CHAGEE

(NASDAQ: CHA)

2025Q1 Earnings Presentation

May 30, 2025

DISCLAIMER

This presentation contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended. These forward-looking statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "potential," "continue," "ongoing," "targets," "guidance" and similar statements. Chagee may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (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. Any statements that are not historical facts, including statements about Chagee's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: Chagee's growth strategies; its future business development, results of operations and financial condition; its ability to retain and attract its customers; its ability to maintain and enhance the recognition and reputation of its brand; its ability to maintain and improve quality control policies and measures; its ability to establish and maintain relationships with its suppliers and business partners; trends and competition in China's freshly-made tea drinks industry or China's food and beverage sector in general; changes in its revenues and certain cost or expense items; the expected growth of China's freshly-made tea drinks industry or China's food and beverage sector in general; governmental policies and regulations relating to Chagee's industry; and general economic and business conditions globally and in China and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks, uncertainties or factors is included in Chagee's filings with the SEC. All information provided in this presentation is as of the date of this presentation, and Chagee undertakes no obligation to update any forward-looking statement, except as required under applicable law.

The Company considers adjusted net income, a non-GAAP financial measure, as a supplemental measure to review and assess the operating performance. The presentation of this non-GAAP financial measure is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. The Company presents this non-GAAP financial measure because it is used by the management to evaluate the operating performance and formulate business plans. The Company also believes that the use of this non-GAAP measure facilitates investors' assessment of the operating performance.

This non-GAAP financial measure is not defined under U.S. GAAP and is not presented in accordance with U.S. GAAP. This non-GAAP financial measure has limitations as an analytical tool. One of the key limitations of using this non-GAAP financial measure is that it does not reflect all items of income and expense that affect the operations. Further, this non-GAAP measure may differ from the non-GAAP information used by other companies, including peer companies, and therefore its comparability may be limited. The Company compensates for these limitations by reconciling this non-GAAP financial measures to the nearest U.S. GAAP performance measure, all of which should be considered when evaluating the performance. The Company encourages you to review the financial information in its entirety and not rely on a single financial measure.

The Company non-GAAP financial measure reflects adjustments for share-based compensation expense. The Company believes that the exclusion of share-based compensation expense is appropriate because it eliminates the impact of non-cash expenses that are based upon valuation methodologies and assumptions that vary over time, and the amount of the expense can vary significantly between companies due to factors that are unrelated to their core operating performance and that can be outside of their control. Although the Company excludes share-based compensation expense from the non-GAAP measure, equity compensation has been, and will continue to be, an important part of future compensation strategy and a significant component of future expenses and may increase in future periods.


Sincere appreciation to the staff, partners, customers, and shareholders for their continued support!

1 | PERFORMANCE HIGHLIGHTS

2 | FINANCIAL HIGHLIGHTS

1 | PERFORMANCE HIGHLIGHTS

Steady development trend with key indicators maintaining robust growth

Total net revenues	GMV	Net income
RMB3,392.7 million	**RMB8,226.8 million**	**RMB677.3 million**
+35.4% YoY increase	+38.0% YoY increase	+13.8% YoY increase

Operating income	Number of registered members	Global teahouse footprint
RMB820.8 million	**192.4 million**	**6,681 teahouses**
+16.3% YoY increase	109.6% YoY increase	+ 241 net new teahouse openings

Notes:
1. Total net revenues include revenues from franchised teahouses and company-owned teahouses.
2. GMV (gross merchandise value) refers to the transaction amount from the sales of freshly-made tea drinks from franchised teahouses and company-owned teahouses.
3. “Registered members” refer to member accounts registered with our mobile mini program.

Teahouse growth in domestic and overseas markets

	2024/12/31	2025/3/31
Total number of teahouses	**6,440**	**6,681**
Greater China	6,284	6,512
Overseas locations		
Malaysia	148	157
Singapore	6	10
Thailand	2	2
Sub-total	**156**	**169**

Teahouses in Greater China

+228

Net new teahouse openings
as of March 31, 2025

Teahouses outside Greater China

+13

Net new teahouse openings
as of March 31, 2025

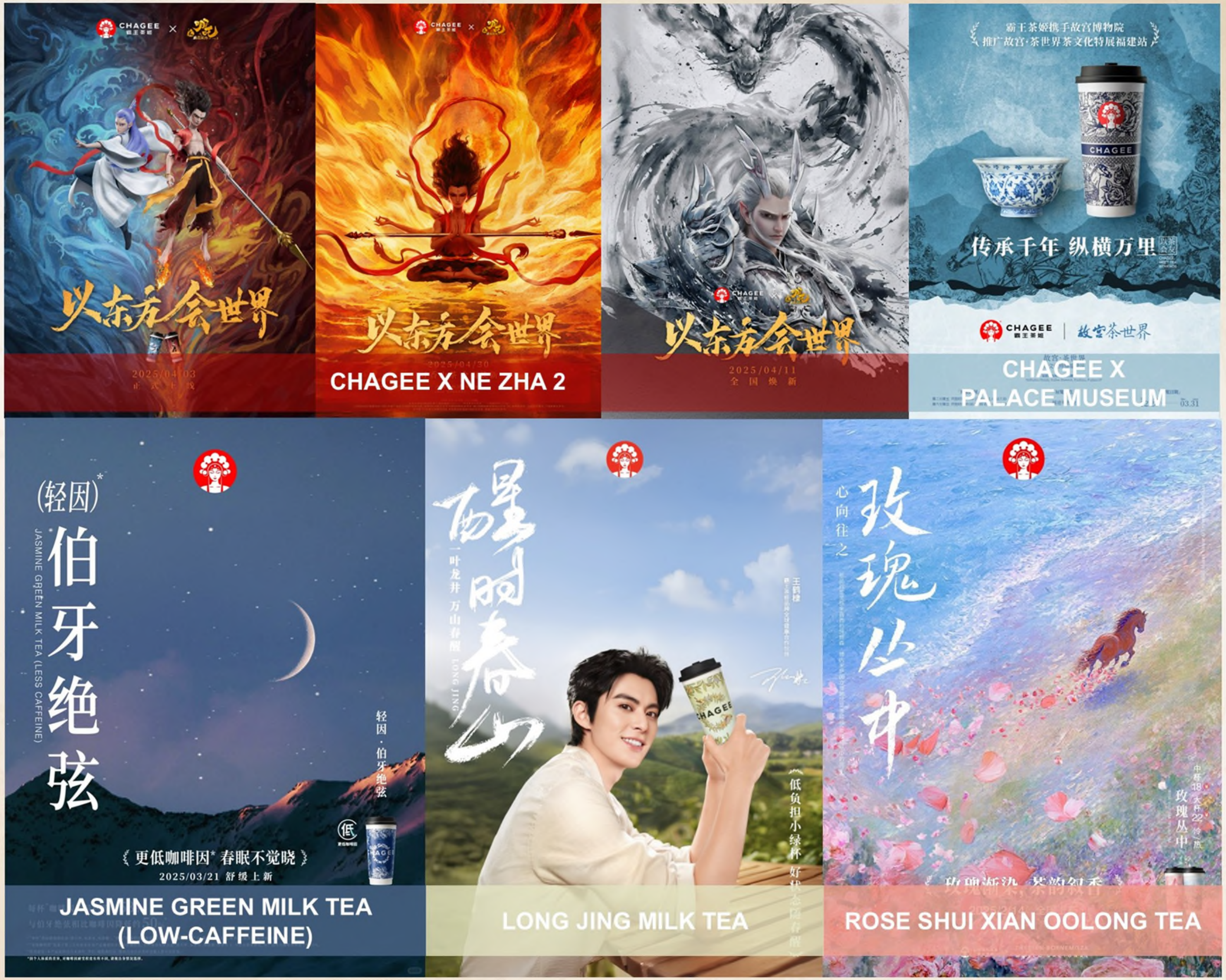
Notable new teahouse openings in the first quarter

"Silent teahouse" in Xiamen

"Chagee Teahouse" in Shenzhen

"Pets-friendly teahouse" in Chongqing

Product innovation and IP collaboration



Users' growth and positive branding development

Number of registered members as of March 31, 2025

192 million

Compared to that as of December 31, 2024

+15 million

Number of active registered members as of March 31, 2025

~45 million

Expanding our store network and building brand awareness

Streamlining operations to improve customer loyalty

Creating more diverse consumption scenarios

Notes:
1. "Registered members" refer to member accounts registered with our mobile mini program.
2. "Active members" refer to registered members who placed an order for our products at least once in a given period.

Prioritizing people, products, and place while ensuring sustainable growth

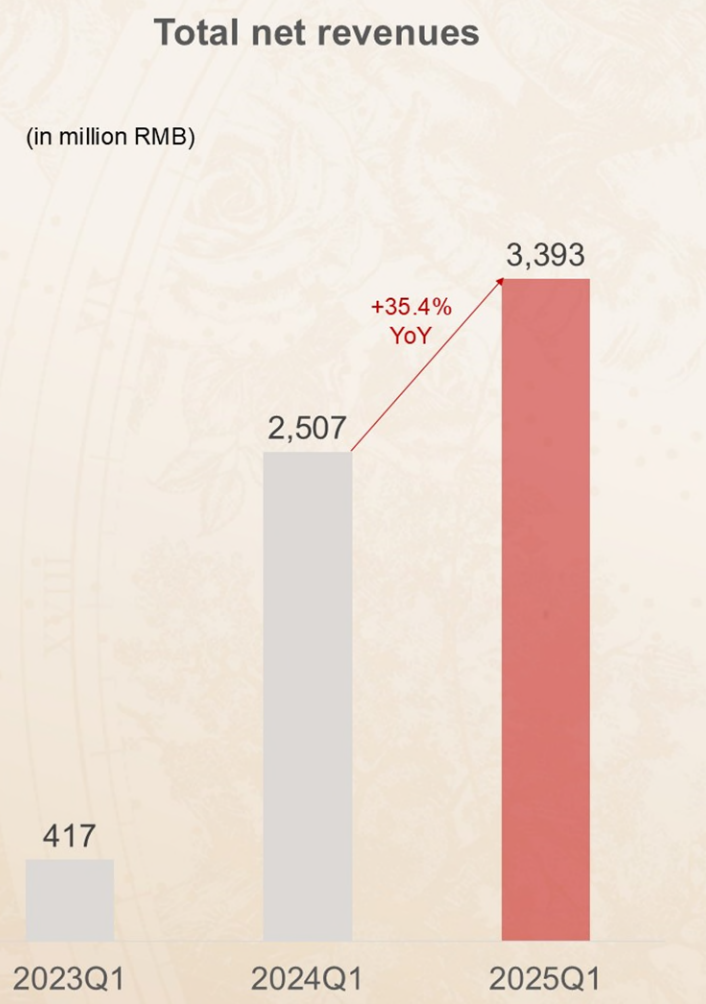
Continue to optimize teahouses network and improve operational efficiency

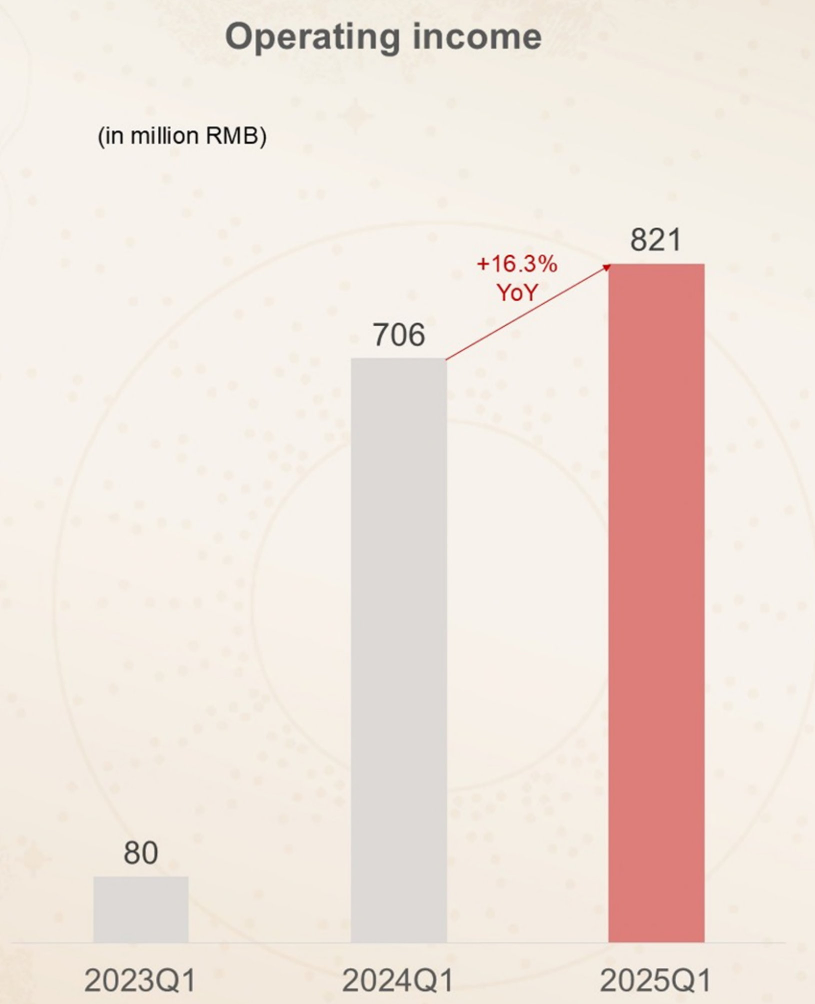
Adhere to product innovation while keeping freshly-made ethos

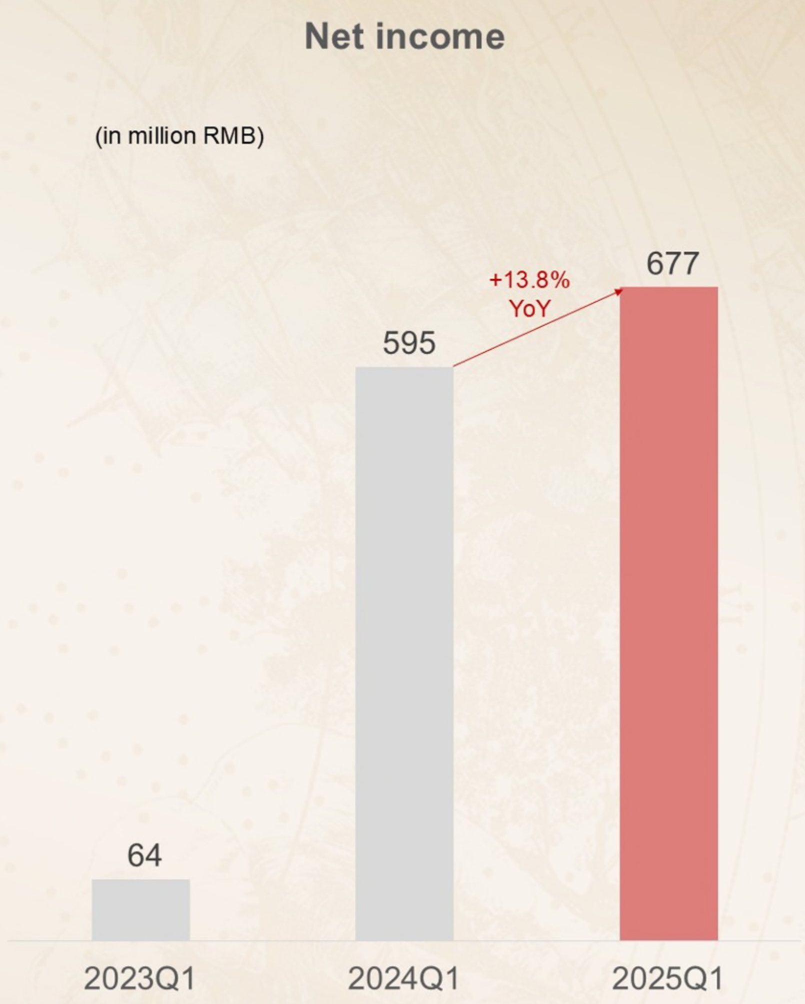
Provide a unique experience and emphasize memorable branding

2 | FINANCIAL HIGHLIGHTS

Highlights of revenues



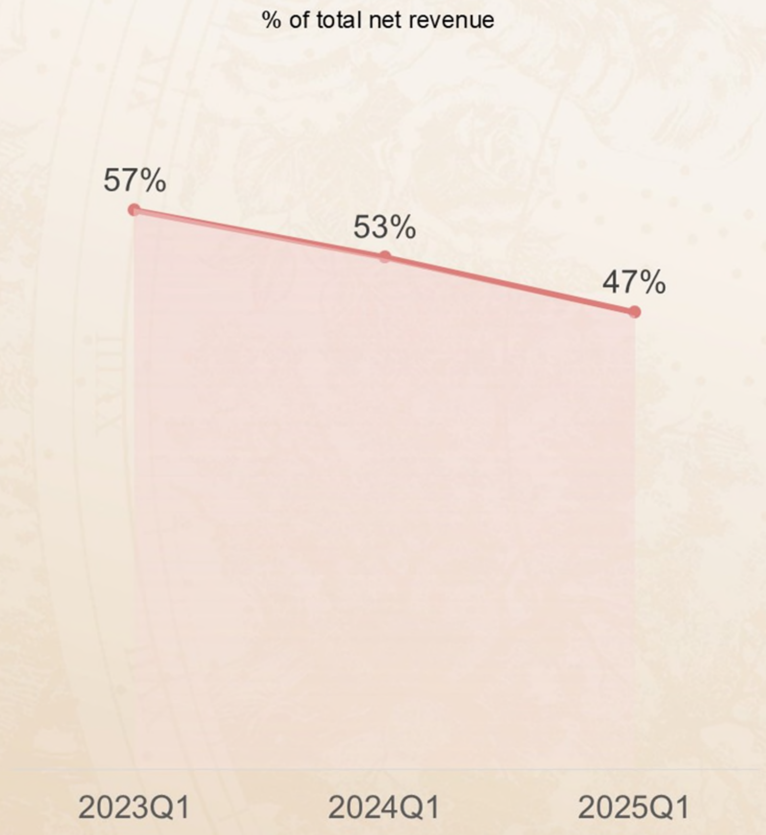




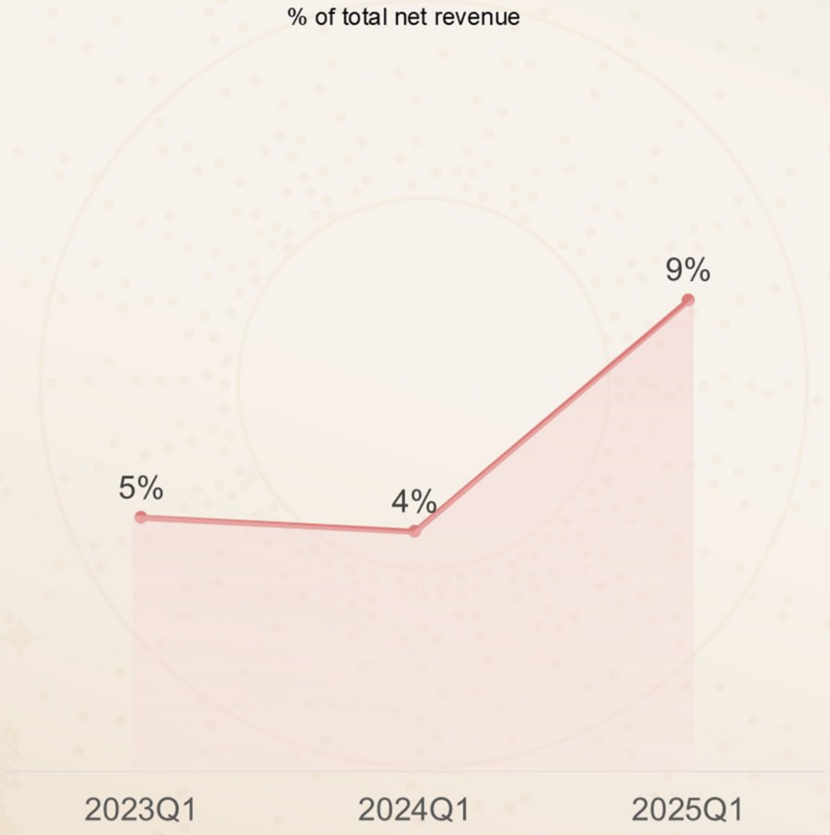
Note: total net revenues include revenues from franchised teahouses and company-owned teahouses.

Highlights of cost of materials, storage and logistics and selling, general and administrative expenses

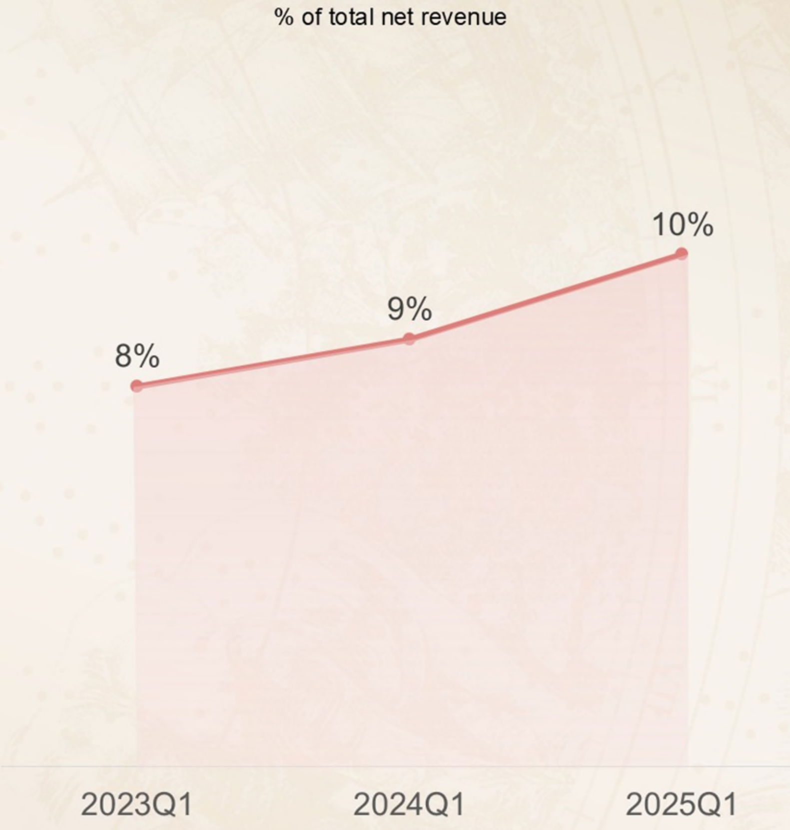
Cost of materials, storage and logistics



Selling and marketing expenses

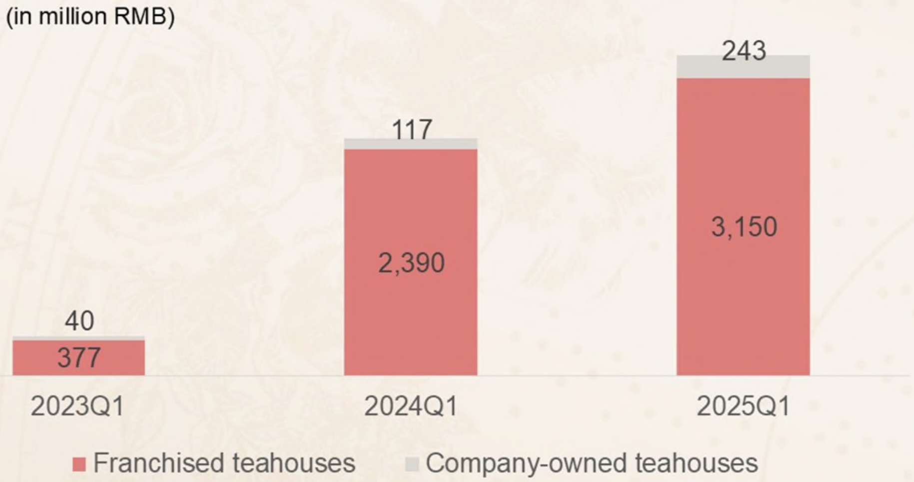


General and administrative expenses

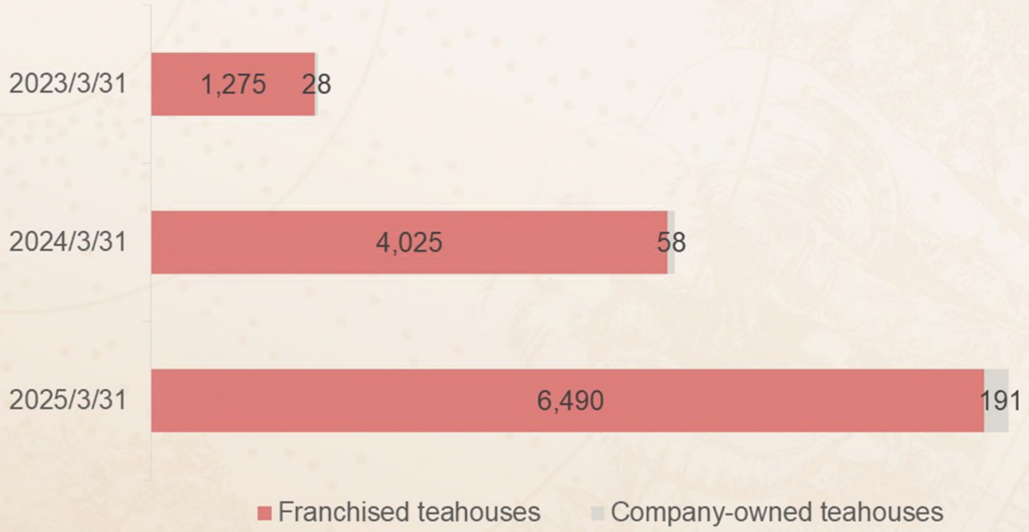


Highlights by operating models

Total net revenues



No. of teahouses by operating models



Solid cash generation capability

Cash and cash equivalents, restricted cash, and time deposits

RMB5,392 million

as of March 31, 2025

Net cash provided by operating activities

RMB360 million

three months ended March 31, 2025

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Q & A

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