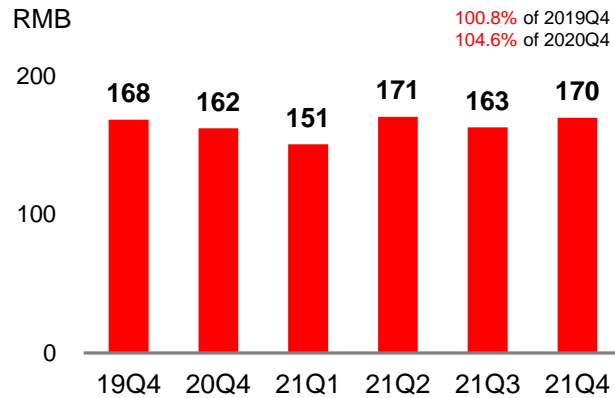
**Note:**

1. 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, depreciation and amortization and losses from investment in equity securities but excludes other operating income, interest income and other, net, gains from investment in equity securities, share of gains in equity investees (net of tax), and other income, net. The calculation of Adjusted EBITDA (non-GAAP) included in this report has been aligned according to the abovementioned definition.

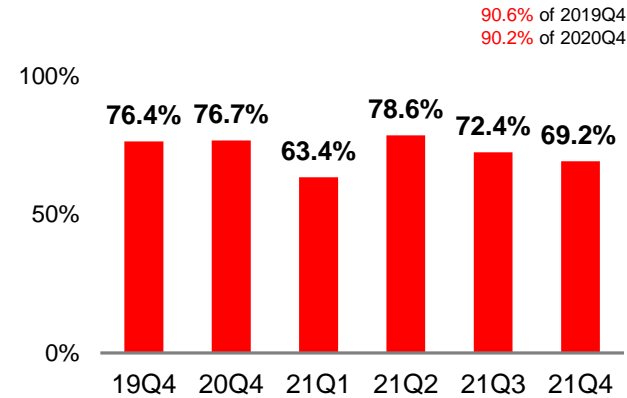
# Overview of 2021Q4



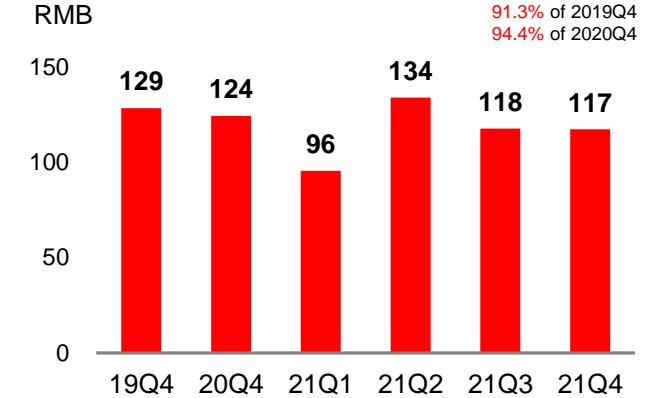
## ADR



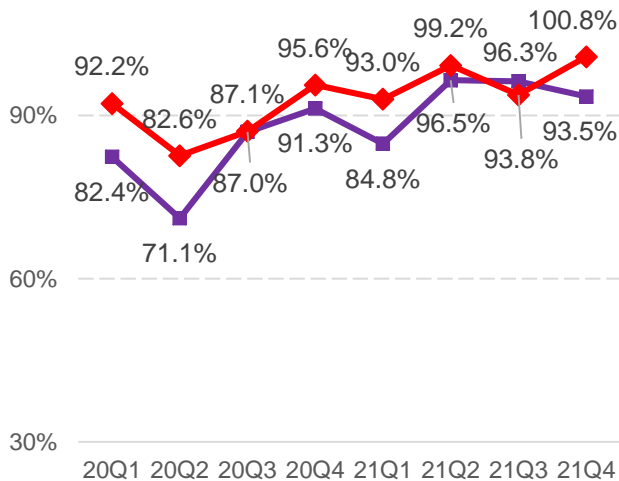
## Occupancy



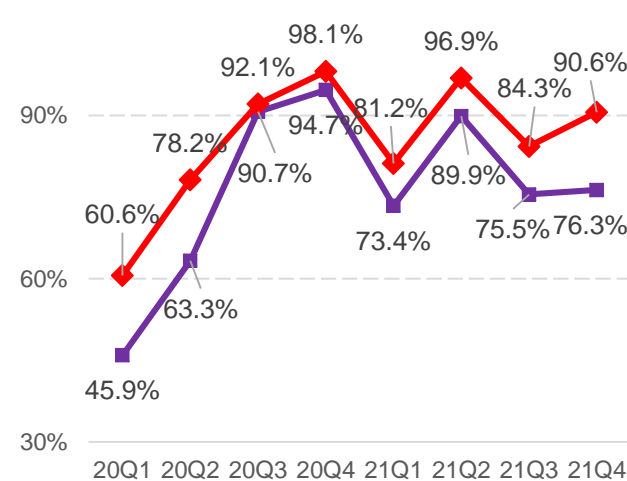
## RevPAR



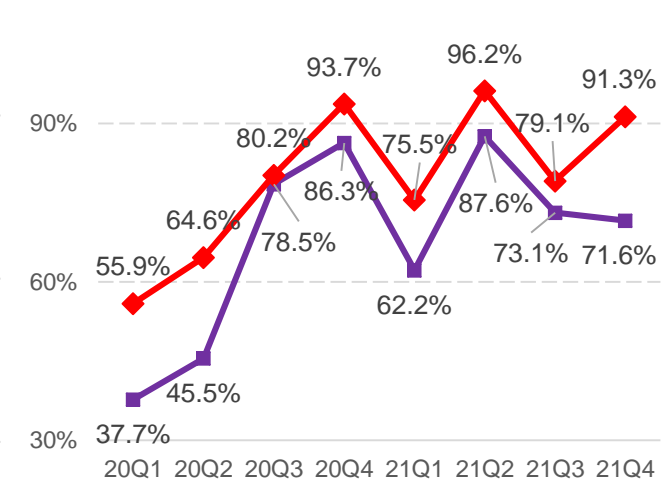
## ADR as % of 2019



## Occupancy as % of 2019



## RevPAR as % of 2019



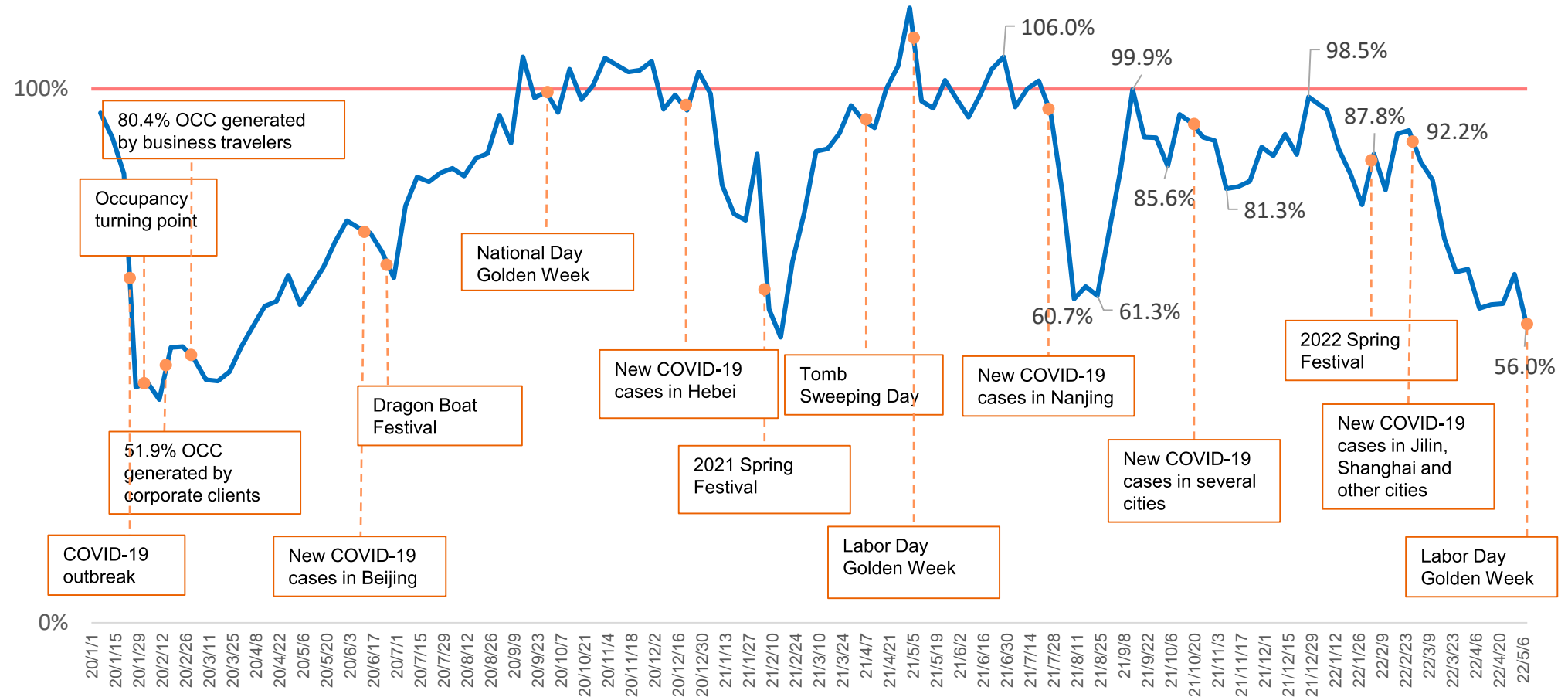
■ Hotels in China <sup>(1)</sup> ■ GreenTree

**Note:**  
1. Based on STR monthly data.

# Overview of 2021Q4



## RevPAR as % of 2019 <sup>(1)</sup>



**Note:**  
1. Based upon weekly average RevPAR





格丽酒店  
GELI HOTEL

02

2021Q4 Strategic Execution



**Further Expansion into Mid-to-Upscale Segment**



**Greater Penetration in Tier 3 and Lower Cities in Southwest and South China**

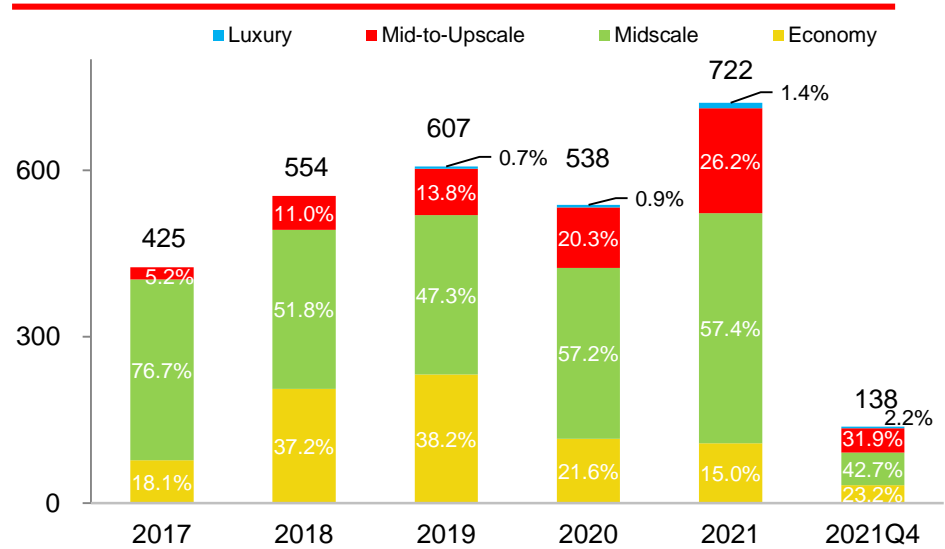


**Brand Innovation**

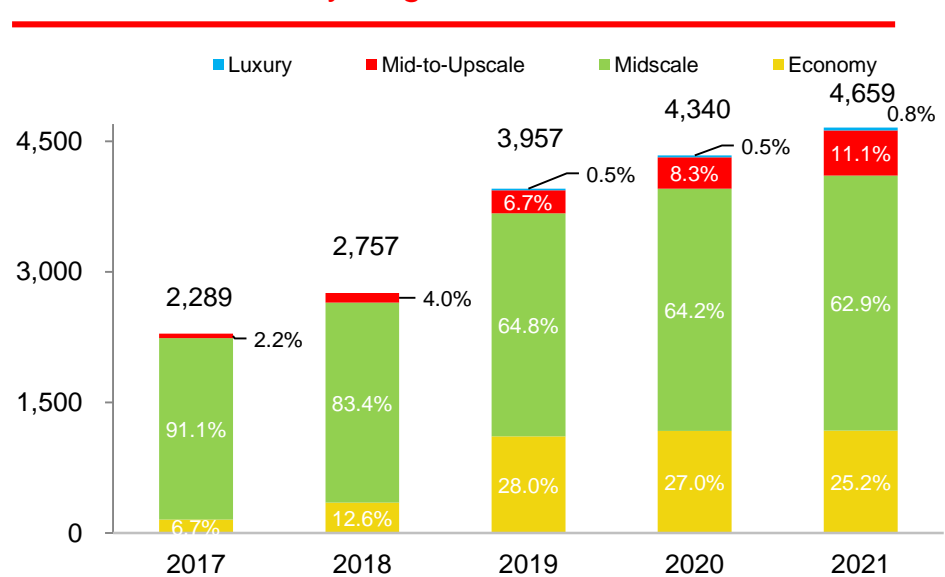
# Further Expansion into Mid-to-UpScale Segment



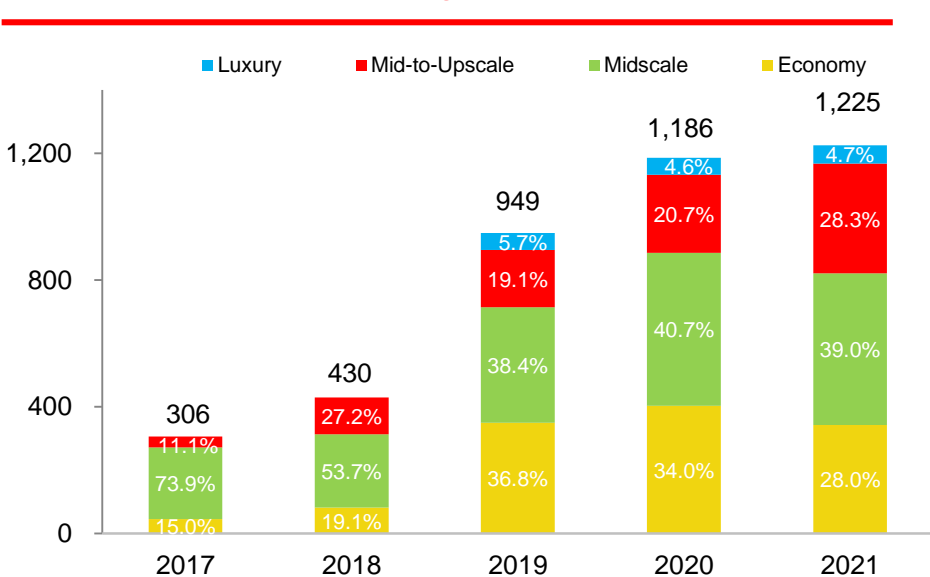
## New Openings Breakdown by Segment



## Hotel Breakdown by Segment



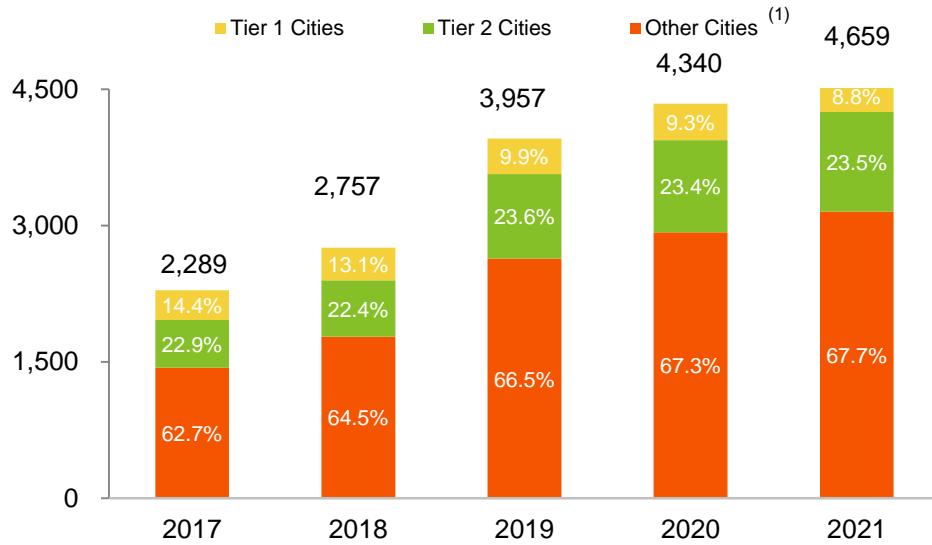
## Pipeline Breakdown by Segment



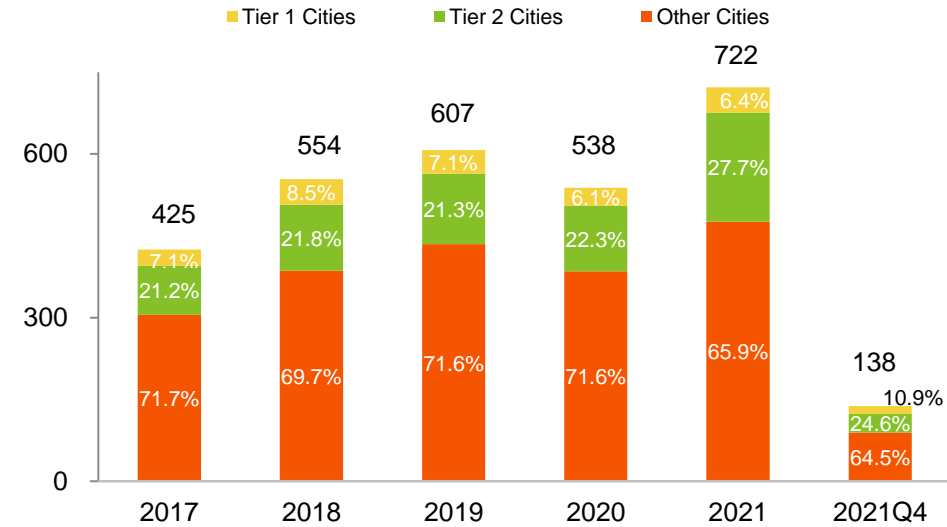
# Greater Penetration in Tier 3 and Lower Cities



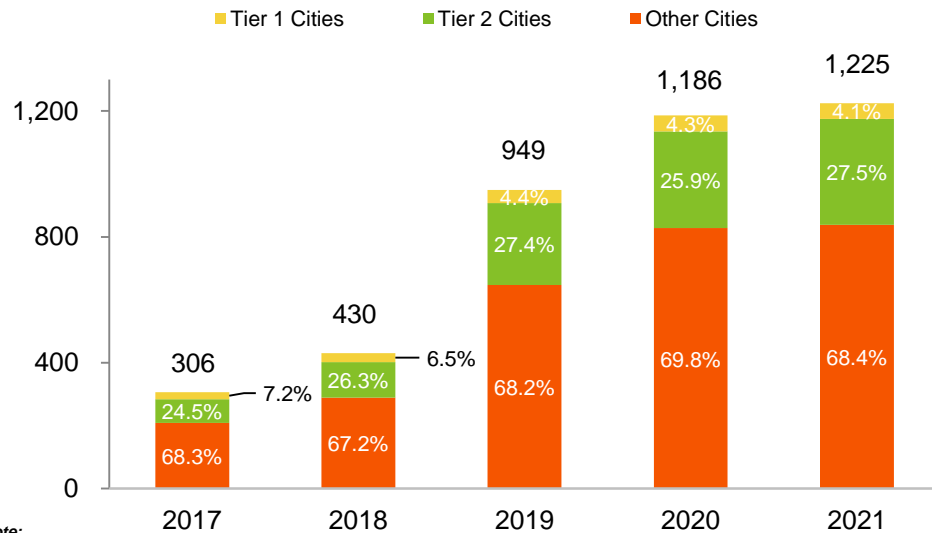
## Hotel Breakdown by City Tier



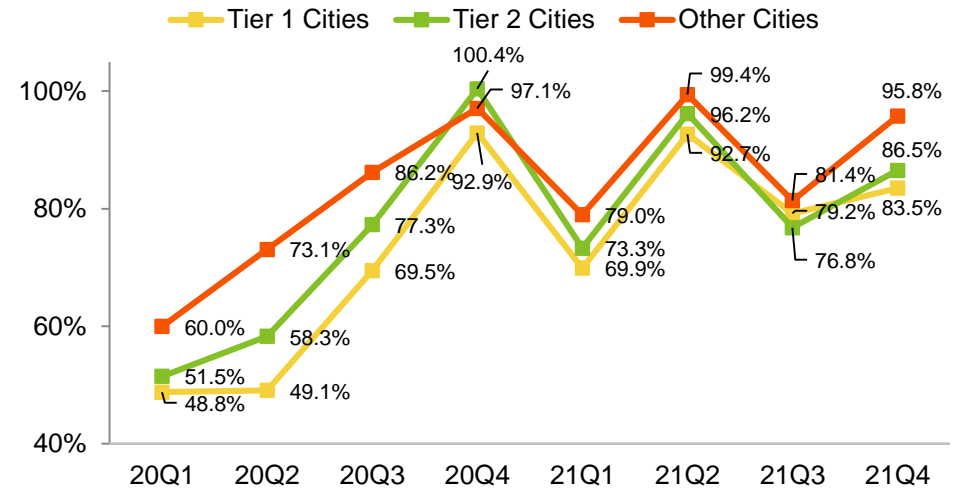
## New Openings Breakdown by City Tier



## Pipeline Breakdown by City Tier



## RevPAR Recovery % by City Tier compared with 2019



Note:

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.

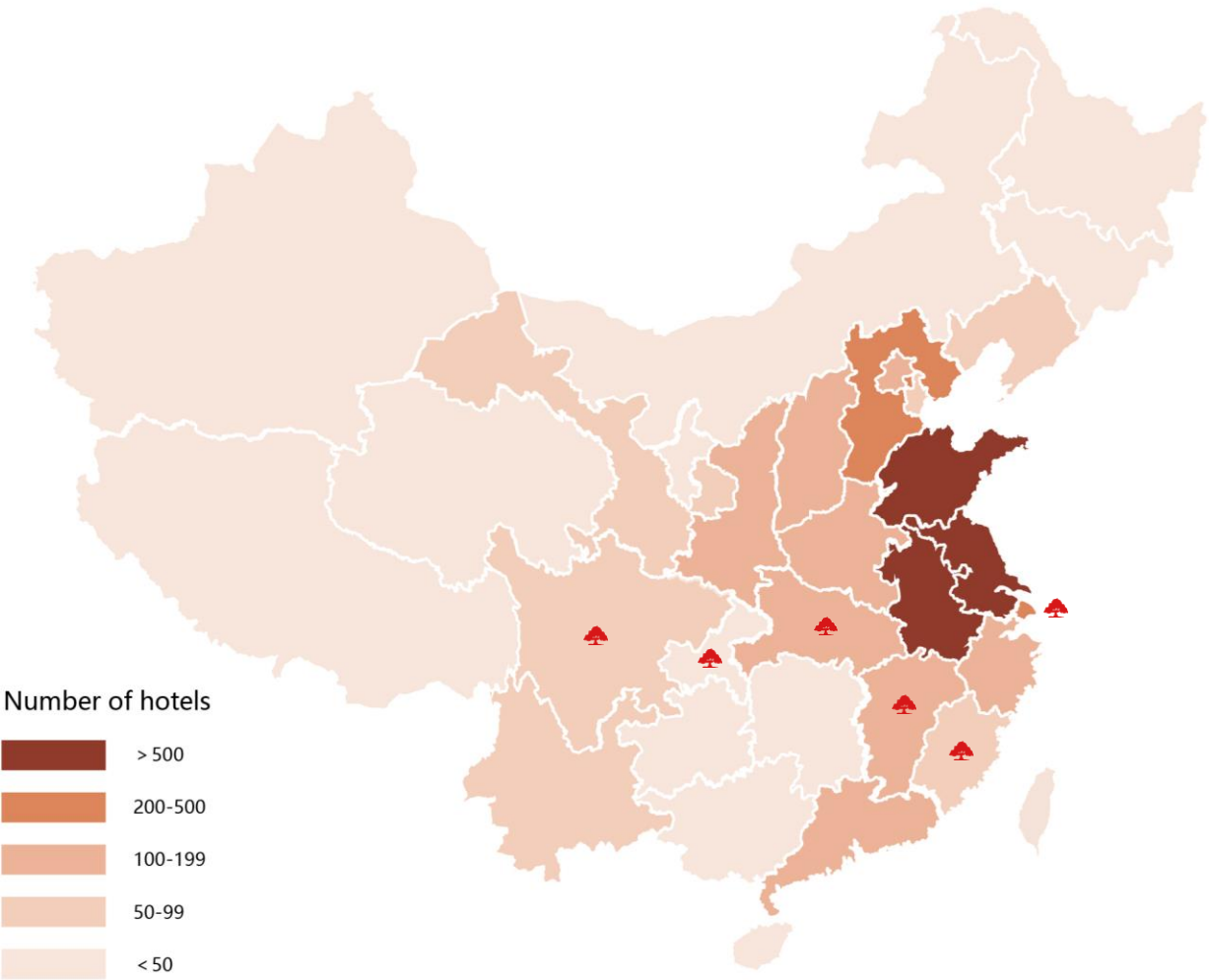
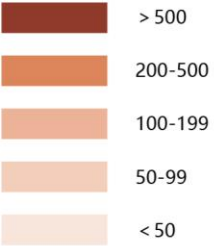
# Expansion in Southwest and South China



## Hotel numbers year over year increase %

- Hubei & Hunan area +80%
- Chongqing & Sichuan area +30%
- Jiangxi & Fujian area +20%

### Number of hotels

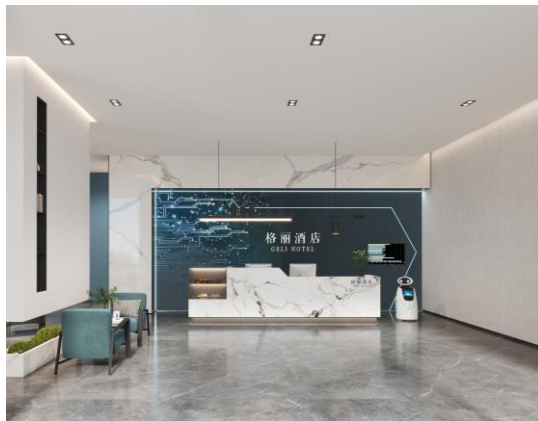




格林电竞酒店  
GTES

## GreenTree E-sports hotels.

- Mid-to-Upscale Brand
- **25** in operation
- Target additional **100** hotels over next 12 months
- RMB**300-400** ADR and around 100% OCC rate
- Better performance during Covid-19
- Less than **14** days renovation period



格丽酒店  
GELI HOTEL

## Geli Hotel

- Mid-to-Upscale Brand
- **7** in operation





格菲酒店 VxHOTEL

Vx Hotel Hefei Railway Station North  
Square World Mansion

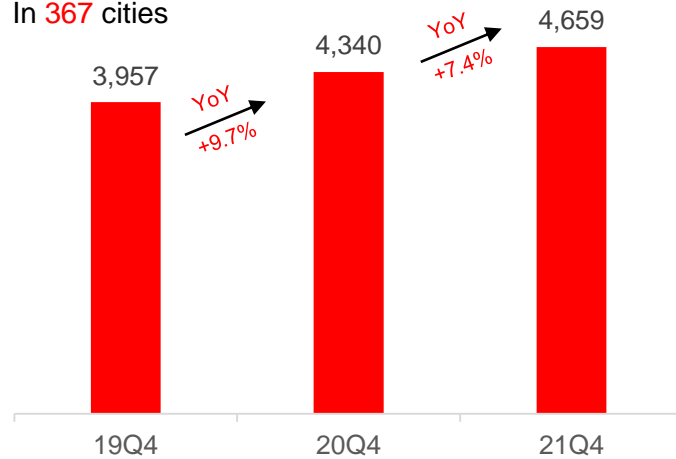
03

Operating and Financial Highlights

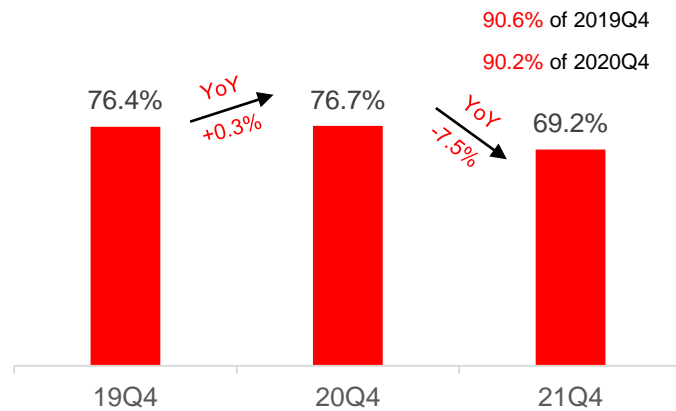


## Number of Hotels

In 367 cities

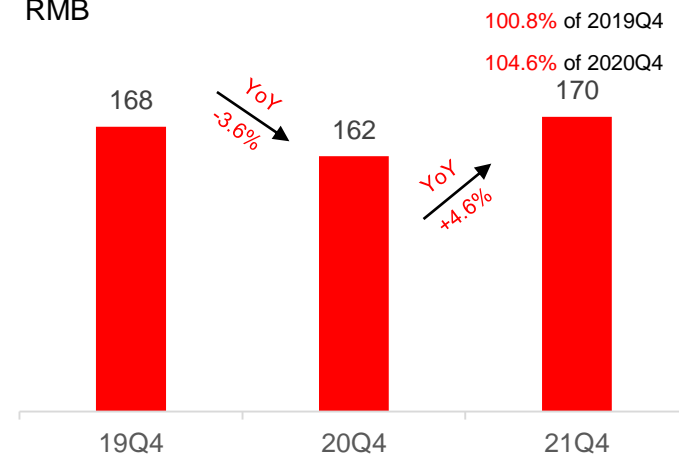


## Occupancy



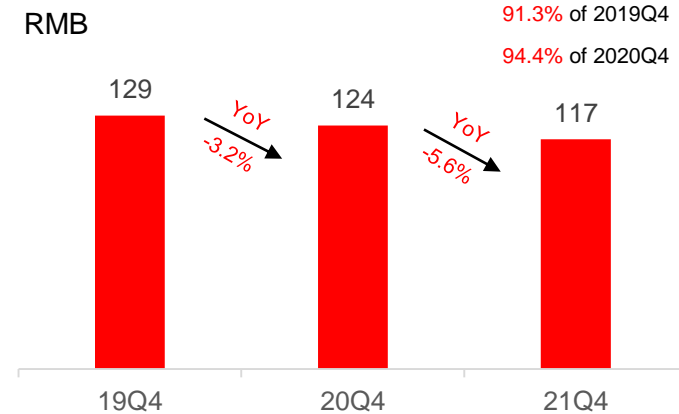
## ADR

RMB



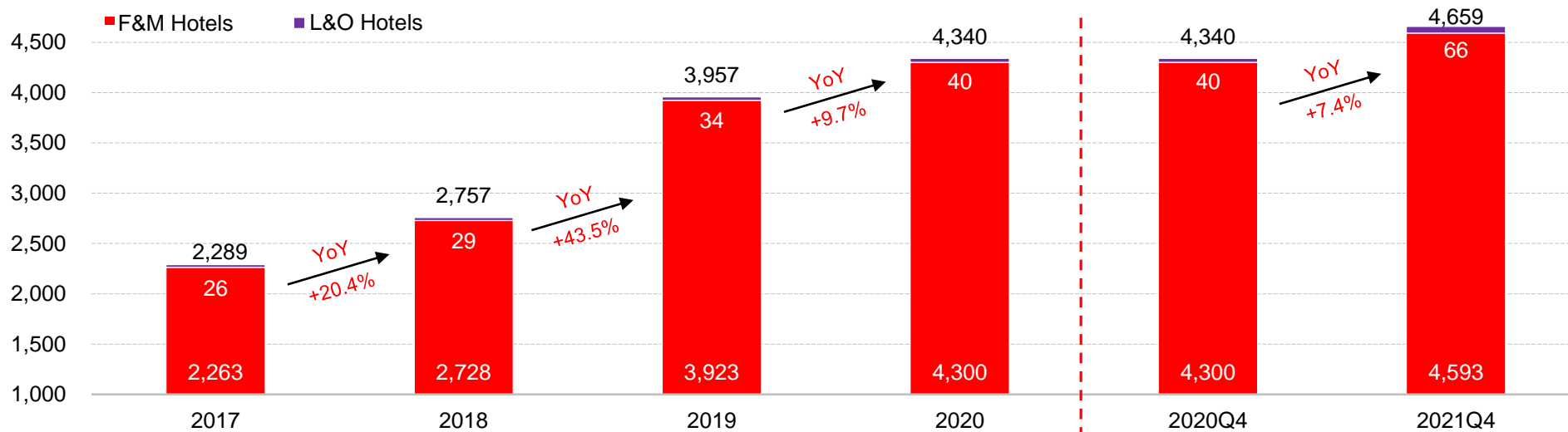
## RevPAR

RMB



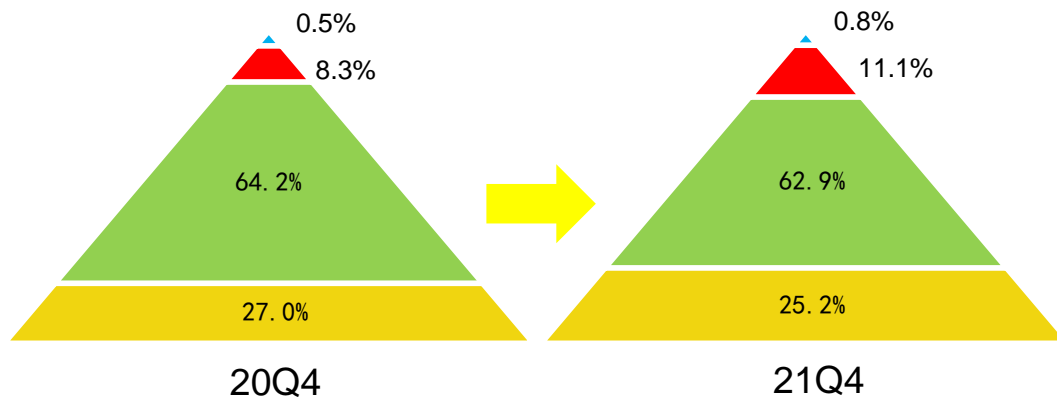


## Increasing Number of Hotels in Operation



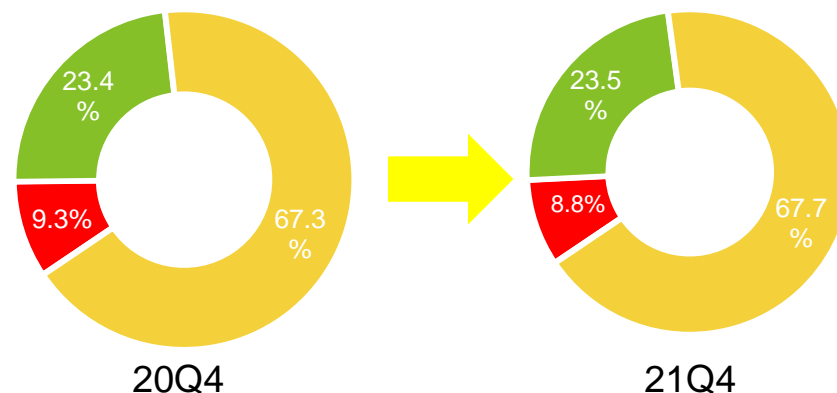
## Growth by Market Segment

■ Luxury ■ Mid-to-Up-Scale ■ Midscale ■ Economy



## Growth by City Tier <sup>(1)</sup>

■ Tier 1 Cities ■ Tier 2 Cities ■ Other Cities



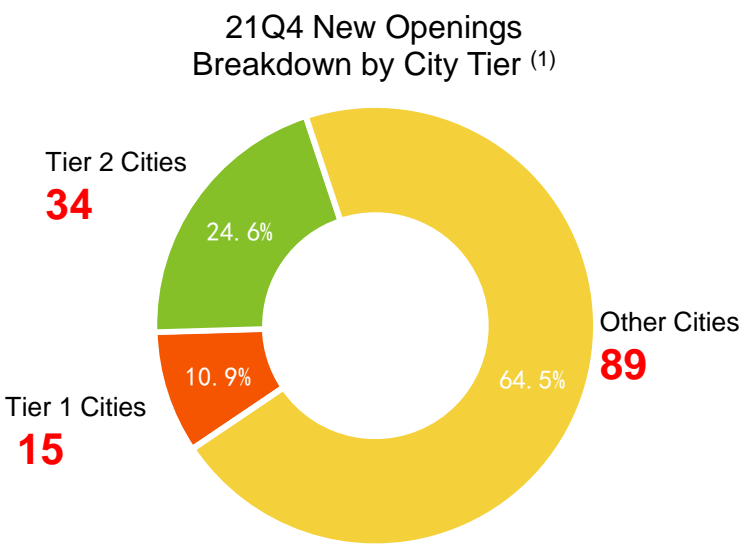
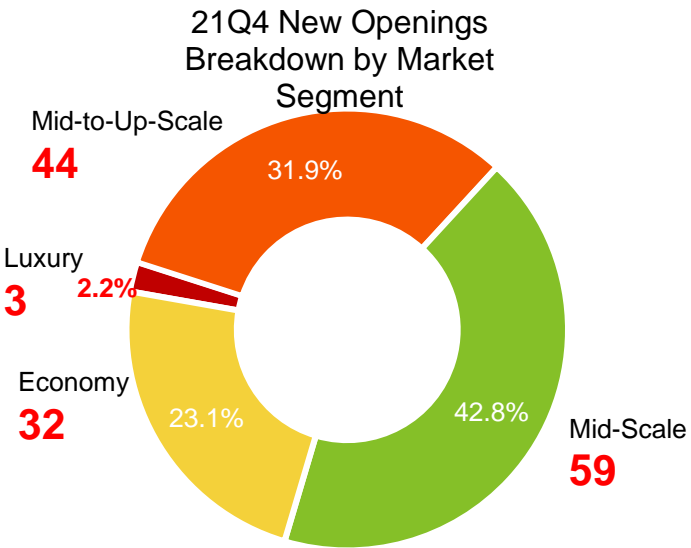
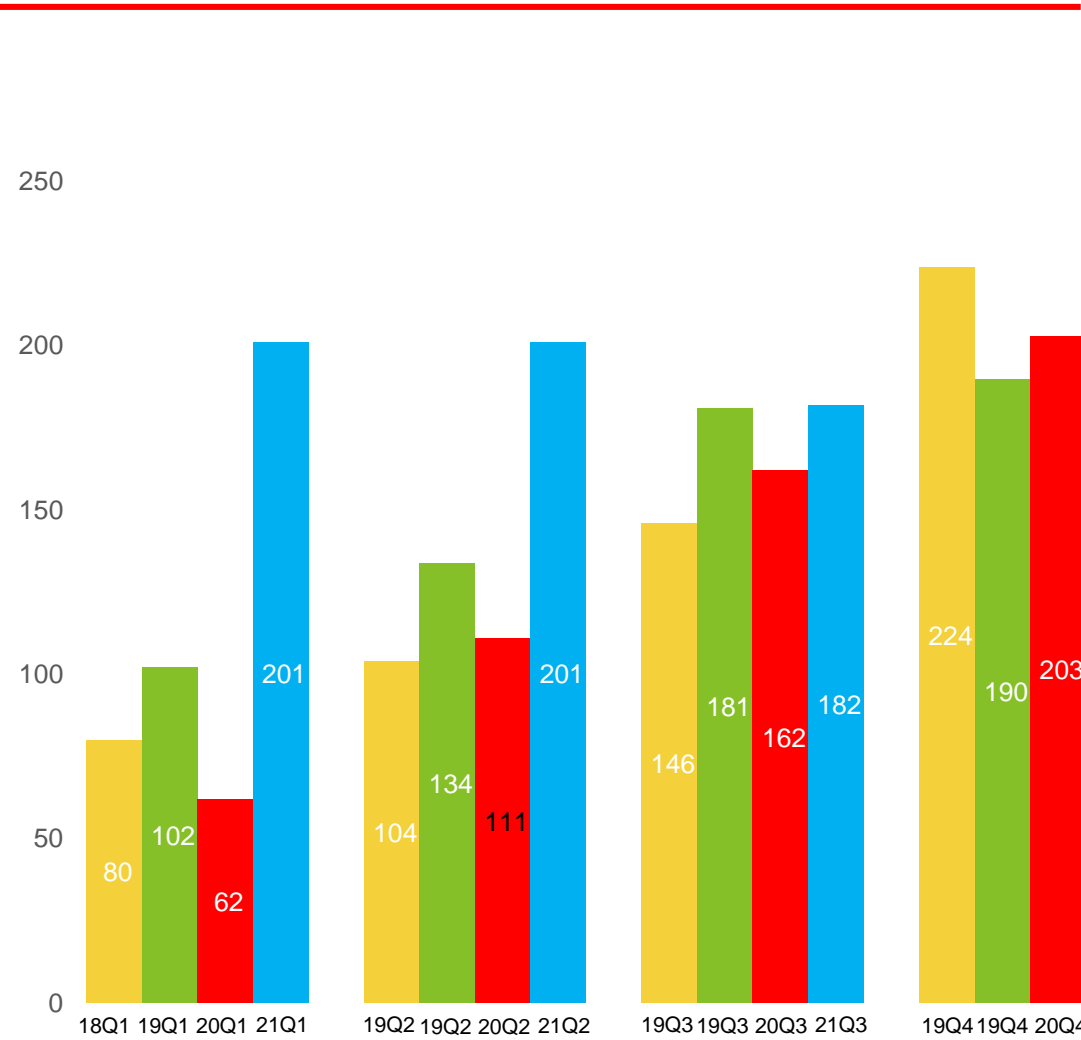
Note:

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.





## New Hotel Openings

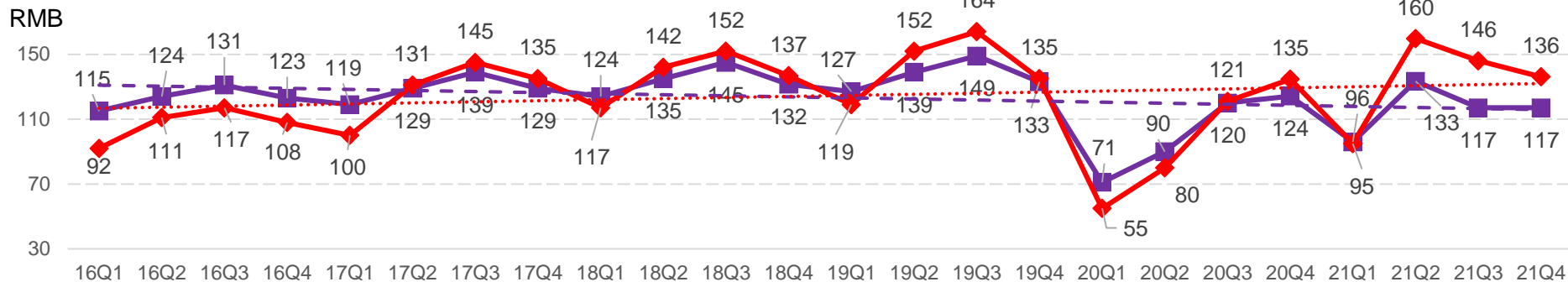


**Note:**  
1. Tier 1 Cities refers to Beijing, Shanghai, Shenzhen and Guangzhou; Tier 2 Cities refers to the 32 major cities, other than Tier 1 Cities, including provincial capitals, administrative capitals of autonomous regions, direct-controlled municipalities and other major cities designated as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

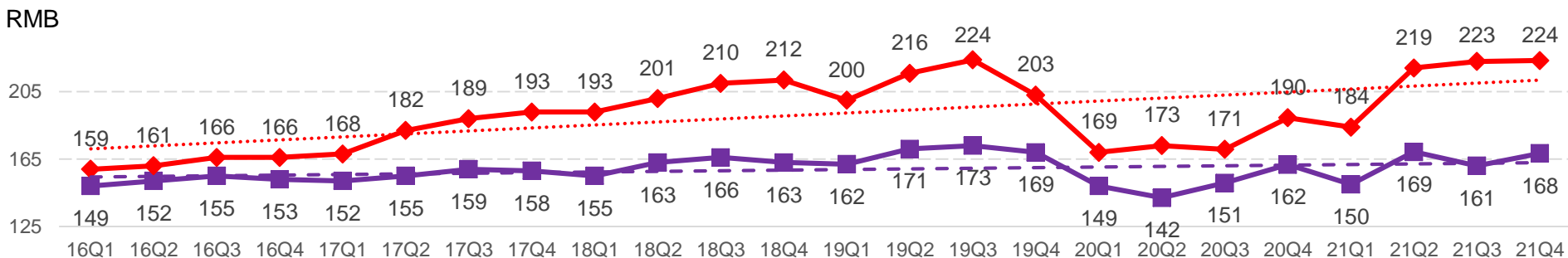
# Hotel Performance



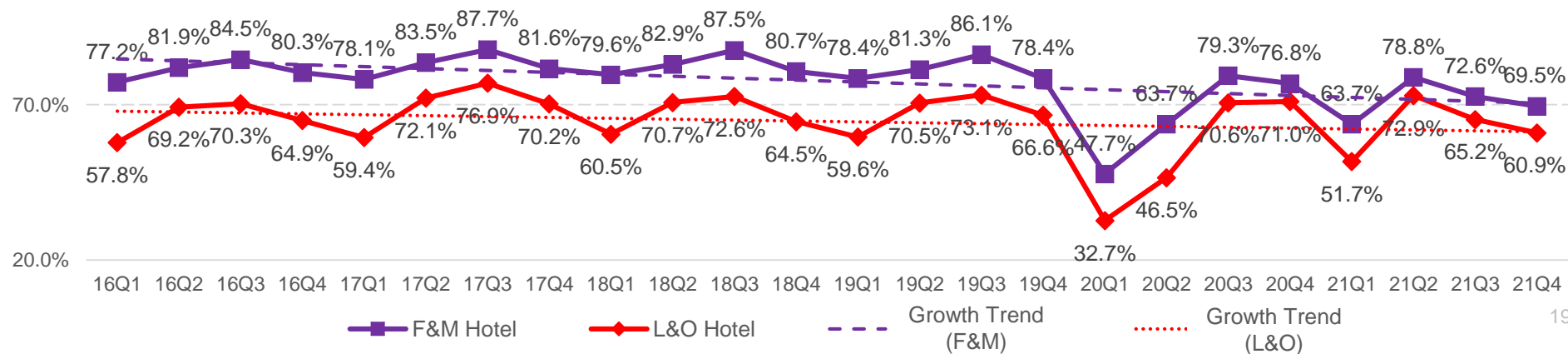
## RevPAR



## ADR



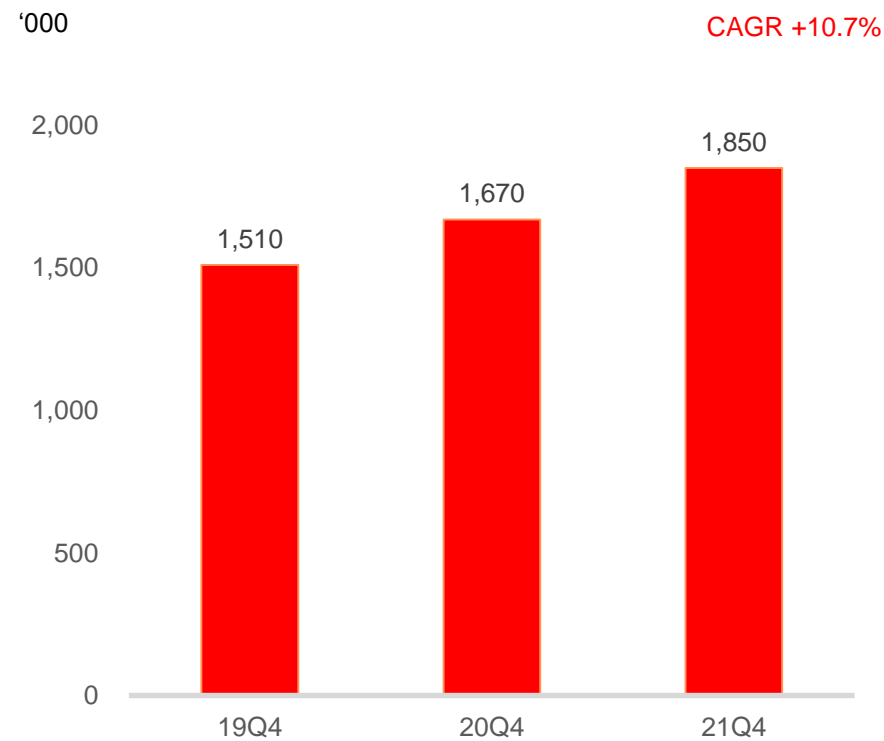
## Occupancy



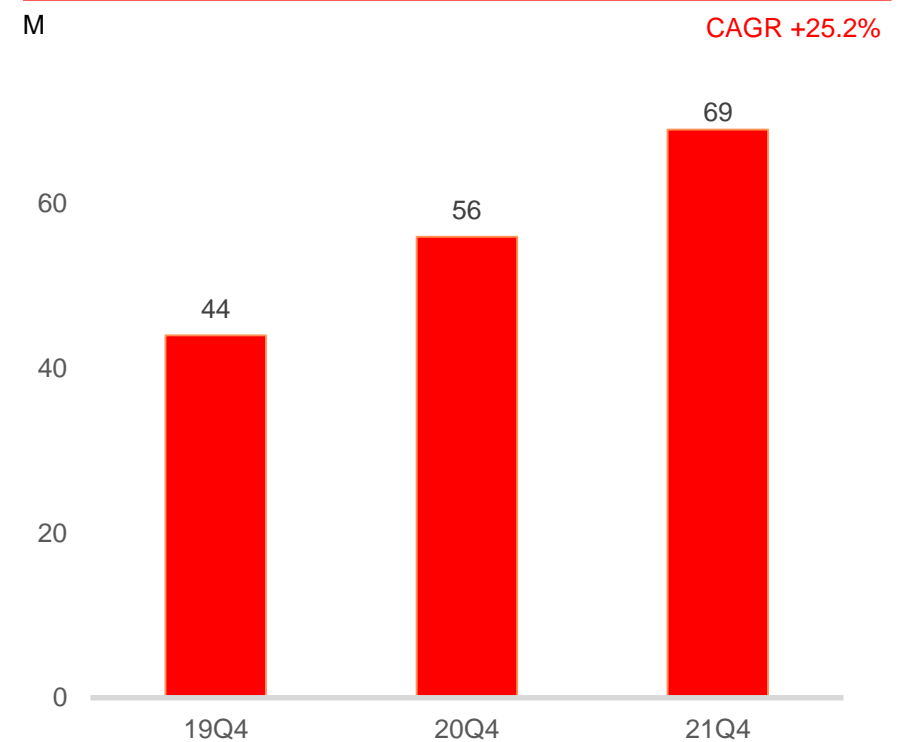


◆ **91.0%** of room nights sold directly in 2021Q4

## Corporate Members



## Individual Members

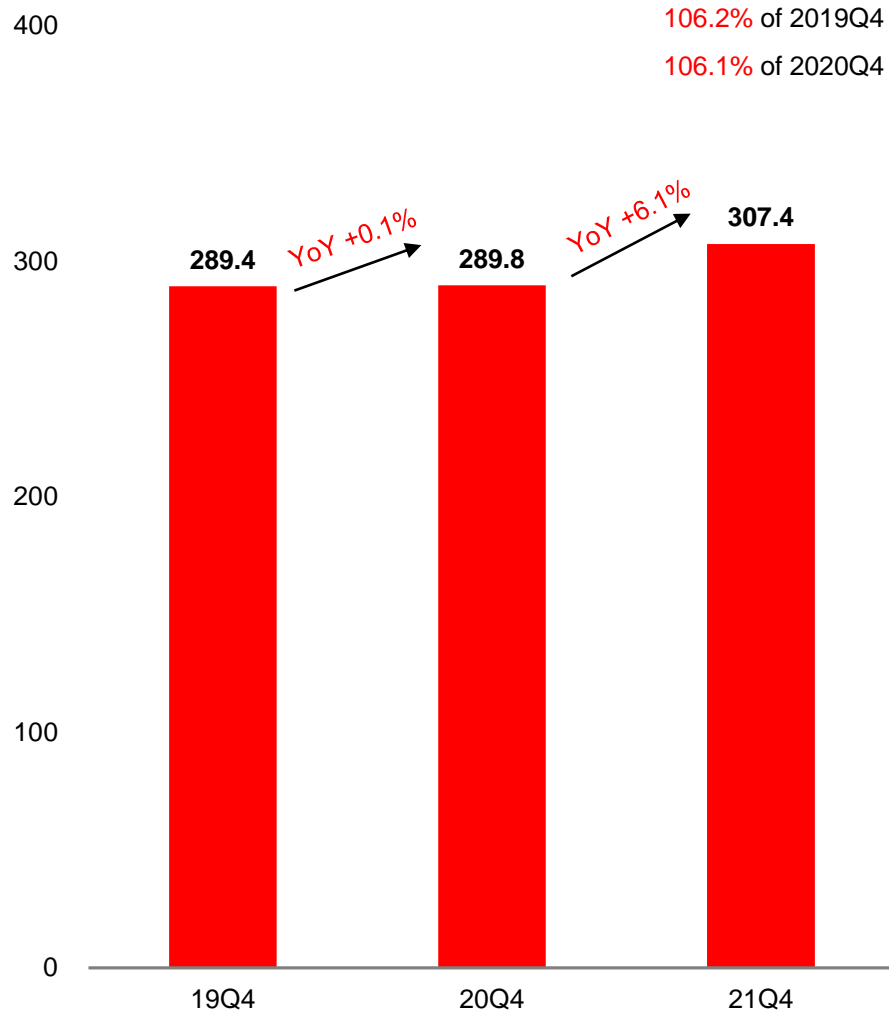






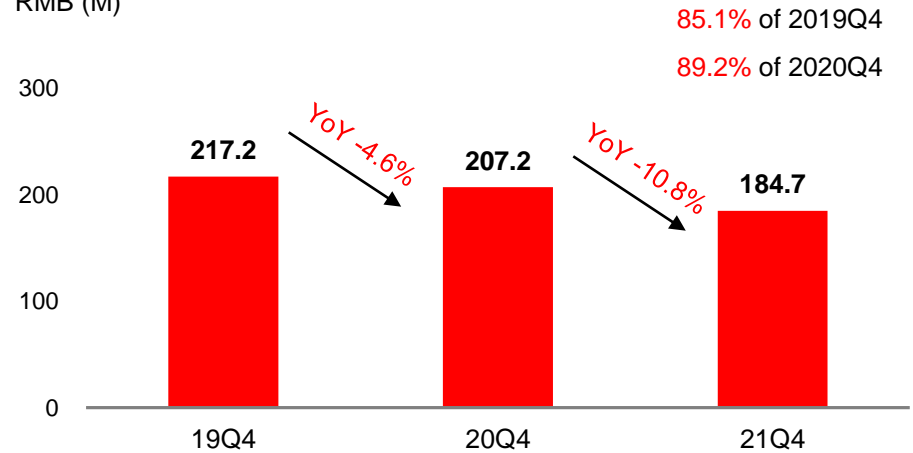
## Total Revenue

RMB (M)



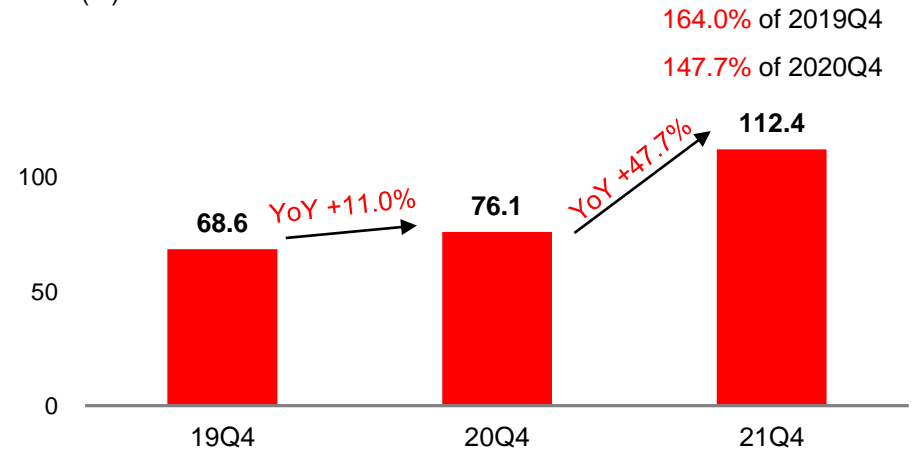
## Revenue from F&M Hotels

RMB (M)



## Revenue from L&O Hotels

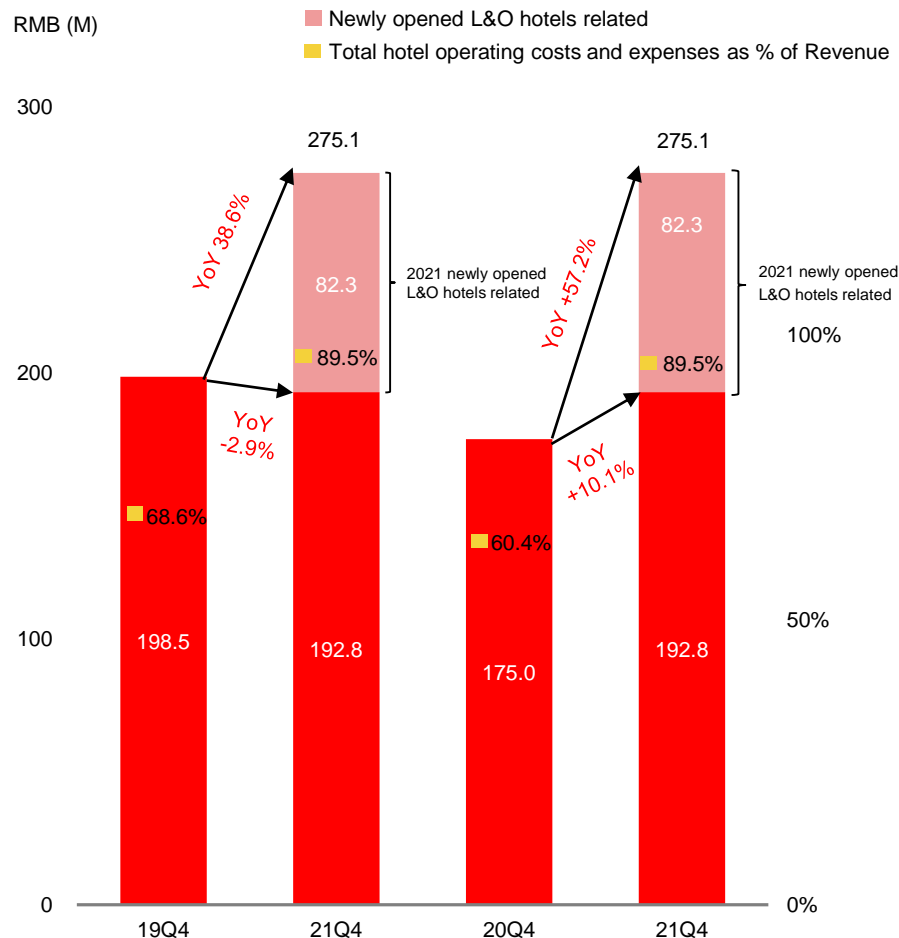
RMB (M)



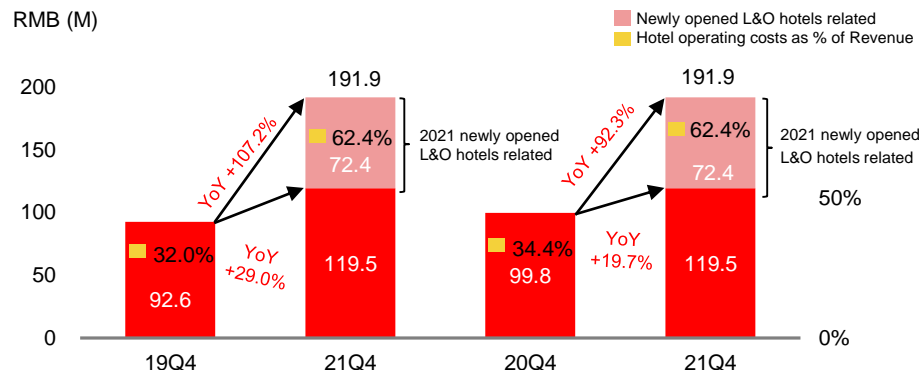
# Hotel Operating Costs and Expenses



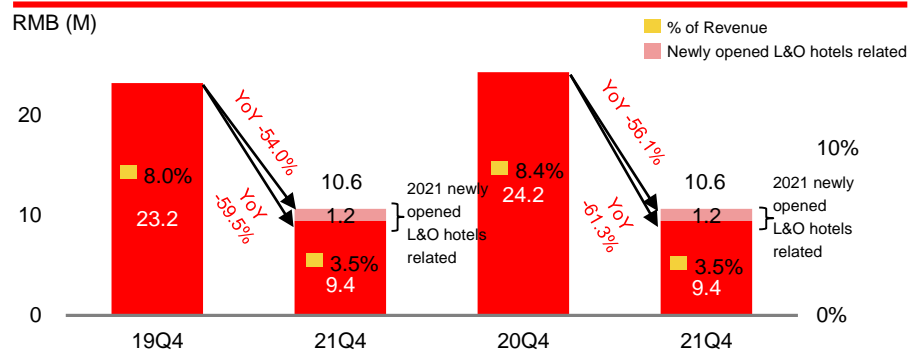
## Total Hotel Operating Costs and Expenses (1)



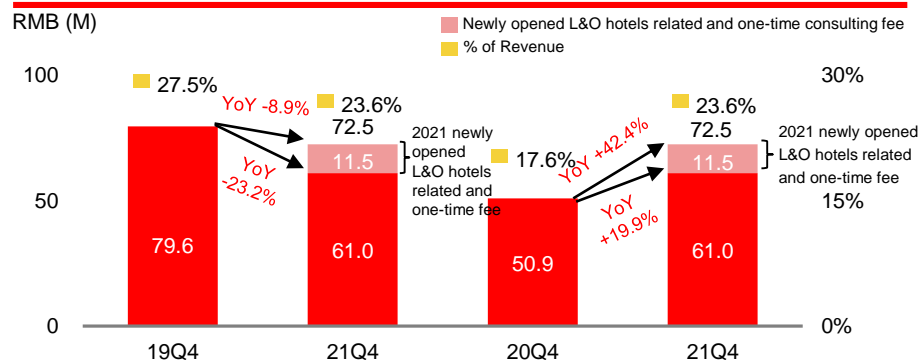
## Hotel Operating Costs (2)



## Selling and Marketing Expenses



## General and Administrative Expenses

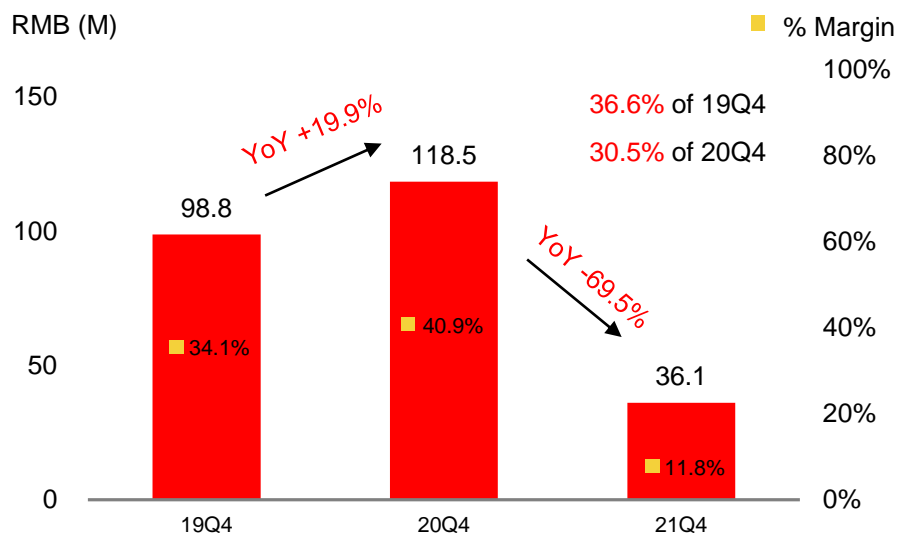


### Notes:

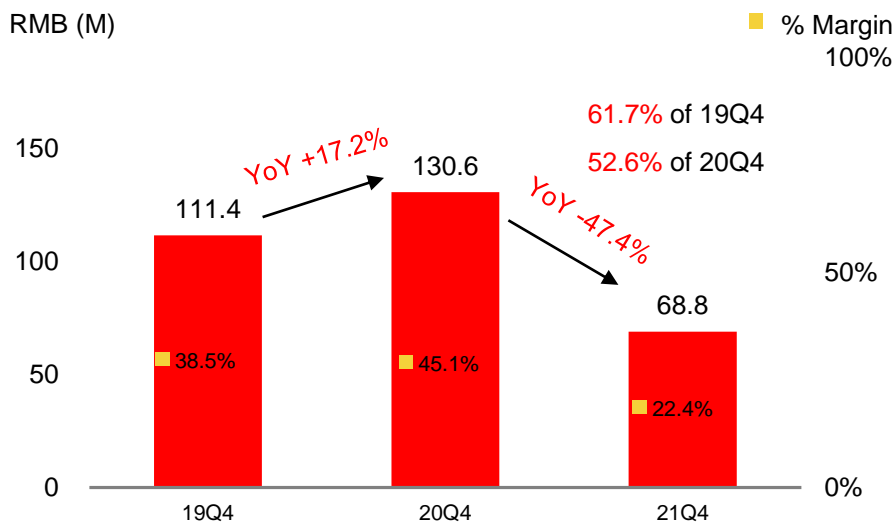
1. Total operating costs and expenses consist of hotel operating costs, selling and marketing expenses, general and administrative expenses and other operating expenses.
2. Apart from LO hotel operating costs, hotel operating costs include FM hotel related costs and other costs.



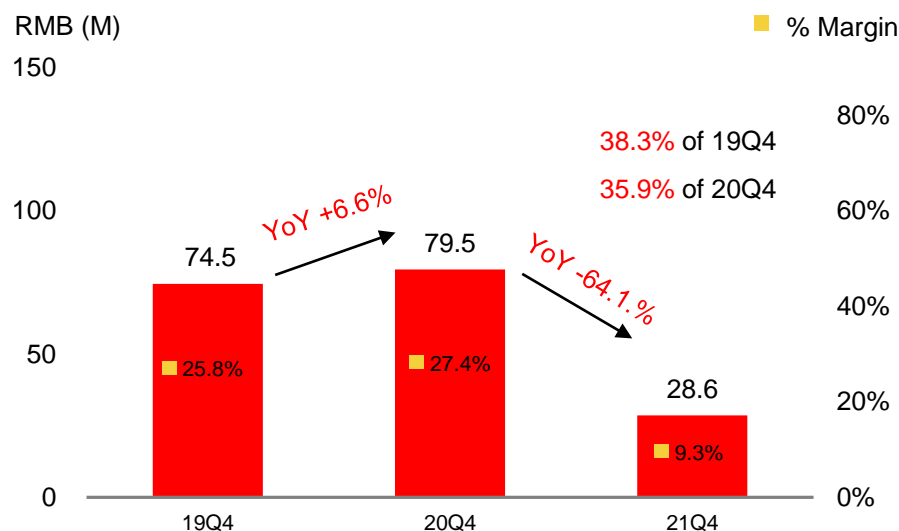
## Income from Operations and Margin



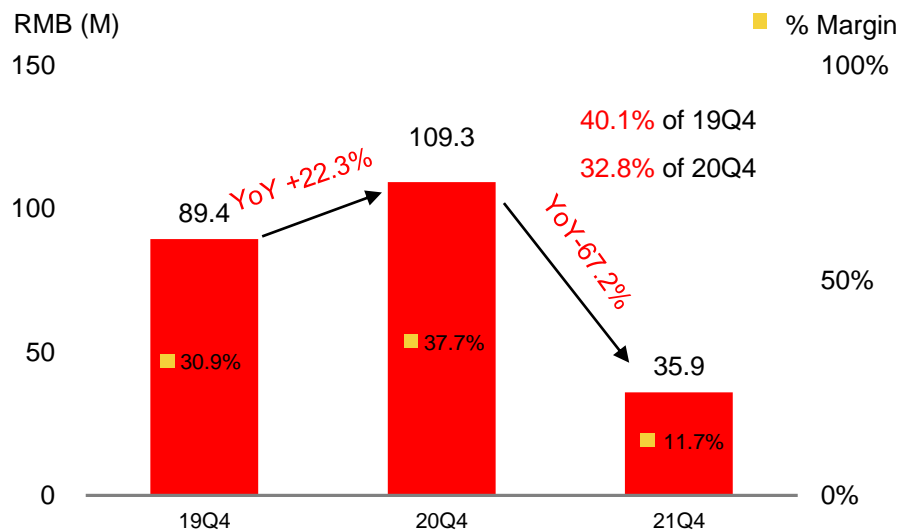
## Adjusted EBITDA (1) and Margin



## Net Income and Margin



## Core Net Income (2) and Margin



Notes:

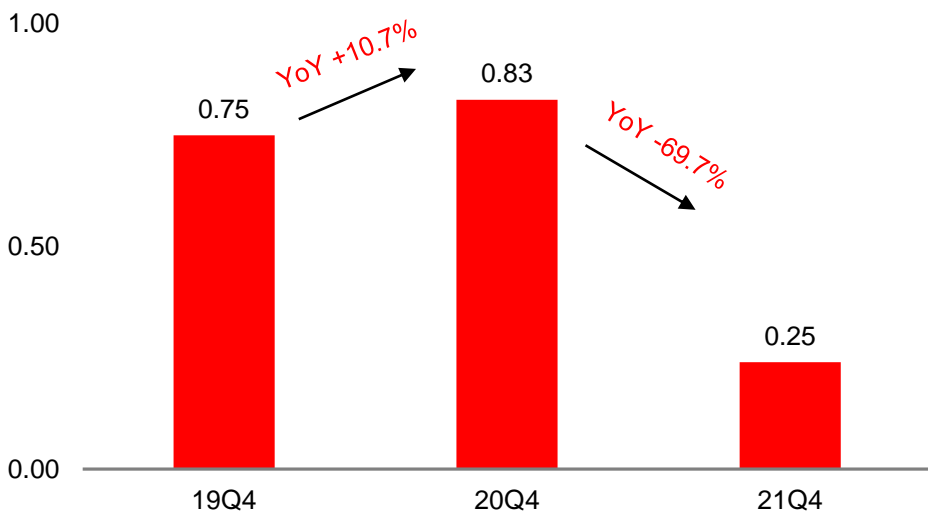
- Adjusted EBITDA (non-GAAP) is calculated as net income plus other operating expenses, income tax expense, share of loss in equity investees, net of tax, interest expense, depreciation and amortization and losses from investment in equity securities but excludes other operating income, interest income and other, net, gains from investment in equity securities, share of gains in equity investees (net of tax), and other income, net. The calculation of Adjusted EBITDA (non-GAAP) included in this report has been aligned according to the abovementioned definition.
- Core net income is calculated as net income plus share-based compensation, losses from investments in equity securities (net of 25% tax), one-time fees and expense and asset impairment/accrued bad debt but excludes government subsidies (net of 25% tax), gains from investment in equity securities (net of 25% tax), and other income (net of 25% tax).



## Net Income per ADS (Basic and Diluted) <sup>(1)</sup>

RMB

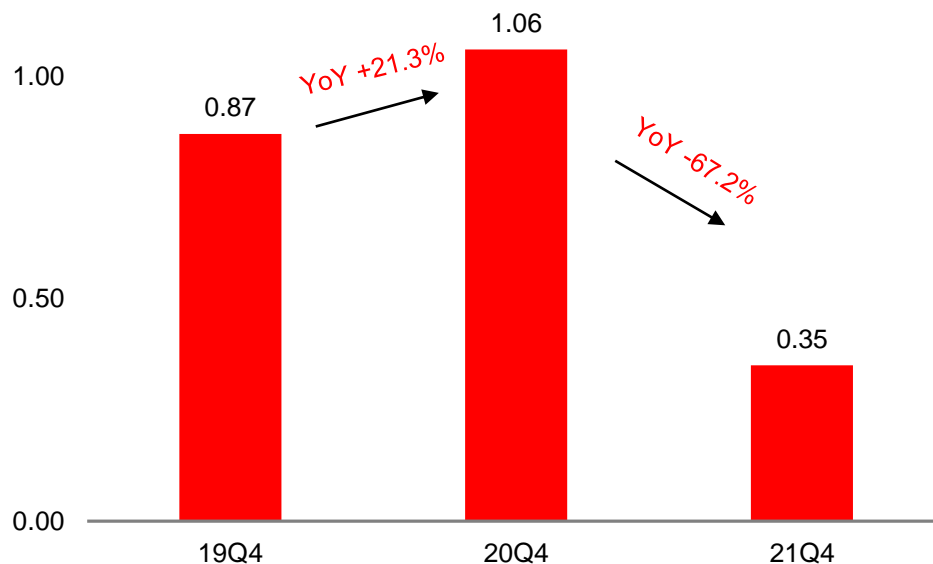
1.50



## Core Net Income per ADS (Basic and Diluted) (Non-GAAP) <sup>(2)</sup>

RMB

1.50



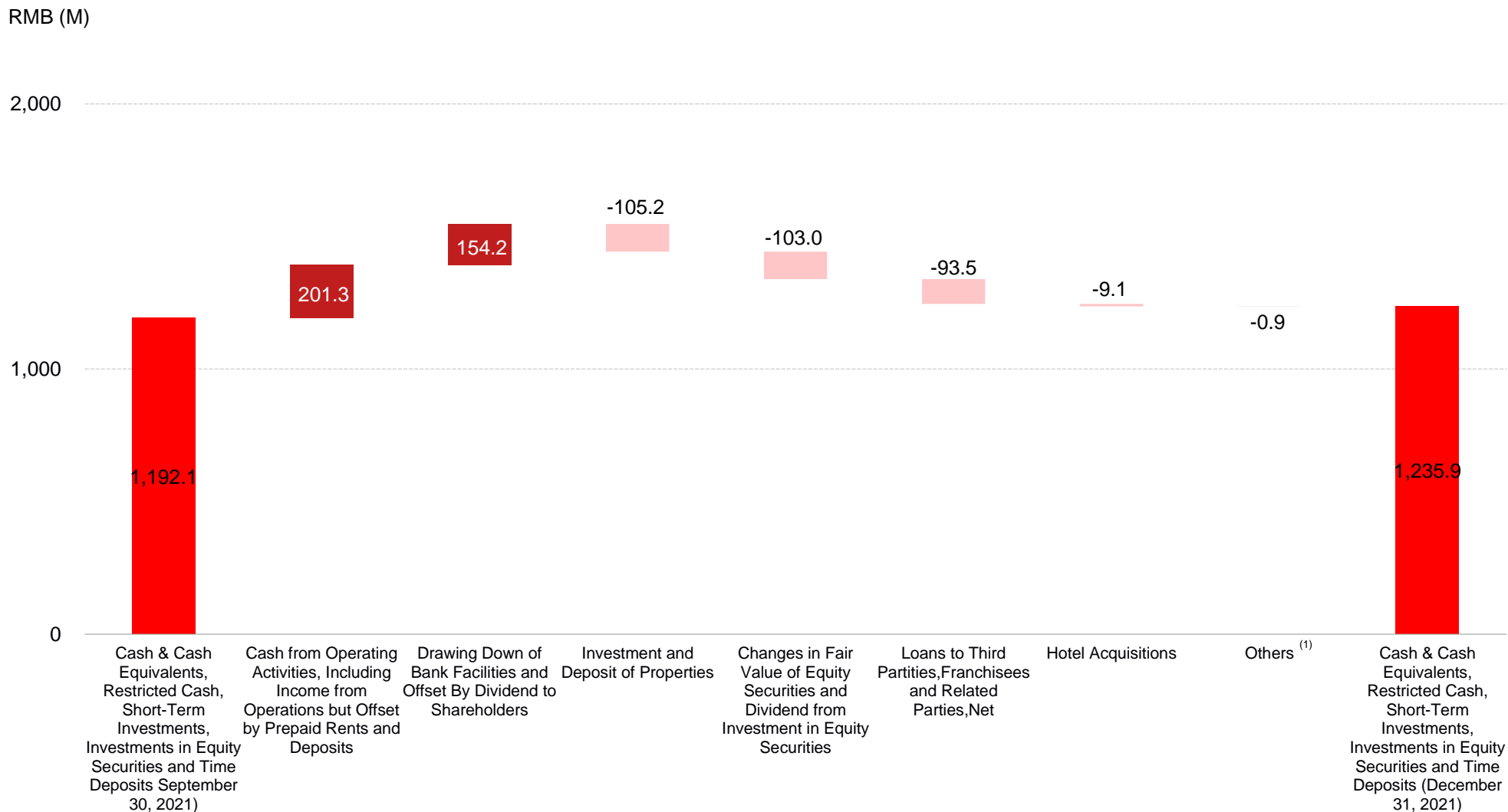
### Notes:

1. EPS, Earnings per ADS (basic and diluted) was calculated as net (loss) income attributable to ordinary shareholders divided by weighted average shares outstanding.
2. Core net income is calculated as net income plus share-based compensation, losses from investments in equity securities (net of 25% tax), one-time fees and expense and asset impairment/accrued bad debt but excludes government subsidies (net of 25% tax), gains from investment in equity securities (net of 25% tax), 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 **RMB1,235.9 Million** as of December 31, 2021



**Note:**

1. Other mainly include Capital contribution from non-controlling interest holders, effect of exchange rate changes on cash and cash equivalents, etc.



- *Total revenues for the full year of 2022 are expected to grow: 0%~5% from 2021*
- Board of Directors has approved a share repurchase program of up to US\$20 million, effective for the next 12 months

***Thank you!***

***Q&A***





格雅酒店  
GYA HOTEL

Gya Hotel Beijing Tongzhou District  
Global Pear Garden

04

Appendix

# Our Portfolio



As of December 31, 2021

## Luxury

- Hotels in operation: 33
- Hotel rooms in operation: 6,265
- Room rates: RMB 400 - 1,000

## Mid-to-Up-Scale

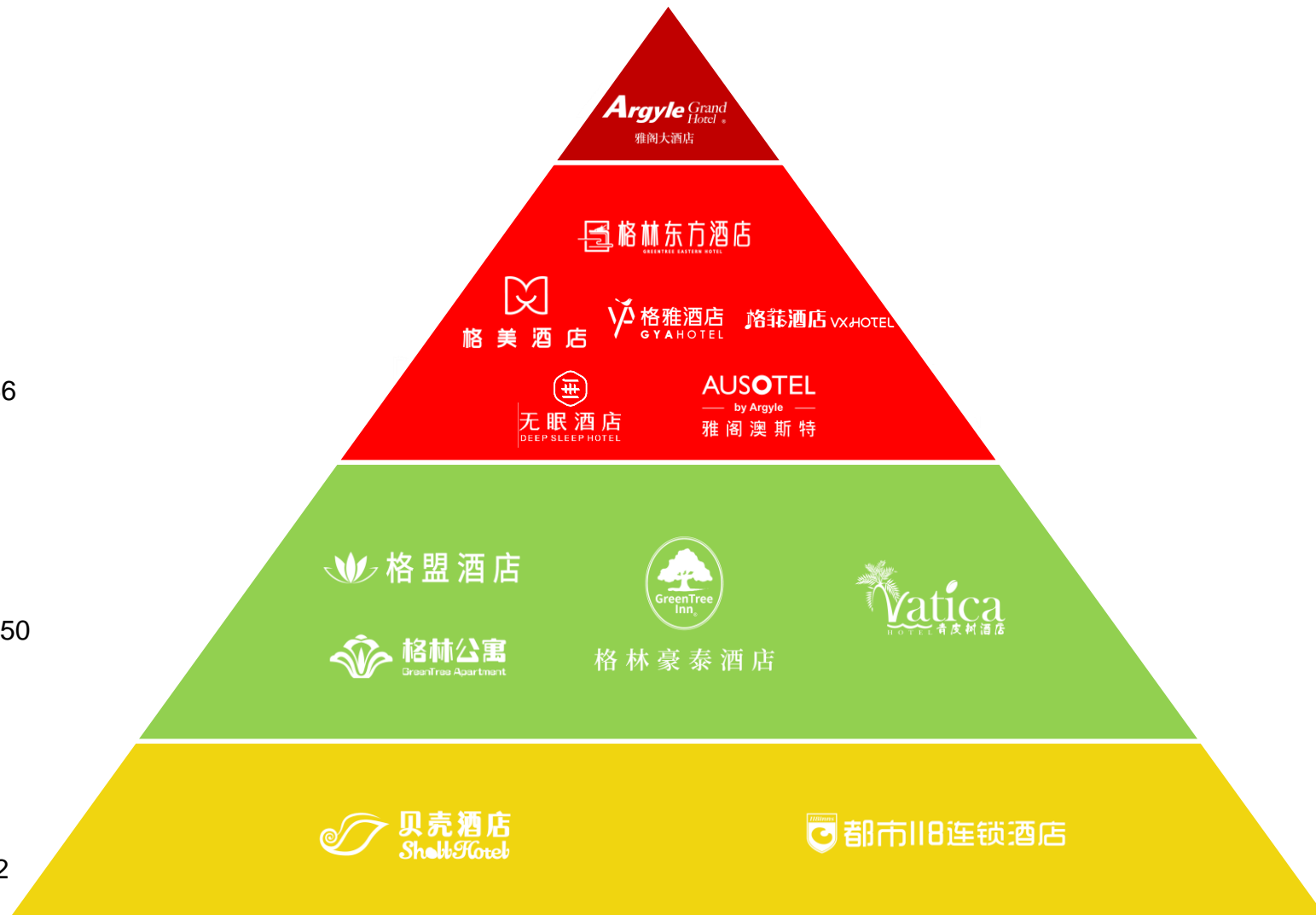
- Hotels in operation: 519
- Hotel rooms in operation: 47,666
- Room rates: RMB 200 - 600

## Mid-Scale

- Hotels in operation: 2,932
- Hotel rooms in operation: 230,750
- Room rates: RMB 150 - 400

## Economy

- Hotels in operation: 1,175
- Hotel rooms in operation: 52,472
- Room rates: RMB 90 - 300



# Hotel Breakdown



By Market Segment and Brand	Number of Hotels in Operation		Number of Hotel Rooms in Operation	
	2020Q4	2021Q4	2020Q4	2021Q4
<b>Luxury</b>	<b>23</b>	<b>33</b>	<b>4,749</b>	<b>6,265</b>
Argyle	23	33	4,749	6,265
<b>Mid-to-up-scale</b>	<b>360</b>	<b>519</b>	<b>32,337</b>	<b>47,666</b>
GreenTree Eastern	151	204	15,653	22,246
Deep Sleep Hotel	3	6	221	417
Gem	35	46	3,202	4,173
Gya	42	62	3,572	5,302
Vx	33	79	2,681	7,021
Ausotel	13	18	1,666	2,237
Urban Garden and others	83	104	5,342	6,270
<b>Mid-scale</b>	<b>2,786</b>	<b>2,932</b>	<b>225,069</b>	<b>230,750</b>
GreenTree Inn	2,163	2,169	181,295	178,849
GT Alliance	374	515	28,560	36,802
GreenTree Apartment	13	16	862	1,098
Vatica	121	112	8,749	8,115
City 118 Selected and others	115	120	5,603	5,886
<b>Economy</b>	<b>1,171</b>	<b>1,175</b>	<b>53,180</b>	<b>52,472</b>
Shell	620	650	26,784	28,196
City 118 and others	551	525	26,396	24,276
<b>Total</b>	<b>4,340</b>	<b>4,659</b>	<b>315,335</b>	<b>337,153</b>

# Operating Data



	2020Q4	2021Q4
<b>Total hotels in operation</b>	<b>4,340</b>	<b>4,659</b>
Leased-and-owned hotels	40	66
Franchised hotels	4,300	4,593
<b>Total hotel rooms in operation</b>	<b>315,335</b>	<b>337,153</b>
Leased-and-owned hotels	4,888	7,064
Franchised hotels	310,447	330,089
<b>Number of cities</b>	<b>345</b>	<b>367</b>

	2020Q4	2021Q4
<b>Occupancy rate</b>		
Leased-and-owned hotels	71.0%	60.9%
Franchised hotels	76.8%	69.5%
Blended	76.7%	69.2%
<b>Average daily rate (in RMB)</b>		
Leased-and-owned hotels	190	224
Franchised hotels	162	168
Blended	162	170
<b>RevPAR (in RMB)</b>		
Leased-and-owned hotels	135	136
Franchised hotels	124	117
Blended	124	117