



## 华住集团有限公司公布2023年第二季度的酒店经营初步业绩

25/07/2023

SINGAPORE and SHANGHAI, China, July 25, 2023 (GLOBE NEWSWIRE) -- H World Group Limited (NASDAQ: HTHT and HKEX: 1179) ("H World", "we" or "our"), a key player in the global hotel industry, today announced preliminary results for hotel operations in the second quarter ("Q2 2023") ended June 30, 2023.

### Business update

For our Legacy-Huazhu business, our RevPAR in Q2 2023 recovered to 121% of the 2019 level. The recovery continued to be supported by strong travel demand in this quarter and was primarily driven by ADR growth. Breaking down into monthly numbers, our RevPAR in April, May and June 2023 recovered to 127%, 115% and 123% of the 2019 levels, respectively. During this quarter, our hotel closures were mainly attributed to closures that were carried over from last year due to the impact of COVID-19, as well as the continued elimination of those lower-quality and underperforming economy hotels from our network. Our new hotel signing gained further momentum, reaching over 1,000 new hotels during this quarter, which reflected the rising confidence level of franchisees.

Steigenberger Hotels GmbH and its subsidiaries ("DH", or "Legacy-DH"), after experiencing a season-related slowdown in Q1 2023, observed promising business recovery in Q2 2023, with blended RevPAR having recovered to 111% of the 2019 level, mainly driven by ADR growth.

### Operating Results: Legacy-Huazhu<sup>(1)</sup>

|                                  | Number of hotels     |                                     |                         | As of<br>June 30, 2023 | Number of<br>rooms<br>As of<br>June 30, 2023 |
|----------------------------------|----------------------|-------------------------------------|-------------------------|------------------------|----------------------------------------------|
|                                  | Opened<br>in Q2 2023 | Closed <sup>(2)</sup><br>in Q2 2023 | Net added<br>in Q2 2023 |                        |                                              |
| Leased and owned hotels          | 2                    | (6)                                 | (4)                     | 616                    | 86,846                                       |
| Manachised and franchised hotels | 372                  | (210)                               | 162                     | 8,006                  | 731,399                                      |
| <b>Total</b>                     | <b>374</b>           | <b>(216)</b>                        | <b>158</b>              | <b>8,622</b>           | <b>818,245</b>                               |

(1) Legacy-Huazhu refers to H World and its subsidiaries, excluding DH.

(2) The reasons for hotel closures mainly included non-compliance with our brand standards, operating losses, and property-related issues. In Q2 2023, we temporarily closed 23 hotels for brand upgrade or business model change purposes.

|                                    | As of June 30, 2023 |                             |
|------------------------------------|---------------------|-----------------------------|
|                                    | Number of hotels    | Unopened hotels in pipeline |
| <b>Economy hotels</b>              | <b>4,856</b>        | <b>1,079</b>                |
| Leased and owned hotels            | 345                 | 1                           |
| Manachised and franchised hotels   | 4,511               | 1,078                       |
| <b>Midscale and upscale hotels</b> | <b>3,766</b>        | <b>1,729</b>                |
| Leased and owned hotels            | 271                 | 14                          |
| Manachised and franchised hotels   | 3,495               | 1,715                       |
| <b>Total</b>                       | <b>8,622</b>        | <b>2,808</b>                |

|                                         | For the quarter ended |                   |                  |               |
|-----------------------------------------|-----------------------|-------------------|------------------|---------------|
|                                         | June 30,<br>2022      | March 31,<br>2023 | June 30,<br>2023 | yoy<br>change |
| <i>Average daily room rate (in RMB)</i> |                       |                   |                  |               |
| Leased and owned hotels                 | 243                   | 337               | 384              | 57.7%         |
| Manachised and franchised hotels        | 215                   | 269               | 295              | 37.3%         |
| Blended                                 | 218                   | 277               | 305              | 39.8%         |
| <i>Occupancy rate (as a percentage)</i> |                       |                   |                  |               |
| Leased and owned hotels                 | 62.9%                 | 76.3%             | 83.6%            | +20.7 p.p.    |
| Manachised and franchised hotels        | 64.9%                 | 75.5%             | 81.6%            | +16.7 p.p.    |
| Blended                                 | 64.6%                 | 75.6%             | 81.8%            | +17.2 p.p.    |
| <i>RevPAR (in RMB)</i>                  |                       |                   |                  |               |
| Leased and owned hotels                 | 153                   | 257               | 321              | 109.7%        |
| Manachised and franchised hotels        | 139                   | 203               | 241              | 72.8%         |

|         |     |     |     |       |
|---------|-----|-----|-----|-------|
| Blended | 141 | 210 | 250 | 77.0% |
|---------|-----|-----|-----|-------|

|                                         | For the quarter ended |               |            |
|-----------------------------------------|-----------------------|---------------|------------|
|                                         | June 30, 2019         | June 30, 2023 | yoy change |
| <i>Average daily room rate (in RMB)</i> |                       |               |            |
| Leased and owned hotels                 | 281                   | 384           | 36.4%      |
| Manachised and franchised hotels        | 225                   | 295           | 30.9%      |
| Blended                                 | 236                   | 305           | 28.9%      |
| <i>Occupancy rate (as a percentage)</i> |                       |               |            |
| Leased and owned hotels                 | 89.4%                 | 83.6%         | -5.8 p.p.  |
| Manachised and franchised hotels        | 86.3%                 | 81.6%         | -4.7 p.p.  |
| Blended                                 | 86.9%                 | 81.8%         | -5.1 p.p.  |
| <i>RevPAR (in RMB)</i>                  |                       |               |            |
| Leased and owned hotels                 | 252                   | 321           | 27.6%      |
| Manachised and franchised hotels        | 194                   | 241           | 23.8%      |
| Blended                                 | 206                   | 250           | 21.4%      |

#### Same-hotel operational data by class

##### Mature hotels in operation for more than 18 months

|                                    | <u>Number of hotels</u> |              | <u>Same-hotel RevPAR</u>       |            |              | <u>Same-hotel ADR</u>          |            |              | <u>Same-hotel Occupancy</u>    |              |              |
|------------------------------------|-------------------------|--------------|--------------------------------|------------|--------------|--------------------------------|------------|--------------|--------------------------------|--------------|--------------|
|                                    | As of June 30,          |              | For the quarter ended June 30, |            |              | For the quarter ended June 30, |            |              | For the quarter ended June 30, |              |              |
|                                    | 2022                    | 2023         | 2022                           | 2023       | yoy change   | 2022                           | 2023       | yoy change   | 2022                           | 2023         | (p.p.)       |
| <b>Economy hotels</b>              | <b>3,567</b>            | <b>3,567</b> | <b>118</b>                     | <b>192</b> | <b>63.1%</b> | <b>168</b>                     | <b>231</b> | <b>37.3%</b> | <b>70.1%</b>                   | <b>83.3%</b> | <b>+13.2</b> |
| Leased and owned hotels            | 325                     | 325          | 124                            | 237        | 90.4%        | 178                            | 277        | 55.2%        | 69.7%                          | 85.5%        | +15.8        |
| Manachised and franchised hotels   | 3,242                   | 3,242        | 117                            | 186        | 58.8%        | 167                            | 224        | 34.3%        | 70.2%                          | 83.0%        | +12.8        |
| <b>Midscale and upscale hotels</b> | <b>2,624</b>            | <b>2,624</b> | <b>176</b>                     | <b>309</b> | <b>75.6%</b> | <b>284</b>                     | <b>378</b> | <b>33.4%</b> | <b>62.1%</b>                   | <b>81.7%</b> | <b>+19.6</b> |
| Leased and owned hotels            | 253                     | 253          | 194                            | 395        | 104.1%       | 339                            | 479        | 41.3%        | 57.2%                          | 82.6%        | +25.5        |
| Manachised and franchised hotels   | 2,371                   | 2,371        | 173                            | 295        | 70.3%        | 276                            | 362        | 31.2%        | 62.8%                          | 81.6%        | +18.8        |
| <b>Total</b>                       | <b>6,191</b>            | <b>6,191</b> | <b>146</b>                     | <b>251</b> | <b>71.8%</b> | <b>221</b>                     | <b>304</b> | <b>37.9%</b> | <b>66.2%</b>                   | <b>82.5%</b> | <b>+16.3</b> |

#### Operating Results: Legacy-DH<sup>(3)</sup>

|                                  | Number of hotels  |                   |                      |                                    | Number of rooms     | Unopened hotels in pipeline |
|----------------------------------|-------------------|-------------------|----------------------|------------------------------------|---------------------|-----------------------------|
|                                  | Opened in Q2 2023 | Closed in Q2 2023 | Net added in Q2 2023 | As of June 30, 2023 <sup>(4)</sup> | As of June 30, 2023 | As of June 30, 2023         |
| Leased hotels                    | -                 | -                 | -                    | 80                                 | 15,497              | 26                          |
| Manachised and franchised hotels | -                 | -                 | -                    | 48                                 | 10,675              | 11                          |
| <b>Total</b>                     | -                 | -                 | -                    | <b>128</b>                         | <b>26,172</b>       | <b>37</b>                   |

(3) Legacy-DH refers to DH.

(4) As of June 30, 2023, a total of 3 hotels were temporarily closed. 1 hotel was closed due to flood damage, 1 hotel was closed due to repair work, and 1 hotel was not in operation due to a legal proceeding in progress.

|                                         | For the quarter ended |                |               |            |
|-----------------------------------------|-----------------------|----------------|---------------|------------|
|                                         | June 30, 2022         | March 31, 2023 | June 30, 2023 | yoy change |
| <i>Average daily room rate (in EUR)</i> |                       |                |               |            |
| Leased hotels                           | 113                   | 108            | 119           | 6.1%       |
| Manachised and franchised hotels        | 107                   | 97             | 112           | 5.0%       |
| Blended                                 | 110                   | 104            | 117           | 5.6%       |
| <i>Occupancy rate (as a percentage)</i> |                       |                |               |            |

|                                  |       |       |       |           |
|----------------------------------|-------|-------|-------|-----------|
| Leased hotels                    | 61.2% | 53.0% | 69.4% | +8.2 p.p. |
| Manachised and franchised hotels | 57.9% | 54.1% | 63.8% | +5.9 p.p. |
| Blended                          | 59.8% | 53.5% | 67.1% | +7.3 p.p. |
| <i>RevPAR (in EUR)</i>           |       |       |       |           |
| Leased hotels                    | 69    | 57    | 83    | 20.3%     |
| Manachised and franchised hotels | 62    | 53    | 71    | 15.7%     |
| Blended                          | 66    | 55    | 78    | 18.5%     |

#### Hotel Portfolio by Brand

|                                               | As of June 30, 2023 |                |                 |
|-----------------------------------------------|---------------------|----------------|-----------------|
|                                               | Hotels              | Rooms          | Unopened hotels |
|                                               | in operation        |                | in pipeline     |
| <b>Economy hotels</b>                         | <b>4,872</b>        | <b>392,231</b> | <b>1,092</b>    |
| HanTing Hotel                                 | 3,340               | 297,682        | 700             |
| Hi Inn                                        | 442                 | 23,650         | 160             |
| Ni Hao Hotel                                  | 213                 | 15,583         | 188             |
| Elan Hotel                                    | 642                 | 31,102         | 1               |
| Ibis Hotel                                    | 219                 | 22,318         | 30              |
| Zleep Hotels                                  | 16                  | 1,896          | 13              |
| <b>Midscale hotels</b>                        | <b>3,106</b>        | <b>337,349</b> | <b>1,354</b>    |
| Ibis Styles Hotel                             | 92                  | 9,390          | 32              |
| Starway Hotel                                 | 598                 | 51,888         | 225             |
| JI Hotel                                      | 1,839               | 214,630        | 838             |
| Orange Hotel                                  | 577                 | 61,441         | 259             |
| <b>Upper midscale hotels</b>                  | <b>618</b>          | <b>88,649</b>  | <b>331</b>      |
| Crystal Orange Hotel                          | 167                 | 21,748         | 84              |
| CitiGo Hotel                                  | 34                  | 5,326          | 5               |
| Manxin Hotel                                  | 121                 | 11,477         | 62              |
| Madison Hotel                                 | 64                  | 8,202          | 62              |
| Mercure Hotel                                 | 148                 | 24,667         | 62              |
| Novotel Hotel                                 | 20                  | 5,114          | 15              |
| IntercityHotel <sup>(5)</sup>                 | 56                  | 10,742         | 36              |
| MAXX <sup>(6)</sup>                           | 8                   | 1,373          | 5               |
| <b>Upscale hotels</b>                         | <b>129</b>          | <b>20,644</b>  | <b>60</b>       |
| Jaz in the City                               | 3                   | 587            | 1               |
| Joya Hotel                                    | 7                   | 1,234          | -               |
| Blossom House                                 | 56                  | 2,605          | 46              |
| Grand Mercure Hotel                           | 9                   | 1,823          | 4               |
| Steigenberger Hotels & Resorts <sup>(7)</sup> | 54                  | 14,395         | 9               |
| <b>Luxury hotels</b>                          | <b>16</b>           | <b>2,360</b>   | <b>2</b>        |
| Steigenberger Icon <sup>(8)</sup>             | 9                   | 1,847          | 1               |
| Song Hotels                                   | 7                   | 513            | 1               |
| <b>Others</b>                                 | <b>9</b>            | <b>3,184</b>   | <b>6</b>        |
| Other hotels <sup>(9)</sup>                   | 9                   | 3,184          | 6               |
| <b>Total</b>                                  | <b>8,750</b>        | <b>844,417</b> | <b>2,845</b>    |

(5) As of June 30, 2023, 5 operational hotels and 22 pipeline hotels of IntercityHotel were in China.

(6) As of June 30, 2023, 3 operational hotels and 5 pipeline hotels of MAXX were in China.

(7) As of June 30, 2023, 11 operational hotels and 3 pipeline hotels of Steigenberger Hotels & Resorts were in China.

(8) As of June 30, 2023, 3 operational hotels of Steigenberger Icon were in China.

(9) Other hotels include other partner hotels and other hotel brands in Yongle Huazhu Hotel & Resort Group (excluding Steigenberger Hotels & Resorts and Blossom House).

#### **About H World Group Limited**

Originated in China, H World Group Limited is a key player in the global hotel industry. As of June 30, 2023, H World operated 8,750 hotels with 844,417 rooms in operation in 18 countries. H World's brands include Hi Inn, Elan Hotel, HanTing Hotel, JI Hotel, Starway Hotel, Orange Hotel, Crystal Orange Hotel, Manxin Hotel, Madison Hotel, Joya Hotel, Blossom House, Ni Hao Hotel, CitiGO Hotel, Steigenberger Hotels & Resorts, MAXX, Jaz in the City, IntercityHotel, Zleep Hotels, Steigenberger Icon and Song Hotels. In addition, H World also has the rights as master franchisee for Mercure, Ibis and Ibis Styles, and co-development rights for Grand Mercure and Novotel, in the pan-China region.

H World's business includes leased and owned, manachised and franchised models. Under the lease and ownership model, H World directly operates

hotels typically located on leased or owned properties. Under the manachise model, H World manages manachised hotels through the on-site hotel managers that H World appoints, and H World collects fees from franchisees. Under the franchise model, H World provides training, reservations and support services to the franchised hotels, and collects fees from franchisees but does not appoint on-site hotel managers. H World applies a consistent standard and platform across all of its hotels. As of June 30, 2023, H World operates 12 percent of its hotel rooms under lease and ownership model, and 88 percent under manachise and franchise models.

For more information, please visit H World's website: <https://ir.hworld.com>.

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#### Contact Information

Investor Relations

Tel: +86 (21) 6195 9561

Email: [ir@hworld.com](mailto:ir@hworld.com)

<https://ir.hworld.com>