Atour Lifestyle Holdings (ATAT US)

From Hospitality To Lifestyle

Highlights

- As a key beneficiary of China's expanding experiential consumption, upper midscale hotel player Atour leverages its positioning to differentiate itself, supporting its pricing power and performance resilience among peers. Its superior unit economics further underpin sustainable network expansion. Meanwhile, the retail business utilises the hotel network as a natural retail channel, transforming one-time stays into lifestyle consumption and establishing a second, fast-growing engine for the company.
- Initiate coverage with BUY and target price of US$45.10.

Analysis

- **Resilient player in China's upper-midscale hotel industry, a key beneficiary of expanding experiential consumption.** We believe the expansion of experiential consumption is supporting continued growth in China's hotel industry, with the upper-midscale segment as the key beneficiary (10% five-year CAGR over 2024-29 vs industry's 7%). Within the segment, Atour Lifestyle Holdings (Atour) differentiates itself through the synergy between its manachised and retail operations, driving a resilient operating performance. Looking ahead, under its "Chinese experience, brand-led excellence" strategy for 2026-28, Atour aims to further strengthen pricing power through product and brand upgrades.
- **Superior unit economics support sustainable network expansion.** We believe Atour Hotel's stronger profitability and shorter payback period relative to peers serve as competitive advantages in attracting manachised partners, thereby supporting the expansion of its hotel network. With 2,015 hotels as of end-25, Atour's long-term target is to have a network of 5,000 hotels.
- **Retail business monetises hotel traffic into lifestyle consumption.** Atour leverages its hotel network as a natural retail channel, transforming one-time stays into recurring monetisation opportunities across customer lifestyle consumption, building on its established hotel clientele. Retail revenue recorded a 97% six-year CAGR during 2019-25, with contribution rising from 4% to 37%. Looking ahead, the company plans to continue investing in the retail business in the near term, with business expansion as the top priority.
- **Initiate coverage with BUY and a target price of US$45.10.** We use the DCF valuation methodology (WACC: 13.9%, terminal growth rate: 2.0%) to derive a target price of US$45.10, implying 11.9x 2026F EV/EBITDA and 9.9x 2027F EV/EBITDA.

Key Financials

Year to 31 Dec (Rmbm)	2024	2025	2026F	2027F	2028F
Net turnover	7,248	9,790	12,389	14,710	16,758
EBITDA (adj.)	1,772	2,481	3,015	3,630	4,236
Operating profit	1,622	2,307	2,826	3,413	3,991
Net profit (rep./act.)	1,275	1,621	1,958	2,375	2,782
Net profit (adj.)	1,306	1,753	2,126	2,570	3,003
EPS (Fen per ADS)	938.9	1,254.1	1,521.0	1,839.1	2,148.4
PE (x)	23.5	17.6	14.5	12.0	10.3
P/B (x)	10.3	8.5	6.2	4.7	3.7
EV/EBITDA (x) (adj.)	14.9	10.9	8.5	6.7	5.3
Dividend yield (%)	1.4	2.5	3.2	3.9	4.7
Net margin (%)	17.6	16.6	15.8	16.1	16.6
Net debt/(cash) to equity (%)	(192.7)	(172.1)	(162.6)	(146.8)	(136.9)
Interest cover (x)	n.a.	n.a.	n.a.	n.a.	n.a.
ROE (%)	51.0	49.7	46.0	41.5	37.5
Consensus net profit	-	-	2,132.1	2,569.9	3,024.7
UOBKH/Consensus (x)	-	-	1.00	1.00	0.99

Note: Per ADS represents 3 ordinary shares
Source: Atour, Bloomberg, UOB Kay Hian

	BUY
Share Price	US$32.60
Target Price	US$45.10
Upside	+38.3%

Analyst(s)

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Stock Data

GICS sector	Hotel, Resorts & Cruise Lines
Bloomberg ticker:	ATAT US
Shares issued (m):	111.5
Market cap (Rmbm):	34,770.5
Market cap (US$m):	4,435.0
3-mth avg daily t'over (US$m):	38.3

Price Performance (%)

52-week high/low: HK$43.17/ HK$30.83

1mth	3mth	6mth	1yr	YTD
(0.6)	(15.0)	(13.3)	(8.2)	(17.3)

Major Shareholders

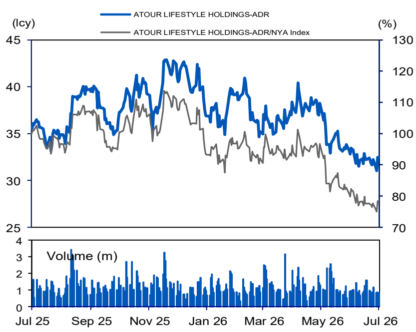
	%
Haijun Wang	19.40

**Haijun Wang effective voting power is 69.10%*

Balance Sheet Metrics

FY26 NAV/ADR (Rmb)	35.71
FY26 Net Cash/ADR (Rmb)	31.45

Price Chart



Source: Bloomberg

Company Description

Atour Lifestyle Holdings is a leading lifestyle group in China operating hospitality and retail businesses. The company manages a portfolio of seven hotel brands across the midscale to luxury tiers, primarily through a manachised (franchise) model, with Atour Hotels as the core brand. In retail, Atour focuses on sleep-related and lifestyle products through proprietary brands such as Atour Planet and SAVHE.

Contents

This report uses the closing prices of 16 July 26

Investment Highlights

Service-oriented and experiential spending gaining traction, with upper-midscale hotels leading in demand growth and pricing resilience. Chinese consumption continues to shift towards service spending, with per capita service consumption rising from Rmb9,886 in 2019 to Rmb13,600 in 2025, and experiential categories such as culture, sports and leisure, as well as travel-related services, maintaining strong growth momentum. Against this backdrop, we believe the expansion of experiential consumption is supporting continued growth in China's hotel industry, particularly in the upper-midscale segment.

Experiential consumption drives ongoing hotel industry premiumisation.

According to Frost & Sullivan, the upper-midscale hotel supply is expected to grow at a 10% five-year CAGR over 2024-29, outperforming the overall industry at 7%. Importantly, upper-midscale hotels have demonstrated superior pricing resilience vs the broader industry. In 2025, the industry's average daily rates (ADR) fell 6% yoy, but upper-midscale and upscale operators like Atour and H World outperformed, with Atour down only 1.1% yoy and H World up 0.3% yoy.

As consumers become more rational in their spending and increasingly prioritise value for money, the upper-midscale segment will likely benefit from two complementary trends. On one hand, affluent guests are downtrading from luxury tiers (saving 40-50%), demonstrating greater financial pragmatism and value consciousness. On the other hand, mass-market consumers are uptrading from economy tiers in a "flight to value", willing to pay a premium (50-70%) for better experiences, and a marginal premium (20-30%) over equal-tier alternatives for newer, more modern interior designs and additional facilities. This reverse-barbell dynamic helps insulate the upper-midscale segment from macroeconomic volatility.

Experience-led differentiation sustains Atour's pricing power and performance resilience. In an increasingly standardised upper-midscale hotel market, Atour differentiates itself through distinctive operations, appealing to consumers seeking immersive and humanistic stays. This differentiation has translated into resilient operating performance, with RevPAR reaching Rmb340 and ADR Rmb432 in 2025, both ahead of domestic peers, while occupancy remained high at 76%, trailing only H World. Under its "Chinese experience, brand-led excellence" strategy for 2026-28, Atour aims to further strengthen pricing power through product and brand upgrades. The enhancement of Atour Origin reinforces its experiential positioning and supports RevPAR expansion to above Rmb430 in 4Q25, while the expansion of its premium SAVHE brand into Tier 1 cities underscores its ability to penetrate the upscale segment.

Lifestyle positioning translates into pricing power and operating outperformance.

Superior unit economics support sustainable network expansion. Atour's hotel network expanded at a 29% three-year CAGR during 2022-25, far outpacing the industry level of 8%, and reached 2,015 hotels by end-25, achieving its 2,000-hotel target. This robust expansion is underpinned by superior unit economics versus peers', which continues to attract manachised partners. Based on our estimates, Atour delivers an operating margin of about 19%, compared with around 13% for JI Hotel and 8% for Vienna International, alongside a shorter payback period of about 4.0 years versus around 4.8 and 6.6 years respectively. Looking ahead, the company has a long-term target to have a network of 5,000 hotels.

Atour's better operating margin and shorter payback period make the manachised model more attractive to partners.

Retail business benefits from inherent channel advantages. Launched in 2016, Atour's retail business, offering its own-brand bedding, personal care and fragrance products, has grown rapidly, recording a six-year CAGR of 97% during 2019-25. Its contribution to revenue rose from 4% in 2019 to 37% in 2025. We believe that Atour's retail expansion benefits from inherent channel advantages, as the company leverages its hotel network to let consumers experience products first-hand, while simultaneously lowering its customer acquisition costs and improving conversion efficiency.

Atour's hotel network serves as a channel for retail monetisation.

Valuation

We expect Atour's earnings to record a three-year CAGR of 18% in 2025-28. We use DCF valuation methodology (WACC: 13.9%, terminal growth rate: 2.0%) to derive a target price of US$45.10, implying 11.9x 2026F EV/EBITDA and 9.9x 2027F EV/EBITDA.

The implied EV/EBITDA is broadly aligned with the five-year average one-year forward valuations of Atour's comparable peers, including H World, Jinjiang International Hotels, and BTG Hotels.

Atour currently trades at 8.5x 2026F EV/EBITDA and 6.7x 2027F EV/EBITDA.

Figure 1: DCF FCFF Projection

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
EBIT	2,826	3,413	3,991	4,177	4,475	4,967	5,612	6,346	7,190	8,161	9,276
Effective tax rate %	29.7%	29.8%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Depreciation & Amortisation	49	53	61	71	82	93	106	121	137	155	176
Capex	(115)	(122)	(138)	(154)	(171)	(188)	(210)	(235)	(263)	(294)	(331)
Change in working capital	19	(35)	26	85	86	89	107	115	128	143	157
FCFF	**1,939**	**2,293**	**2,743**	**2,925**	**3,129**	**3,471**	**3,932**	**4,443**	**5,035**	**5,716**	**6,496**
Discount factor	1.00	0.88	0.77	0.68	0.59	0.52	0.46	0.40	0.35	0.31	0.27
Discounted FCFF:	1,939	2,013	2,115	1,980	1,860	1,812	1,802	1,788	1,779	1,774	1,770

Source: Atour, Bloomberg, UOB Kay Hian

Figure 2: DCF Valuation

Valuation:		**WACC:**	**13.9%**
PV of FCFF	**20,631**	Cost of equity	14.0%
Terminal value	**15,184**	Equity proportion	99%
Terminal growth %	2%	Cost of debt (pre-tax)	2.7%
Enterprise value	**35,815**	Tax rate	30%
Total debt	252	Cost of debt (post-tax)	1.9%
Cash	7,171	Debt proportion	1%
Net debt	**(6,919)**		
Minority interest	(0)	**Cost of equity:**	**14.0%**
Preferred stocks	0	Risk free rate	1.7%
Equity value	**42,735**	Beta	1.07
Number of ADSs - EOP	140	Equity market premium	11.5%
TP (Rmb):	**305.80**	Expected market return	13.2%
TP (US$):	**45.10**	**FX (USD/CNY)**	**6.78**

Source: Atour, Bloomberg, UOB Kay Hian

Figure 3: Sensitivity Analysis

WACC /Terminal growth	**12.9%**	**13.9%**	**14.9%**
1.0%	47.30	43.70	40.60
2.0%	49.10	**45.10**	41.70
3.0%	51.20	46.70	43.00

Source: Atour, Bloomberg, UOB Kay Hian

Figure 4: Forward EV/EBITDA Multiple Valuation

5-year average forward EV/EBITDA	
H World Group (1179 HK)	14.6
Jinjiang International Hotels (600754 CH)	14.4
BTG Hotels Group (600258 CH)	11.6
Historical average forward EV/EBITDA	
Atour Lifestyle Holdings (ATAT US)	11.1
Industry average forward EV/EBITDA	**12.9**

Source: Atour, Bloomberg, UOB Kay Hian

Risk Factors

Slower-than-expected economic growth. A potential deceleration in China's macroeconomic recovery poses a direct risk to discretionary travel and corporate hospitality budgets. This could prompt consumers to trade down to budget hotels, negatively impacting Atour's occupancy (OCC) and lowering its ADR, which in turn would reduce RevPAR and drag down the overall operational performance.

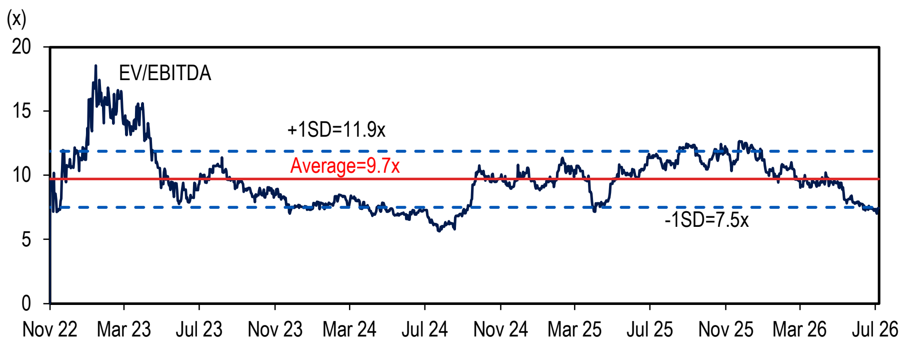
Potentially stiffer competition in the retail business. The rise of innovative online channels and the emergence of private labels could intensify competition in the company's retail business. In addition, the company's scenario-based sleep ecosystem may attract an increasing number of competitors seeking to replicate this model. Such intensification could trigger price wars on flagship products, leading to decelerated growth and lower profitability in Atour's retail business.

Figure 5: Peer Comparison

Company	Ticker	Rec.	Price @ 16 Jul 26 (lcy)	Target Price (lcy)	Upside Downside (%)	Market Cap (US$m)	PE 2026F (x)	PE 2027F (x)	PB 2026F (x)	PB 2027F (x)	EV/EBITDA 2026F (x)	EV/EBITDA 2027F (x)	ROE 2026F (%)	Dividend Yield 2026F (%)
Atour Lifestyle Holdings	ATAT US	BUY	32.60	45.10	38.3	4,435.01	14.5	12.0	6.2	4.7	8.5	6.7	46.0	3.2
H World Group	1179 HK	NR	33.52	NR	NR	13,148.11	16.3	14.3	6.1	5.1	8.9	8.0	46.7	2.9
Shanghai Jinjiang International Hotels	600754 CH	NR	18.13	NR	NR	2,663.61	16.3	14.1	1.2	1.1	5.1	4.7	10.0	2.9
BTG Hotels Group	600258 CH	NR	11.78	NR	NR	1,942.13	14.1	12.5	1.0	1.0	4.7	4.5	7.5	3.3

Source: Bloomberg, UOB Kay Hian

Figure 6: One-year Forward EV/EBITDA Band



Source: Bloomberg, UOB Kay Hian

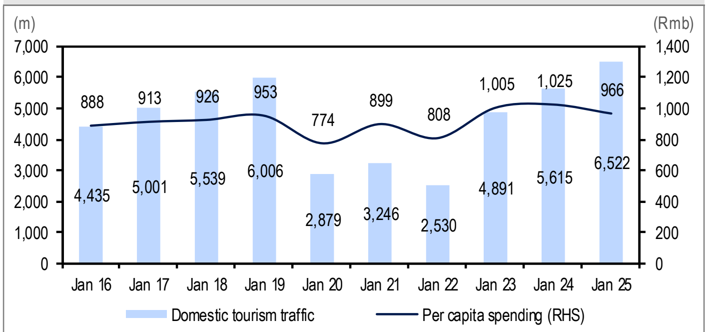
Business Outlook

UPPER-MIDSCALE HOTEL SEGMENT WELL POSITIONED TO CAPTURE RISING DEMAND FOR EXPERIENCES

Consumers are increasingly paying for experiences in their discretionary spending.

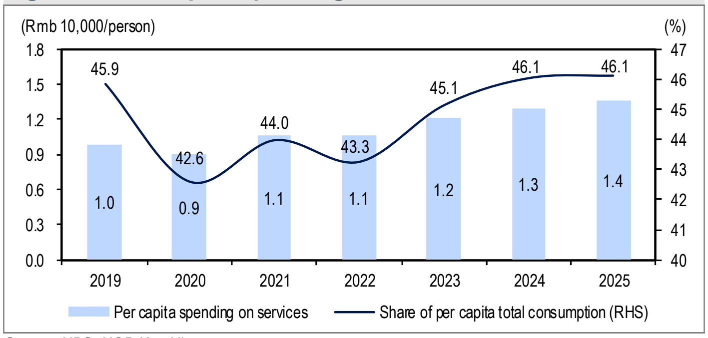
Chinese households have been shown an increasing willingness to pay for services in recent years. According to NBS, per capita service consumption rose from Rmb9,886 in 2019 to Rmb13,600 in 2025, with the share of services in total consumption increasing from 45.9% to 46.1%. Notably, experiential consumption categories recorded particularly strong growth. Retail sales of culture, sports & leisure services as well as travel consultation & rental services both achieved double-digit yoy growth in 2025. In addition, domestic tourism has already surpassed the pre-pandemic levels. Total traffic reached 6,522m in 2025, up 9% vs 2019's level and 16% yoy, and per capita spending stood at Rmb966, up 1% vs 2019's level despite falling 6% yoy.

Figure 7: Domestic Tourism Traffic And Per Capita Spending



Source: NBS, UOB Kay Hian

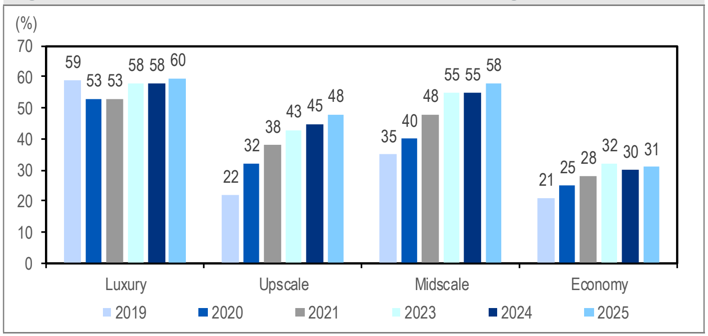
Figure 8: Per Capita Spending On Services



Source: NBS, UOB Kay Hian

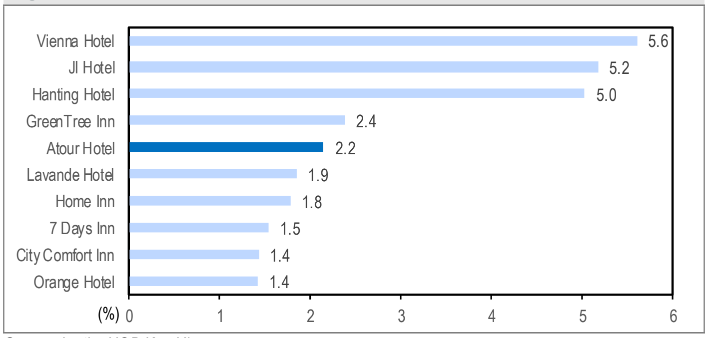
We believe that the expansion of experiential consumption drives supply growth in China's hotel industry. According to Frost & Sullivan, overall hotel room supply grew at a five-year CAGR of 13% during 2019-24 and is expected to grow 7% over 2024-29. Meanwhile, chained penetration has risen significantly in recent years. In the midscale segment, chain penetration increased from 35% in 2019 to 58% in 2025, while in the upscale segment, it rose from 22% to 48%. This trend reflects the advantages of strong brand recognition, standardised operating systems, and centralised procurement, enabling more consistent service quality, lower operating costs, and faster expansion in prime locations. According to Inntie, as of 2025, Vienna Hotel was the biggest player in China's hotel industry in terms of room supply, holding a market share of 5.6%, followed by JI Hotel at 5.2%, and Hanting Hotel at 5.0%. Atour Hotel improved its ranking to fifth place in 2025, up from sixth place in 2024, with market share rising to 2.2% from 2.0% in 2024.

Figure 9: Hotel Chain Penetration Across Segments



Source: China Hospitality Association, UOB Kay Hian

Figure 10: China Hotel Brand Market Share (2025)

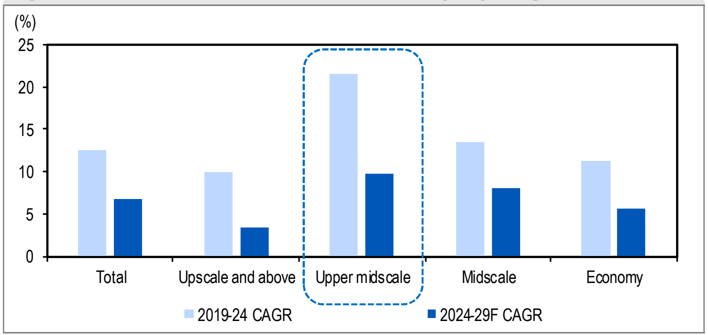


Source: Inntie, UOB Kay Hian

By segment, the upper-midscale segment has led, and is projected to continue leading, growth in the industry (Appendix I). It recorded a five-year CAGR of 22% during 2019-24 and is forecast to maintain a CAGR of 10% over 2024-29. In 2024, upper-midscale rooms accounted for only 14% of the total supply in the industry, significantly lower than the 29% share in the US market as of 1Q25, which indicates substantial potential for structural upgrading and further expansion of higher-quality hotel offerings, in our view.

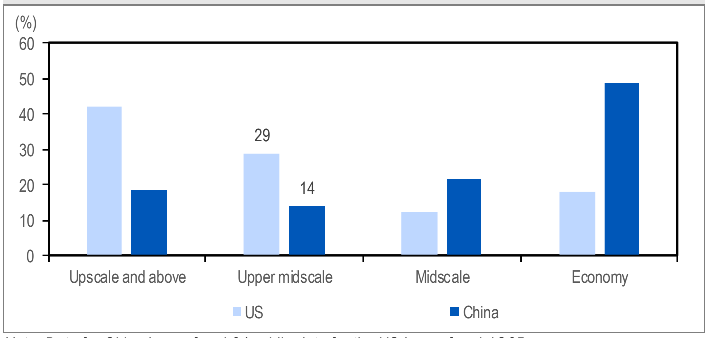
The upper-midscale segment's share in China is roughly only half of that in the US, suggesting substantial room for structural upgrading.

Figure 11: CAGR Of Hotel Room Supply By Segment



Source: Frost & Sullivan, UOB Kay Hian

Figure 12: Hotel Room Supply By Segment – China vs US



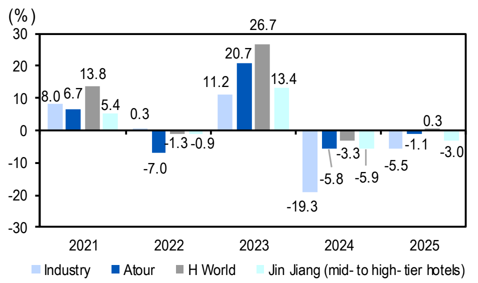
Note: Data for China is as of end-24, while data for the US is as of end-1Q25
Source: Frost & Sullivan, UOB Kay Hian

The upper-midscale segment also exhibited favourable supply-demand dynamics, as evidenced by a relatively resilient trend in ADR. In 2025, upper-midscale and upscale operators such as Atour and H World outperformed the industry. Average ADR for Atour declined 1.1% yoy, while H World recorded a 0.3% yoy rise. In contrast, overall industry ADR fell 6% yoy.

Upper-midscale hotels benefit from the bifurcation of demand into value-seeking and experience-seeking consumers.

As consumers become more rational in their spending and increasingly prioritise value for money, we believe the upper-midscale segment will benefit from two complementary trends. On one hand, affluent guests are downtrading from luxury tiers (saving 40-50%), demonstrating greater financial pragmatism and value consciousness. On the other hand, mass-market consumers are uptrading from economy tiers in a "flight to value", willing to pay a premium (50-70%) for better experiences, and a marginal premium (20-30%) over equal-tier alternatives for newer, more modern interior designs and additional facilities (Shanghai Nanjing Road and Beijing South Second Ring Road hotel comparison can be found at Appendix I). This reverse-barbell dynamic helps insulate the upper-midscale segment from macroeconomic volatility.

Figure 13: ADR YOY Trends Of Major Hotel Brands In China



Source: Respective companies, China Hospitality Association, UOB Kay Hian

The expansion of the upper-midscale hotel segment is further amplified by a significant increase in inbound tourism driven by policy tailwinds. China initially allowed visa-free access for six countries and later extended the policy to 50 countries in Feb 26, lengthening the permitted stay from 15 to 30 days.

According to the National Immigration Administration, China recorded 82m foreign border crossings in 2025, up 26% yoy, while visa-free foreign entries surged 50% yoy to 30m, representing a three-year CAGR of 78% and accounting for 73% of total inbound foreign visitors. This momentum persisted in 1Q26, with the number of visa-free foreign visitors rising 29% yoy to account for 78% of inbound foreign arrivals. We expect this influx of foreign visitors to benefit the upper-midscale hotel segment, as their most popular destinations, such as Beijing, Shanghai, and Shenzhen, are regions where the segment has a stronger presence, and foreign travellers demonstrate robust spending power (average spending per foreign traveller in Shanghai estimated at Rmb10,750).

DIFFERENTIATED POSITIONING STRENGTHENS OPERATING PERFORMANCE

As operating standards gradually converge across the industry, basic criteria such as safety, cleanliness, and service consistency have become largely standardised, resulting in little meaningful differentiation among competitors in the upper-midscale hotel segment. Consequently, competition is increasingly shifting towards distinctive operations, such as lifestyle and cultural experience design and membership ecosystem development.

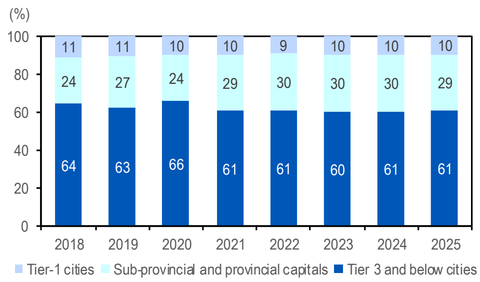
Nowadays, leading hotel groups such as Atour are actively embedding wellness and lifestyle elements into their hotel concepts to attract quality-conscious consumers, support higher pricing, and expand ancillary revenue streams. Inspired by Yunnan Atour Village, Atour's properties integrate local culture and art with practical comforts, offering unique features such as 24-hour mobile libraries, curated cultural activities, and deep-sleep pillow selections. Each property is designed to balance space efficiency with guest comfort, with service quality assessed at every guest touchpoint, including pre-check-in, check-in, in-room experience, dining, and checkout, using customer satisfaction scores to drive continuous improvement and optimisation (Appendix I).

This differentiated positioning has translated into a resilient operating performance, as consumers show a consistent willingness to pay a premium for Atour's offerings, thereby supporting high OCC and strong ADR. In 2025, Atour's RevPAR hit Rmb340 and ADR at Rmb432, ranking ahead of domestic peers, while occupancy remained strong at 76%, trailing only H World's.

Looking ahead, under its "Chinese experience, brand-led excellence" strategy for 2026-28, Atour is entering a more quality-driven phase of development. The company is shifting its strategic focus from rapid scale expansion toward evolving from a traditional hotel operator into a broader lifestyle brand group, with the aim of enhancing pricing power, improving per-hotel productivity, and sustaining long-term value creation.

Within this framework, Atour continues to upgrade its core hotel products to drive ADR expansion. For example, Atour Origin, introduced in Nov 23 as Atour 4.0, with an upgraded "natural tranquility" design concept from Atour Hotel 3.0, had reached 56 hotels by end-1Q26, and was further upgraded in Feb 26. This upgrade contributed to an ADR premiumisation from Atour Hotel's ADR of Rmb424 to Atour Origin's ADR of Rmb537 in 4Q25. Meanwhile, Atour is pushing further into the upscale segment through its premium brand SAVHE. By end-1Q26, the brand had three hotels and had already achieved RevPAR exceeding Rmb910, demonstrating the company's ability to capture higher-tier price-segments and strengthen its pricing power.

Figure 14: Hotel Room Supply By City



Source: China Hospitality Association, Inntie, UOB Kay Hian

Figure 15: Atour Room Features And Services

Source: Rednote, UOB Kay Hian

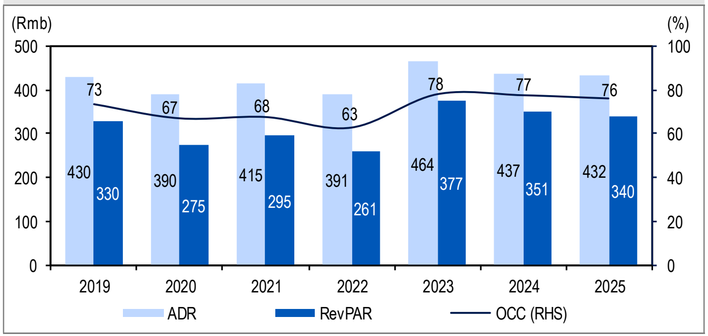
Figure 16: Atour 24-hour Mobile Library

Source: Rednote, UOB Kay Hian

Figure 17: Atour Origin

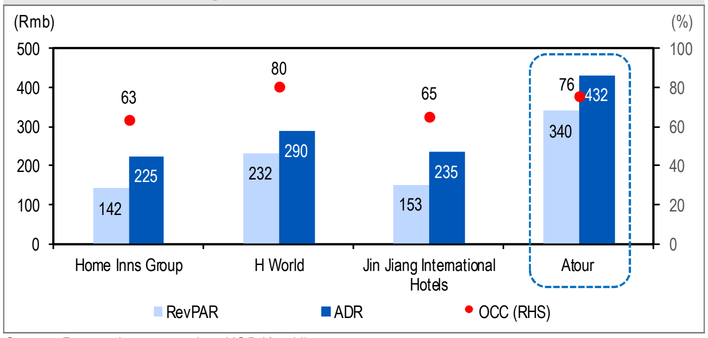
Source: Rednote, UOB Kay Hian

Figure 18: Atour's Key Performance Metrics



Source: Atour, UOB Kay Hian

Figure 19: RevPAR, ADR And OCC Comparison In Upper-Midscale Hotel Segment (2025)



Source: Respective companies, UOB Kay Hian

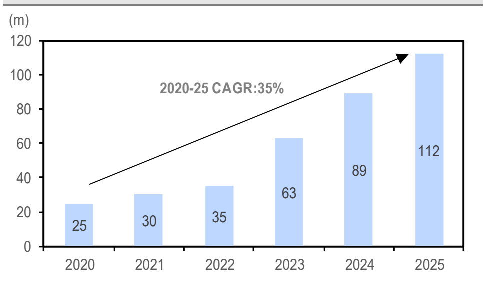
Atour's A Card membership ecosystem collaborates with external partners such as Chagee, Vipshop, Starbucks and Didi to provide consumers with benefits across multiple platforms and lifestyle scenarios, thereby enhancing customer loyalty. For example, higher-tier members enjoy mobility benefits with Didi, including priority dispatch and cancellation fee waivers. These perks help reduce overall travel expenses, making them particularly appealing to frequent travellers. As a result, Atour's membership base grew rapidly from 25m in 2020 to 112m in 2025, reflecting a five-year CAGR of 35%.

ROBUST RETURNS DRIVE EXPANSION POTENTIAL

Atour has achieved rapid hotel network expansion. During 2022-25, its network expanded at a three-year CAGR of 29%, significantly outpacing the industry level of 8%. By end-25, Atour had 2,015 hotels (with 99% manachised), successfully meeting its three-year target of 2,000 hotels set for 2023-25. Looking ahead, Atour has a long-term target to build a network of 5,000 hotels.

We believe Atour's attractive unit economics relative to peers' is a key driver of this growth and will continue to serve as a competitive advantage in attracting manachised partners. Compared with peer upper-midscale brands JI Hotel (under H World) and Vienna International (under JinJiang International), Atour demonstrates a higher operating margin (~19%, vs ~13% for JI Hotel and ~8% for Vienna International) and a shorter payback period (~4.0 years vs ~4.8 years for JI Hotel and ~6.6 years for Vienna International).

Figure 20: Number Of Registered Individual Members

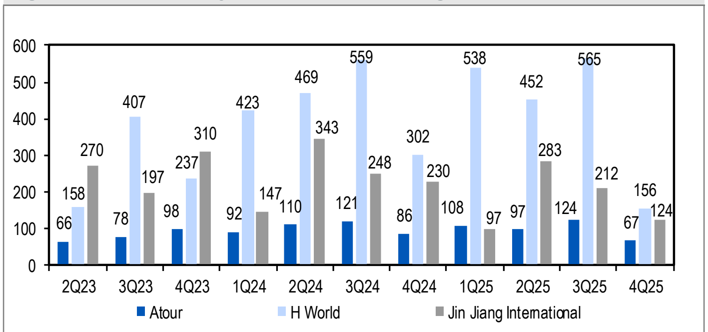


Source: Atour, UOB Kay Hian

Figure 21: Partner Brands Collaborating With Atour

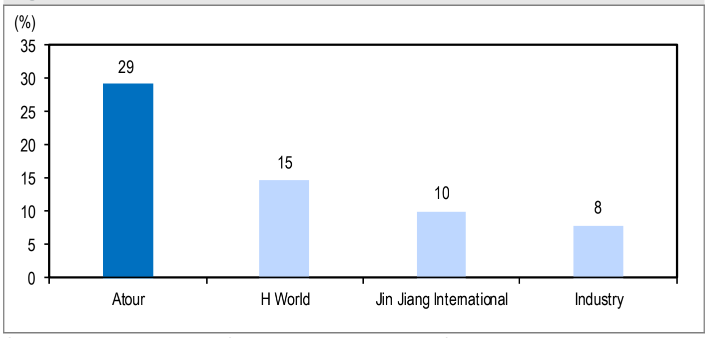
Source: Atour, UOB Kay Hian

Figure 22: Quarterly Net Hotel Openings



Source: Respective companies, UOB Kay Hian

Figure 23: Hotel Number CAGR (2022-25)



Source: Respective companies, China Hospitality Association, UOB Kay Hian

Figure 24: Estimated Payback Period By Hotel Brand

	Atour Group	H World	JinJiang International Hotels	Remarks
	Atour	JI Hotel	Vienna International	
Room revenue (monthly, Rmb)	**1,470,600**	**1,132,200**	**819,000**	Assumptions are based on each brand's historical averages and publicly disclosed operating metrics.
OCC	76%	68%	65%	Our Atour OCC assumption is based on the three-year OCC average in 2023-25.
ADR (Rmb)	430	370	350	
Number of rooms	150	150	120	
Non-room revenue (monthly, Rmb)	**147,060**	**56,610**	**40,950**	
% of monthly RevPAR	10%	5%	5%	Non-room revenue contribution reflects Atour's enhanced in-hotel services and membership-driven ancillary sales.
Total revenue (monthly, Rmb)	**1,617,660**	**1,188,810**	**859,950**	
Rent (monthly, Rmb)	225,000	225,000	225,000	All three models assume similar city tiers, comparable locations and a leased-property structure, with identical monthly rental costs and floor area to ensure comparability across brands.
Gross floor area (sqm)	5,000	5,000	5,000	
Rent per sqm (monthly, Rmb)	45	45	45	Rental costs stand at Rmb1.50 per square metre per day, broadly in line with average rents for properties in Tier 1 and Tier 2 cities.
Operating costs (monthly, Rmb)	**810,000**	**607,500**	**396,000**	Operating cost per occupied room and franchise management fees are benchmarked against disclosed franchise agreements and industry surveys.
Cost per occupied room night (Rmb)	180	135	110	Operating costs per occupied room include staffing, amenities, and routine maintenance, benchmarked against industry averages.
Franchise management fee (Rmb)	97,060	59,441	42,998	
% of RevPAR	6%	5%	5%	
EBITDA (monthly, Rmb)	**485,600**	**296,870**	**195,953**	
Depreciation (monthly, Rmb)	194,833	142,917	129,667	Monthly depreciation is estimated as total room capex divided by 120 months, assuming a life span of 10 years.
EBIT (monthly, Rmb)	290,767	153,953	66,286	
Operating margin (%)	**18.0%**	**13.0%**	**7.7%**	
Annual cash return (Rmb)	5,827,205	**3,562,434**	**2,351,430**	
Total investment (Rmb)	23,380,000	**17,150,000**	**15,560,000**	Investments are benchmarked against disclosed franchise agreements.
Total room capex (Rmb)	23,250,000	17,100,000	15,480,000	
Capex per room (Rmb)	150,000	110,000	125,000	Capex per room includes room design fees, engineering consultancy fees, IT/technical system installation fees, and room hardware costs such as renovation, furniture, air conditioning, and electrical appliances.
Upfront franchise fee per room (Rmb)	5,000	4,000	4,000	
Project consulting fee (Rmb)	80,000	50,000	80,000	
Initial library set-up cost (Rmb)	50,000	-	-	
Payback period (years)	**4.0**	**4.8**	**6.6**	

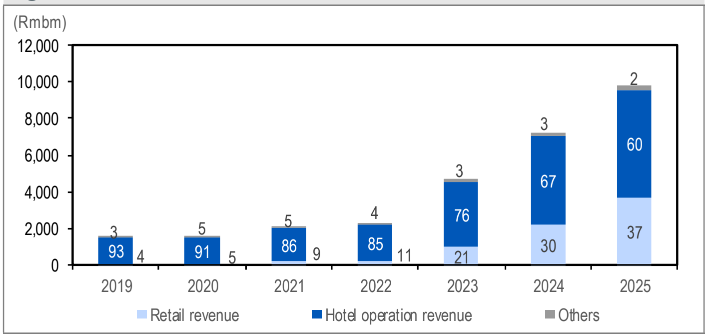
Source: Atour, H World, Jinjiang International, UOB Kay Hian

RETAIL UNLOCKS HIDDEN VALUE AND DRIVES GROWTH UPSIDE

The hotel network has evolved into a natural retail channel.

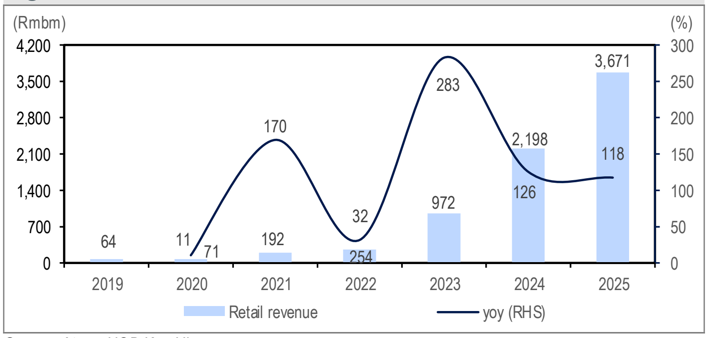
Atour leverages its hotel network as a natural retail channel, transforming one-time stays into recurring monetisation opportunities across lifestyle consumption, building on its established hotel clientele. Proprietary products are embedded throughout rooms, lobbies, and restaurants, including bedding, personal care items, tea, furniture, and select artworks. This enables guests to experience products first-hand, addressing common pain points in home textile purchases such as limited trial opportunities, high decision-making costs, and uncertainty over quality. By embedding products in an experiential setting rather than relying on standalone offline stores, Atour reduces traffic acquisition costs, mitigates return risks, and organically builds customer trust. This is seen from the stronger yoy revenue growth of duvets, quilts, comforters, and pillows at Atour compared with traditional peers. Since launching its retail business in 2016, revenue has grown steadily, recording a six-year CAGR of 97% in 2019-25, with contribution rising from 4% in 2019 to 37% in 2025.

Figure 25: Retail Revenue As Share Of Total Revenue



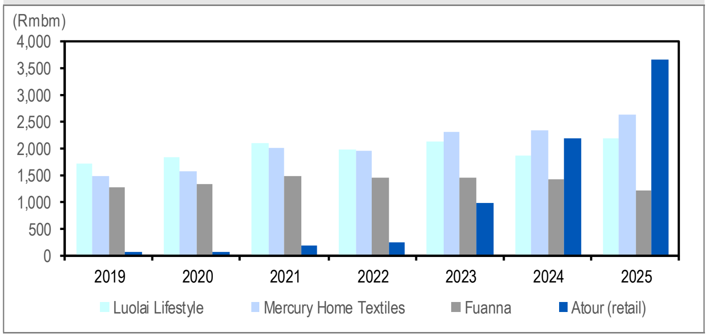
Source: Atour, UOB Kay Hian

Figure 26: Retail Revenue And YOY Growth



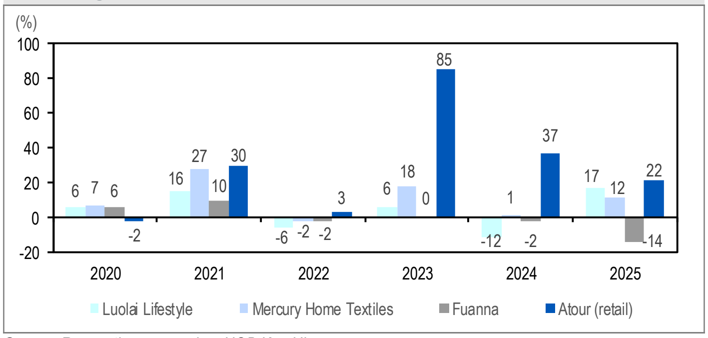
Source: Atour, UOB Kay Hian

Figure 27: Revenues Of Bedding Of Traditional Peers Against Atour Retail



Source: Respective companies, UOB Kay Hian

Figure 28: YOY Revenue Changes Of Bedding Of Traditional Peers Against Atour Retail



Source: Respective companies, UOB Kay Hian

Atour's retail segment consisted of three product lines, with its main line, Atour Planet, focusing on a high-ROI strategy, initially gaining traction through a few core SKUs targeting key consumer needs such as sleep quality. Its Memory Foam Pillow series, comprising a limited range of products, has established strong market recognition and consistently ranks among the top sellers on major e-commerce platforms, forming a clear product anchor for the brand.

Building on this foundation, Atour has successfully expanded from single-category strength into a broader "sleep ecosystem", with related categories such as comforters, bed linens, and loungewear gaining sales traction. Notably, the comforter category has demonstrated strong growth momentum, with GMV increasing by more than 90% yoy in 2025 and continuing to gain market share. For example, the Deep Sleep Thermo-Regulating Comforter, one of its flagship products, improved its ranking on Douyin sales volume from 92nd in Jan 25 to 26th in Jan 26 (Appendix I). In addition, new categories such as fitted sheets and homewear have received positive market feedback, reinforcing the scalability of Atour's "sleep ecosystem".

Likewise, the other private label, SAVHE, focuses on personal care and fragrance, including shampoo, handwash and diffusers. We believe that the progression from a hero SKU to multi-category expansion will enhance customer lifetime value and support more sustainable retail monetisation. Looking ahead, the company plans to continue investing in the retail business in the near term, with business expansion as the top priority. Currently, profitability stands at 12-13%, and management has a long-term target of a stabilised level of 15%.

Figure 29: In-Hotel Purchase Point

Source: Rednote, UOB Kay Hian

Product-led trust enables scalable sleep ecosystem monetisation.

Profit & Loss

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Net turnover	**9,790.2**	**12,388.9**	**14,710.4**	**16,758.3**
EBITDA (adj.)	2,480.6	3,015.1	3,629.5	4,236.4
Deprec. & amort.	54.1	48.9	53.0	61.5
EBIT	2,306.7	2,825.6	3,412.9	3,991.3
Net interest income/(expense)	67.9	59.1	85.1	114.7
Pre-tax profit	**2,362.9**	**2,858.2**	**3,466.4**	**4,069.5**
Tax	(741.6)	(899.5)	(1,091.2)	(1,286.9)
Minorities	(0.3)	(0.3)	(0.4)	(0.5)
Net profit	1,621.0	1,958.3	2,374.9	2,782.1
Net profit (adj.)	**1,752.7**	**2,125.8**	**2,570.4**	**3,002.7**

Balance Sheet

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Fixed assets	225.6	287.6	352.2	425.3
Other LT assets	1,586.7	1,590.5	1,594.5	1,598.4
Cash/ST investment	3,303.9	4,608.6	6,091.9	7,855.0
Other current assets	4,051.3	4,514.3	4,946.9	5,302.3
Total assets	**9,167.5**	**11,001.0**	**12,985.4**	**15,180.9**
ST debt	250.0	250.0	250.0	250.0
Other current liabilities	3,475.5	3,957.4	4,355.4	4,737.0
LT debt	2.0	2.0	2.0	2.0
Other LT liabilities	1,859.2	1,859.2	1,859.2	1,859.2
Shareholders' equity	3,593.5	4,944.7	6,530.7	8,344.2
Minority interest	(12.7)	(12.4)	(12.0)	(11.5)
Total liabilities & equity	**9,167.5**	**11,001.0**	**12,985.4**	**15,180.9**

Cash Flow

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Operating	**1,992.8**	**2,193.6**	**2,588.8**	**3,090.4**
Pre-tax profit	2,362.9	2,858.2	3,466.4	4,069.5
Tax	(741.6)	(899.5)	(1,091.2)	(1,286.9)
Deprec. & amort.	54.1	48.9	53.0	61.5
Working capital changes	(106.7)	18.9	(34.6)	26.1
Non-cash items	110.5	0.0	0.0	0.0
Others	5.0	0.0	0.0	0.0
Investing	**(1,332.1)**	**(114.7)**	**(121.5)**	**(138.4)**
Capex (growth)	(86.0)	(114.7)	(121.5)	(138.4)
Investments	(1,251.0)	0.0	0.0	0.0
Others	5.0	0.0	0.0	0.0
Financing	**(924.9)**	**(774.2)**	**(984.0)**	**(1,188.8)**
Dividend payments	(772.0)	(774.2)	(984.0)	(1,188.8)
Issue of shares	0.0	0.0	0.0	0.0
Proceeds from borrowings	255.0	0.0	0.0	0.0
Loan repayment	(65.0)	0.0	0.0	0.0
Others/interest paid	(342.9)	0.0	0.0	0.0
Net cash inflow (outflow)	**(264.1)**	**1,304.7**	**1,483.3**	**1,763.1**
Beginning cash & cash equivalent	3,619.6	3,320.2	4,624.8	6,108.1
Changes due to forex impact	(35.3)	0.0	0.0	0.0
Ending cash & cash equivalent	**3,320.2**	**4,624.8**	**6,108.1**	**7,871.2**

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin (adj.)	25.3	24.3	24.7	25.3
Pre-tax margin	24.1	23.1	23.6	24.3
Net margin	16.6	15.8	16.1	16.6
ROA	19.0	19.4	19.8	19.8
ROE	49.7	46.0	41.5	37.5
Growth				
Turnover	35.1	26.5	18.7	13.9
EBITDA (adj.)	40.0	21.6	20.4	16.7
Pre-tax profit	37.5	21.0	21.3	17.4
Net profit	27.1	20.8	21.3	17.1
Net profit (adj.)	34.2	21.3	20.9	16.8
EPS	33.6	21.3	20.9	16.8
Leverage				
Debt to total capital	7.3	5.6	4.2	3.3
Debt to equity	7.7	5.9	4.4	3.4
Net debt/(cash) to equity	(172.1)	(162.6)	(146.8)	(136.9)

Appendix I – Company Background

Atour is a leading lifestyle group in China that operates hospitality and retail businesses. It offers a portfolio of seven lifestyle hotel brands spanning midscale to luxury tiers, with a total of 2,015 hotels and 224,423 rooms as of end-25. Hotels are primarily operated under the manachised model, with some lease agreements, enabling rapid expansion while keeping capex low. Building on its hospitality foundation, Atour has expanded into retail, focusing on sleep-related and lifestyle products under proprietary brands such as Atour Planet and SAVHE. Retail offerings are embedded throughout hotel spaces to provide experiential trials, while online channels account for the majority of sales.

Company Milestones

Year	Event
2012	Atour Lifestyle Holdings incorporated
2013	Opened first Atour Hotel in Xi'an; brand officially launched
2016	Opened first Atour S
	Opened first Atour Light
2020	Launched Atour X and Atour Z
2021	Opened first luxury property A.T. House in Shanghai
	Launched retail brand Atour Planet
2022	Completed Nasdaq listing
2023	Launched Atour Light 3.0 upgraded model
	Announced three-year development target of 2,000 quality stores
2024	Opened first Atour 4.0 flagship model hotel in Xi'an.
	Launched SAVHE, positioned as a luxury hotel brand, alongside the launch of the SAVHE retail brand
2026	Launched its new three-year "China Experience, Brand Leadership" strategy
	Upgraded Atour 4.0 into new standalone brand Atour Origin

Source: Atour, UOB Kay Hian

Atour's hotel portfolio spans multiple brands from midscale to luxury, with the flagship Atour Hotel serving as the core brand, accounting for 74% of the total hotel count as of end-25. Positioned in the upper-midscale segment, Atour Hotel targets quality-conscious travellers, offering spacious rooms and generous public areas. The brand maintains high standards in room design, breakfast offerings, and supporting facilities, while combining standardised operations with personalised service.

Hotel Segment Breakdown

Segment	China National Star System	Service/Positioning	Estimated Tier 1 City ADR	Examples
Luxury	5-star	Full-service luxury hotels with strongest brand, location, facilities	Rmb800-1,800+	Ritz-Carlton, St Regis, Waldorf Astoria, Park Hyatt, Four Seasons, Mandarin Oriental, The Peninsula, InterContinental
Upscale	High 4-star	Full-service or high-service hotels; strong facilities	Rmb550-800	Hilton, Marriott, Sheraton, Westin, Hyatt Regency, Renaissance
Upper Midscale	High 3-star to low 4-star	Higher-quality select-service hotels	Rmb400-550	Atour Hotel, Wyndham Garden Hotel, Hampton by Hilton, Holiday Inn Express, Fairfield by Marriott, Hilton Garden Inn, Crystal Orange
Midscale	Low 3-star	Standard hotels; value-for-money lodging with limited public facilities	Rmb300-400	Atour Light, Vienna Hotel, JI Hotel, Orange Hotel, Starway Hotel, Ibis Hotels
Economy	1-2 star	Basic lodging; price-sensitive, limited service	Rmb200-300	Hanting Hotel, Super 8, Ni Hao Hotel, 7 Days Inn, Home Inn, Jinjiang Inn

Source: Beijing Municipal Commission of Tourism Development, China Hospitality Association, UOB Kay Hian

Guest Services And Standardised Processes

User Experience	Standardised Process
Welcome tea	Served to guests waiting at front desk for more than one minute; options include black tea, green tea, or honey water, served according to season
Midnight snack	Free self-service millet porridge, mixed grain porridge, staple foods, water, and fruits
24-hour laundry service	Free 24-hour laundry service
24-hour gym	Equipped with treadmills, yoga mats, dumbbells, etc
24-hour library	Mobile library in lobby; guests can borrow books and return at any Atour location
Breakfast service	Provided for early-departing guests; customisable
Aplus service products	Modular value-added service; guests select three items for free (eg, brown sugar ginger tea, aromatherapy, Atour Planet products); remaining items available for exchange or purchase

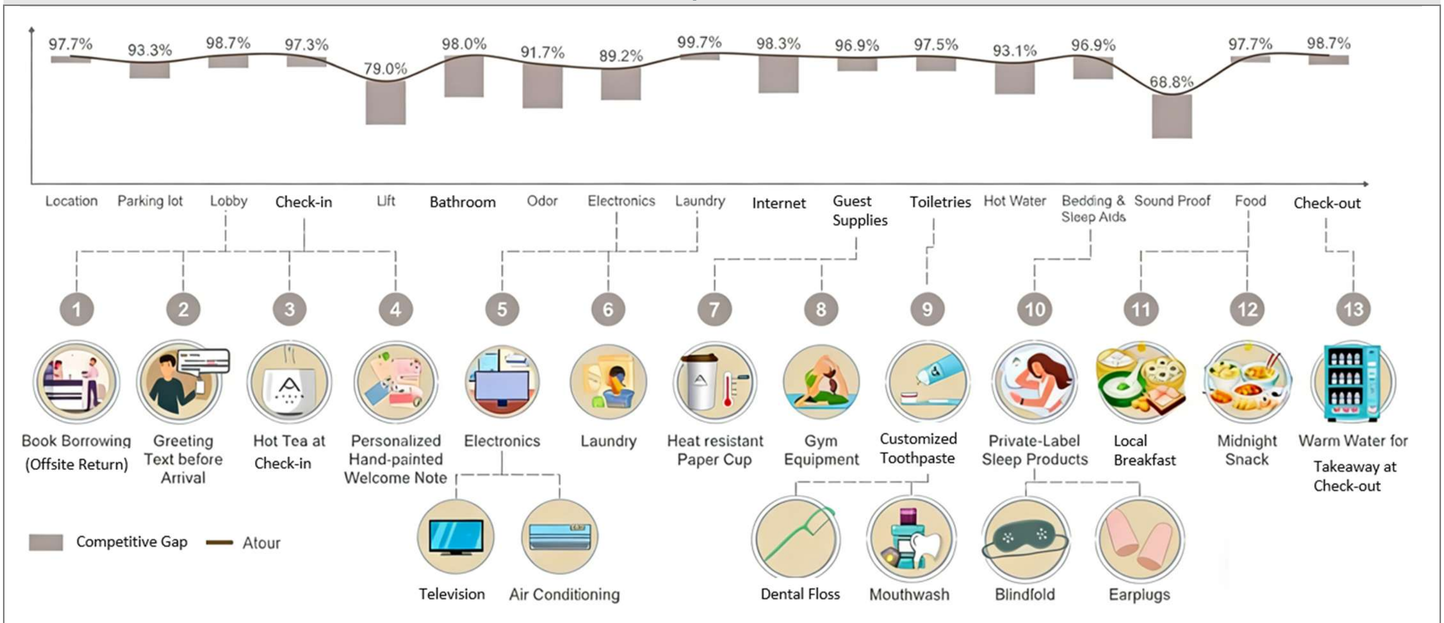
Source: Atour, UOB Kay Hian

Group Hotel Brands

Hotel Brand	A.T. House	SAVHE	Atour S	Atour Origin	Atour X	Atour	Atour Light
Positioning	Luxury	Upscale	Upscale	Upper midscale	Upper midscale	Upper midscale	Midscale
Number of stores (as of end-25)	1	3	89	49	181	1,491	201
ADR (in 2025)	~Rmb800	~Rmb1,000	~Rmb550	~Rmb550	~Rmb450	~Rmb450	~Rmb400
Room size	28–50 sqm	28–35 sqm	27–35 sqm	25-40 sqm	20–35 sqm	23–35 sqm	18–35 sqm
Features	Emphasises art, trends, and a premium lifestyle	Highlights natural, Zen-inspired atmosphere; offers deep sleep, SAVHE butler and other advanced services	Larger space, better configuration, more attentive service	Blending Yunnan local culture, upgraded deep sleep experience, integration of business and leisure	Renovated operations, maintains unique design under standardised services	Classic format, focuses on simplicity and humanistic art; equipped with 24-hour library	Provides flexible social spaces, targeting young business travellers

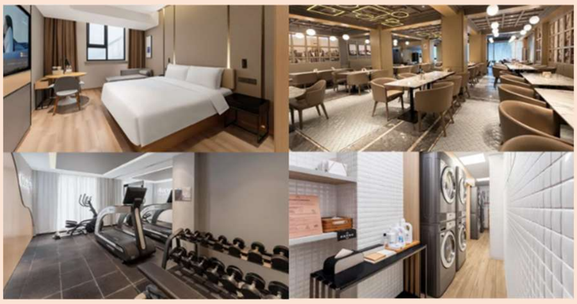
Source: Atour, Rednote, Trip.com, UOB Kay Hian

Customer Satisfaction Scores Across Atour's Service Touchpoints



Source: Brandwisdom, UOB Kay Hian

Shanghai Nanjing Road Hotel Comparison

Hotel Brand	Segment	ADR	Room Size	Facilities	Interior
Conrad (Hilton)	Luxury	~Rmb2,400	40 sqm	Fitness centre, indoor swimming pool, spa, restaurant	
Holiday Inn (IHG)	Upper Midscale	~Rmb1,600	26-30 sqm	Fitness centre, laundry room, robot service, breakfast	
Atour Hotel	Upper Midscale	~Rmb1,300	25 sqm	Fitness centre, laundry room, robot service, breakfast, in-room mini coffee bar	
Hanting (H World)	Midscale	~Rmb800	15-18 sqm	Laundry room, robot service, breakfast (delivery)	

Source: Ctrip, UOB Kay Hian

Beijing South Second Ring Road Hotel Comparison

Hotel Brand	Segment	ADR	Room size	Facilities	Interior
Atour Hotel	Upper Midscale	~Rmb800	22 sqm	Fitness centre, laundry room, robot service, breakfast	
DoubleTree (Hiton)	Upper Midscale	~Rmb600	25 sqm	Fitness centre, breakfast	
Super 8 Hotel Premier	Economy	~Rmb450	8-10 sqm	No facility/service, no breakfast	

Source: Ctrip, UOB Kay Hian

Atour has built a highly active membership ecosystem centred on its A-Card programme which integrates both hotel and retail benefits. The programme adopts a tiered structure, with higher-tier members enjoying enhanced privileges such as room upgrades, late check-out, and personalised services. In addition, Atour offers the Aplus service, a modular value-added offering that allows members to choose from predefined service packages tailored to different stay scenarios, further enhancing the in-stay experience. The membership system is fully integrated with Atour's retail brands, enabling points accumulation and redemption across hotel stays and retail purchases, thereby reinforcing customer engagement and promoting cross-consumption.

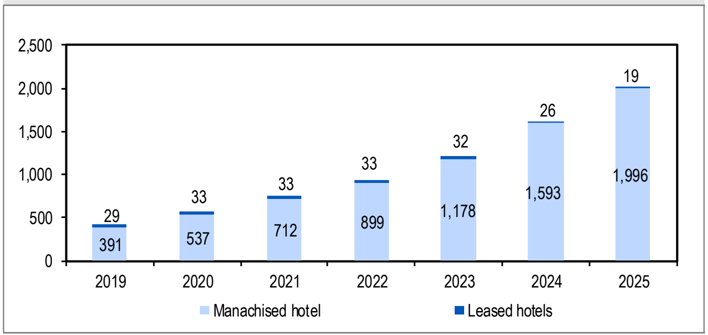
Membership Tiers And Benefit Structure

<table>
<tr><th>Tier</th><th>Room Rate Discount</th><th>Breakfast Vouchers</th><th>Room Upgrade Vouchers</th><th>Late Check-out Vouchers (2-hour extension)</th><th>Aplus Services</th><th colspan="2">Retail Benefits</th></tr>
<tr><td>Basic</td><td>8% off</td><td>–</td><td>–</td><td>–</td><td>–</td><td rowspan="5">One Rmb20-off-Rmb21 retail voucher per month</td><td>-</td></tr>
<tr><td>Silver</td><td>12% off</td><td>–</td><td>–</td><td>8 per year</td><td>1</td><td>Retail vouchers equivalent to 1.5% of room spend</td></tr>
<tr><td>Gold</td><td>12% off</td><td>16 per year</td><td>–</td><td>16 per year</td><td>2</td><td>Retail vouchers equivalent to 2.5% of room spend</td></tr>
<tr><td>Platinum</td><td>15% off</td><td>80 per year</td><td>40 per year</td><td>120 per year</td><td>3</td><td>Retail vouchers equivalent to 3.5% of room spend</td></tr>
<tr><td>Black gold</td><td>15% off</td><td>90 per year</td><td>50 per year</td><td>130 per year</td><td>6</td><td>Retail vouchers equivalent to 5.0% of room spend</td></tr>
</table>

Source: Atour, UOB Kay Hian

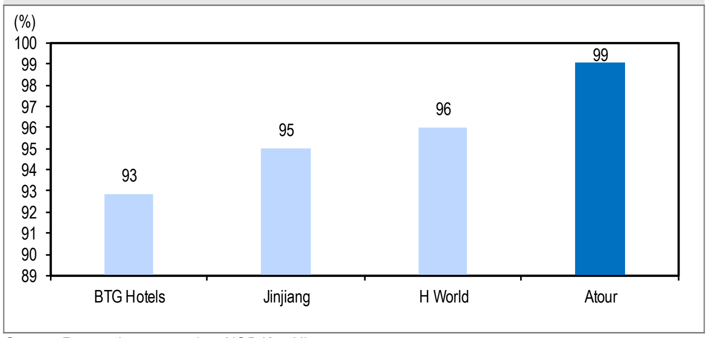
Atour primarily expands through the manachised model, with only a relatively small number of leased hotels. As of end-25, manachised hotels accounted for 99% of its total network, a higher proportion than major peers such as H World, Jinjiang International, and BTG.

Number Of Atour Hotels By Operation Model



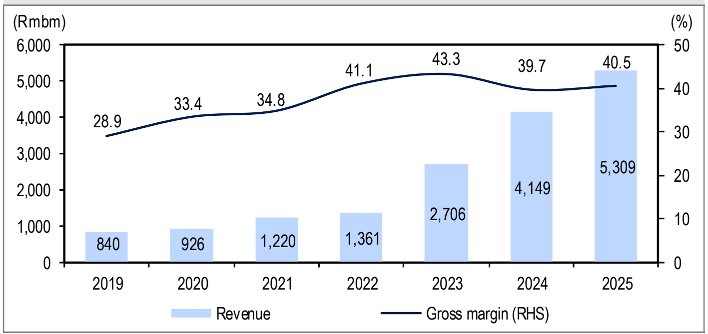
Source: Atour, UOB Kay Hian

Manachised Rate Of Key Hotel Chains (As Of 2025)



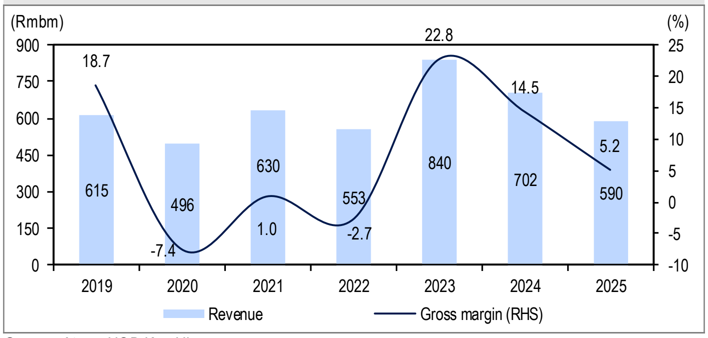
Source: Respective companies, UOB Kay Hian

Manachised Revenue And Gross Margin



Source: Atour, UOB Kay Hian

Leased Revenue And Gross Margin



Source: Atour, UOB Kay Hian

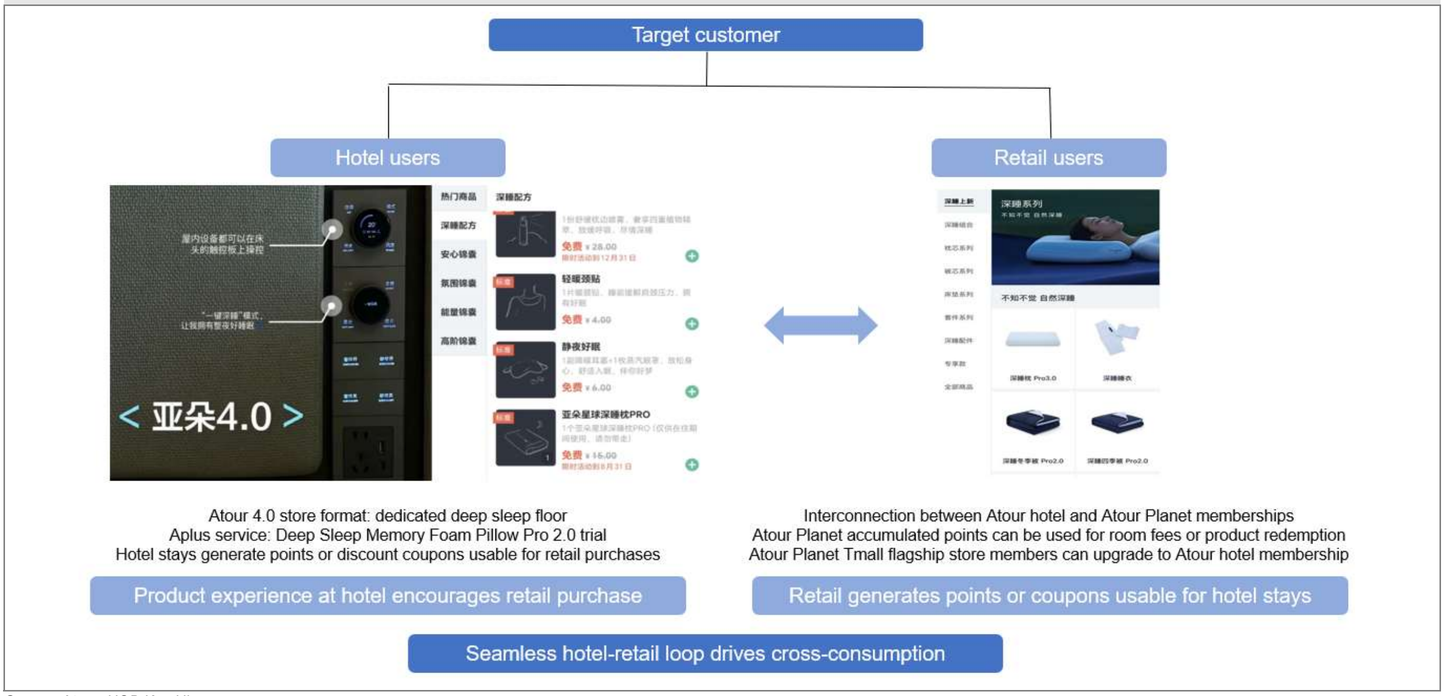
Extending its core hotel experience into the retail space, the company operates three retail brands, each with a distinct focus and positioning. Atour Planet centres on sleep, offering products such as pillows, comforters, and loungewear to create a deep sleep experience. SAVHE focuses on eastern aesthetics and wellness, providing specialty-scented fragrances, personal care products, and bath products.

Brand Positioning And Sales Channels

	atourplanet 亚朵星球	SAVHE 萨和
Brand	**Atour Planet**	**SAVHE**
Application	Sleep	Personal care
Price range	Rmb30-5,999	Rmb168-350
Core products	Deep Sleep Memory Foam Pillow Pro 3.0, Deep Sleep Thermo-Regulating Comforter PRO, Deep Sleep Loungewear, Memory Foam Mattress	Fragrances, perfumes, personal care series
Sales channels	Hotel lobbies, Tmall/JD flagship stores, Douyin livestreams, Atour Planet mini program	QR code purchase in hotel rooms, Taobao/Tmall flagship stores

Source: Atour, Tmall, Taobao, UOB Kay Hian

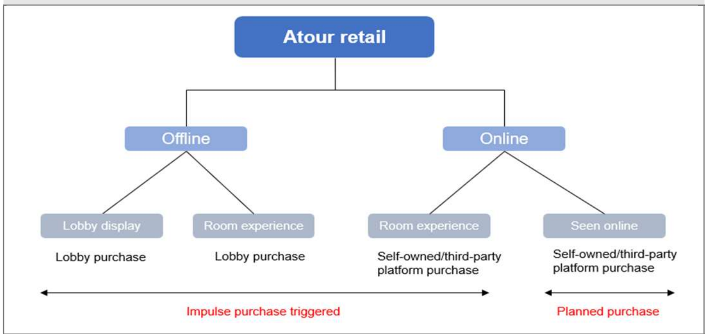
Seamless Hotel-Retail Loop Drives Cross-Consumption



Source: Atour, UOB Kay Hian

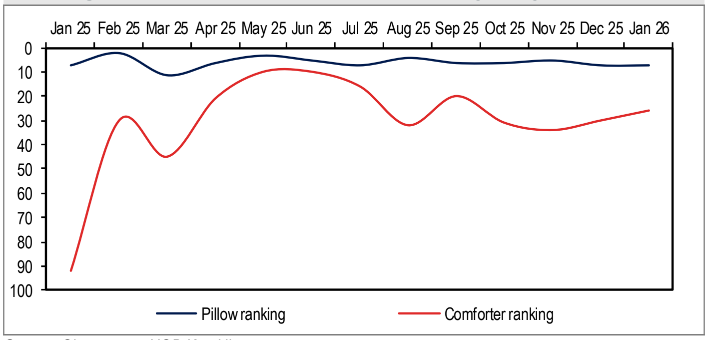
According to Chanmama, Atour Planet's retail user profile on Douyin closely aligns with its target clientele. The customer base mainly consists of younger, quality-conscious consumers with disposable income who pursue a refined and comfortable lifestyle experience. Customers are predominantly aged 24-30 and 31-40, accounting for 26% and 51% of transactions by sales volume respectively. By consumer segment, emerging young professionals and the established middle class together contribute over 70% of transaction volume.

Product Sales Channels



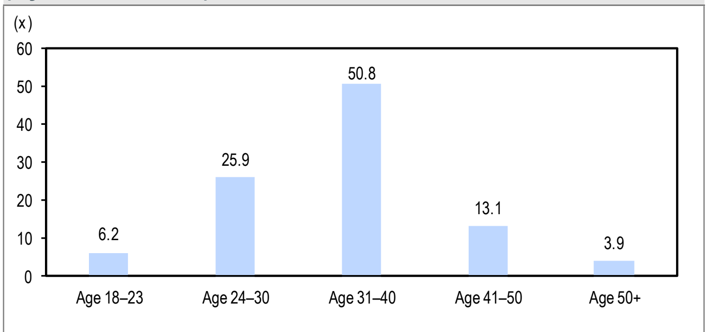
Source: Atour, UOB Kay Hian

Ranking Of Atour's Core Products On Douyin By Sales Volume



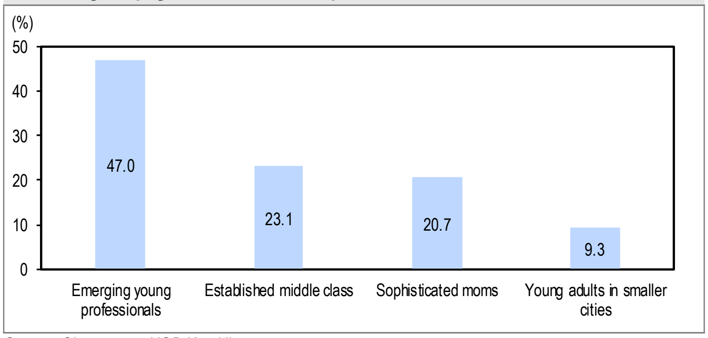
Source: Chanmama, UOB Kay Hian

Age Distribution Of Atour Planet Purchases On Douyin (By Sales Volume)



Source: Chanmama, UOB Kay Hian

Customer Segment Distribution Of Atour Planet Purchases On Douyin (By Sales Volume)



Source: Chanmama, UOB Kay Hian

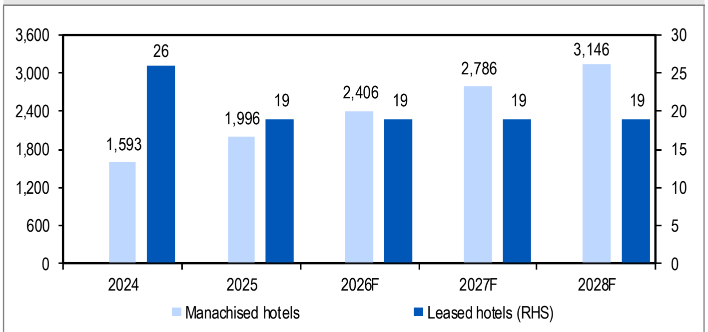
Appendix II – Financials And Earnings Outlook

We forecast Atour adding a net 410/380/360 hotels over 2026-28 (vs three-year average net opening of 361 hotels), reflecting a more measured expansion pace anchored by a strategic focus on network quality and operational efficiency. This pipeline is driven by steady openings of 490/450/420 hotels within the manachised segment, offset by the closure of 80/70/60 underperforming ones.

Concurrently, according to management, Atour is pivoting away from leased hotels, which primarily serve as flagship demonstration properties to define brand standards rather than vehicles for expansion. Consequently, future growth will rely almost exclusively on the asset-light manachised model to drive scalable, capital-efficient network expansion.

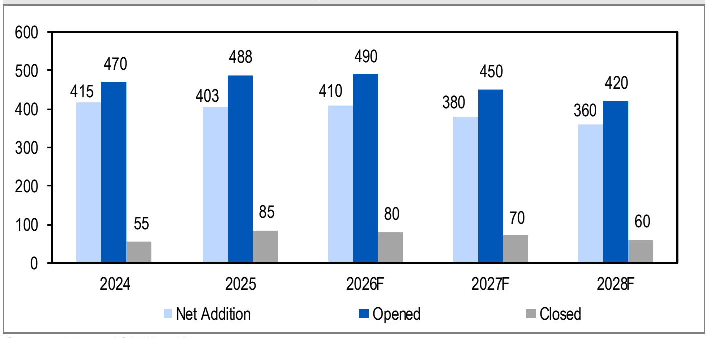
This would bring the total hotel count to 2,425/2,805/3,165 in 2026-28 respectively, comprising 2,406/2,786/3,146 manachised hotels and a stable base of 19 leased hotels. Driven by a hotel mix shift towards manachised hotels, which adopt more competitive pricing to increase occupancy and capture value-conscious demand, we expect ADR at the group level to decline 3.0%/0.4%/1.0% yoy to Rmb419/Rmb418/Rmb413 respectively. This flexible pricing dynamic should boost OCC to 76.3%/76.6%/77.1%, resulting in a slight RevPAR decrease of 2.5%/0.0%/0.4% yoy to Rmb320/Rmb320/Rmb318 respectively.

Number Of Hotels



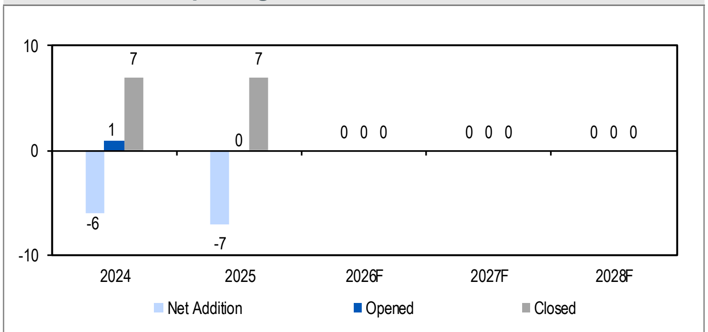
Source: Atour, UOB Kay Hian

Manachised Hotels Opening



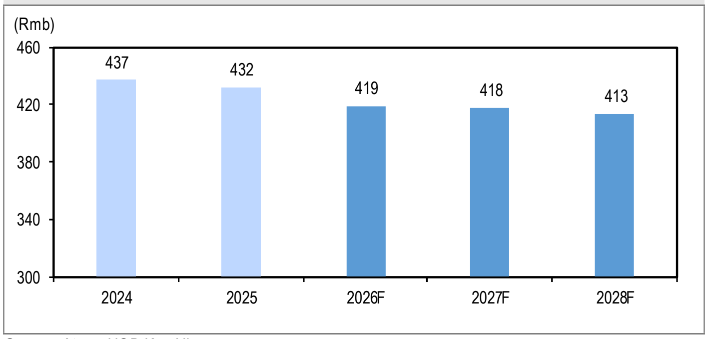
Source: Atour, UOB Kay Hian

Leased Hotels Opening



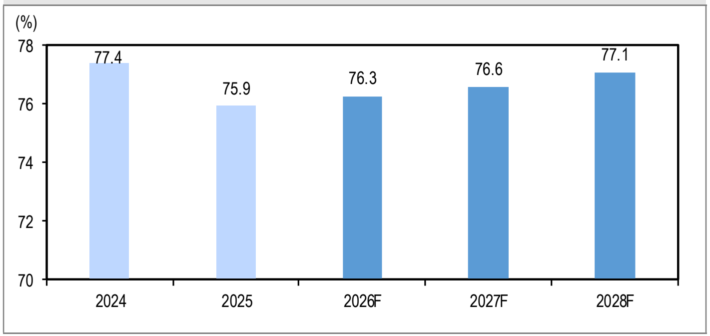
Source: Atour, UOB Kay Hian

ADR Forecast



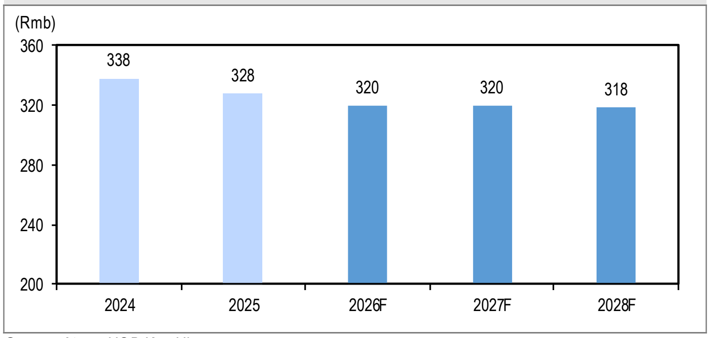
Source: Atour, UOB Kay Hian

OCC Forecast



Source: Atour, UOB Kay Hian

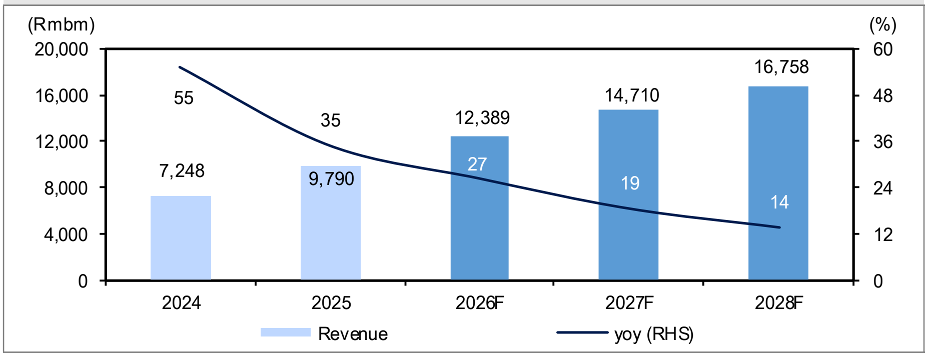
RevPAR Forecast



Source: Atour, UOB Kay Hian

Revenue. We expect total revenue to grow 27%/19%/14% in 2026-28, reaching Rmb12,389m/Rmb14,710m/Rmb16,758m respectively, driven by continued expansion in the manachised business and the strong momentum in the retail segment.

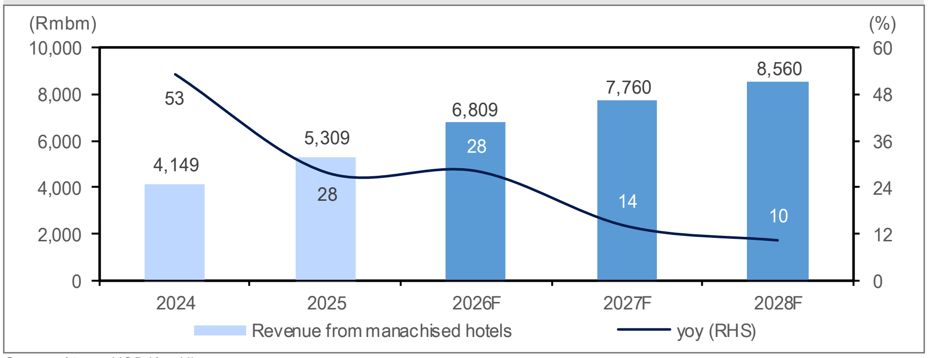
Revenue Forecast



Source: Atour, UOB Kay Hian

a) **Manachised business.** We expect revenue from the manachised business to grow 28%/14%/10% in 2026-28 (vs two-year CAGR of 40% over 2023-25) to Rmb6,809m/Rmb7,760m/Rmb8,560m respectively. This growth is driven by an expanding hotel network yielding higher continuing franchise fees, which is partially offset by slower hotel openings that result in lower upfront franchise fees, as well as cooling sales of hotel supplies and other products.

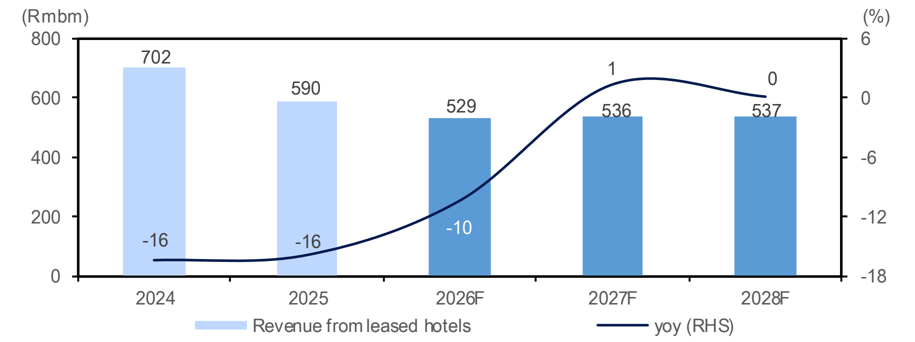
Revenue From Manachised Business Forecast



Source: Atour , UOB Kay Hian

b) **Leased business.** We expect revenue from the leased business to change by -10%/+1%/0% in 2026-28, reaching Rmb529m/Rmb536m/Rmb537m, respectively.

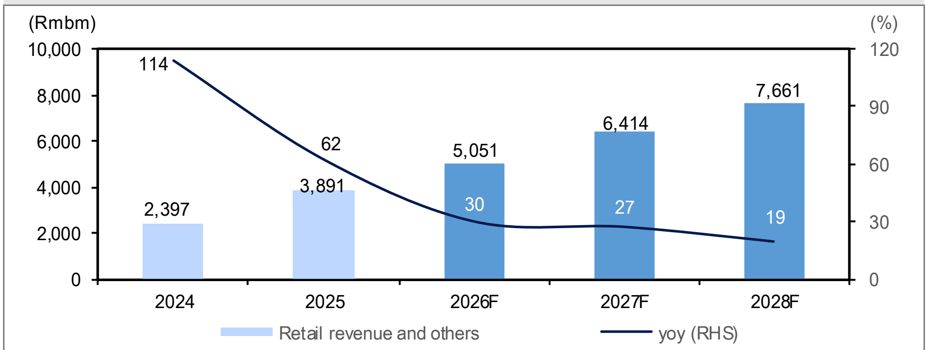
Revenue From Leased Business Forecast



Source: Atour, UOB Kay Hian

c) **Retail business and others.** We expect revenue from the retail business and others (primarily membership business) to grow 30%/27%/19% in 2026-28 (vs two-year CAGR 86% over 2023-25), reaching Rmb5,051m/ Rmb6,414m/Rmb7,661m respectively. This performance is primarily driven by expanding market share across categories beyond pillows (such as duvets and mattresses) and higher user conversion supported by rising brand awareness and a growing membership base.

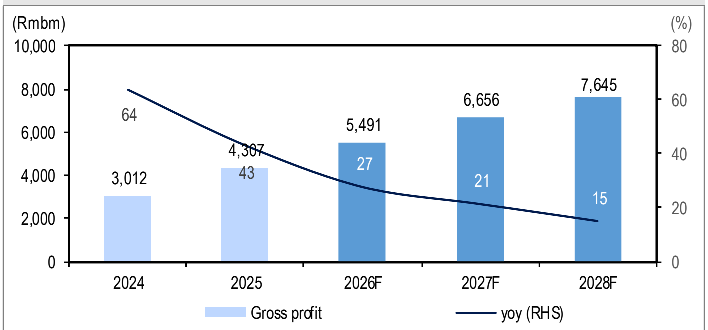
Retail Revenue And Others Forecast



Source: Atour, UOB Kay Hian

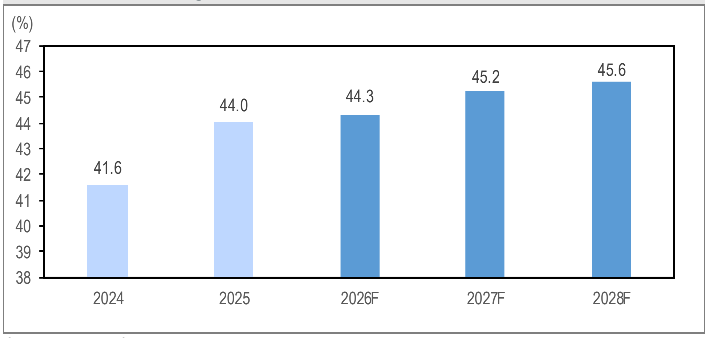
Gross margin. We expect Atour's gross margin to show an uptrend, ticking up by 0.3ppt/0.9ppt/0.4ppt to 44.3%/45.2%/45.6% during 2026-28 respectively, driven by a higher contribution from the retail business and higher hotel operation efficiency.

Gross Profit Forecast



Source: Atour, UOB Kay Hian

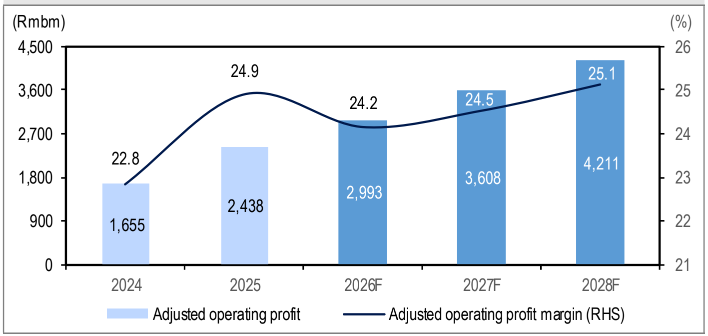
Gross Profit Margin Forecast



Source: Atour, UOB Kay Hian

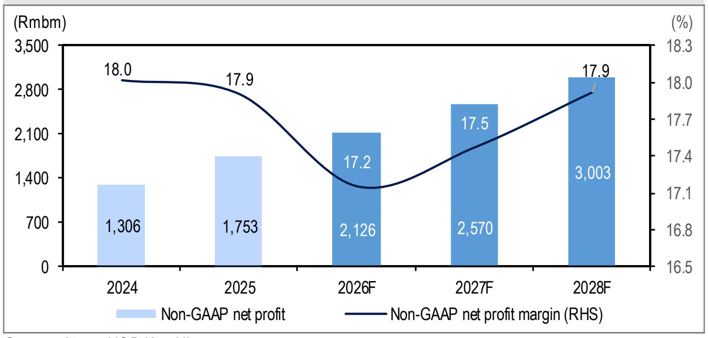
Adjusted operating profit and non-GAAP adjusted net profit. We expect Atour's operating expense ratio to change by +0.7ppt/+0.3ppt/-0.4ppt over 2026-28. This primarily reflects increased marketing investment to support new hotel launches, alongside organisational restructuring, headcount expansion, and compensation framework adjustments, while the company is gradually achieving greater operational efficiency over time. Thus, we forecast Atour's adjusted operating profit growing 23%/21%/17% yoy respectively, with operating margin reaching 24.2%/24.5%/25.1%. Non-GAAP adjusted net profit is expected to grow 21%/21%/17% yoy respectively, with non-GAAP adjusted net margin changing to 17.2%/17.5%/17.9%.

Adjusted Operating Profit And Adjusted OPM Forecast



Source: Atour, UOB Kay Hian

Adjusted Net Profit And Adjusted NPM Forecast



Source: Atour, UOB Kay Hian

Appendix III – Management

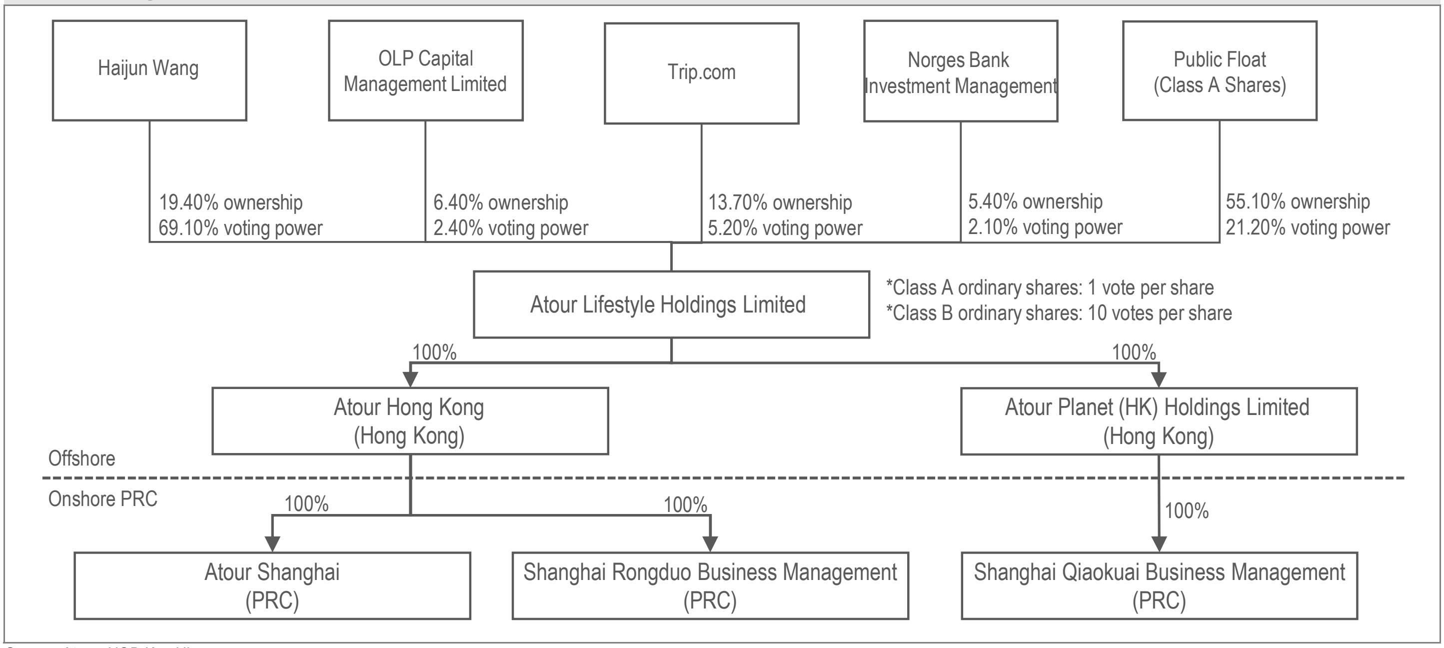
Management Background

Name	Position	Experience
Haijun Wang	Founder, Chairman of the Board and Chief Executive Officer	Mr Wang founded Atour in 2012 and has served as Chairman and CEO since its inception. He was previously Executive Vice President of H World Group (HTHT US/1179 HK) and held senior roles at Home Inns and Jinjiang Inn. A veteran hotel executive, he has extensive experience in chain development and operations.
Shoudong Wang	Co-Chief Financial Officer	Mr Wang has served as Co-Chief Financial Officer since 2021 and oversees the financial reporting and related strategic, management and operational matters. He was previously CFO and board secretary of TANSH Global Group (3666 HK) and held senior finance roles at Best Buy Commercial and Dazhong Transportation (600611 CH).
Jianfeng Wu	Director, Co-Chief Financial Officer and Executive Vice President	Mr Wu has served as Co-Chief Financial Officer since 2023 and was appointed Executive Vice President and Director in 2024. He is responsible for coordinating the company's hotel business management, leading strategic planning and execution, overseeing capital markets affairs, and driving brand development and marketing initiatives. He was previously a Managing Director and the Head of Consumer sector in the Corporate Finance Department at CMB International and earlier served in the Investment Banking Division at UBS Securities.
Lijun Gao	Director and Chief Compliance Officer	Ms Gao has served as Chief Compliance Officer since 2023 and Director since 2021. She joined Atour in 2013 and previously served as General Counsel and Vice President in charge of legal affairs.
Shiwei Zhou	Director	Mr Zhou has served as Director since 2021. He was VP of Strategic Investments at Ctrip from 2015 to 2021, and has been a General Manger at Trip.com Group since 2021.
Chao Zhang	Independent Director	Ms Zhang has served as Independent Director since Nov 22 and is a professor at Beijing International Studies University.
Yingchun Song	Independent Director	Mr Song has served as Independent Director since Nov 25. He founded Wuhan Today Dream Trading ("Today Convenience Store") in 2008 and continues to serve as its Chairman. He has also been a Director of the Alibaba Foundation since 2021.
Can Wang	Independent Director	Mr Wang has served as Independent Director since Nov 22 and also served as Independent Non-Executive director of Clarity Medical Group since Sep 24, and previously held the same role at H&H International (1112 HK).

Source: Atour, UOB Kay Hian

Appendix IV – Shareholding

Shareholding Structure



Source: Atour, UOB Kay Hian

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