Tims China

Nasdaq: THCH

Q2 2026 Earnings Presentation

August 18, 2026

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This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Without limiting the generality of the foregoing, the forward-looking statements in this document include descriptions of THIL's future commercial operations, such as the continued expansion of its store network. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, such as THIL's inability to implement its business plans, identify and realize additional opportunities, or meet or exceed its financial projections and changes in the regulatory or competitive environment in which THIL operates. You should carefully consider the foregoing factors and the other risks, uncertainties and factors set forth in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in THIL's annual report on Form 20-F and other documents filed or to be filed by THIL with the U.S. Securities and Exchange Commission from time to time, which could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements. THIL cannot assure you that these forward-looking statements will prove to be accurate and assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

The Company uses non-GAAP financial measures, namely company owned and operated store contribution, company owned and operated store contribution margin, adjusted general and administrative expenses, adjusted corporate EBITDA, adjusted corporate EBITDA margin, adjusted net loss, adjusted net loss margin, and adjusted basic and diluted net loss per ordinary share in evaluating its operating results and for financial and operational decision-making purposes. The Company defines (i) company owned and operated store contribution as fully burdened gross profit of company owned and operated stores excluding depreciation and amortization; (ii) company owned and operated store contribution margin as company owned and operated store contribution as a percentage of revenues from company owned and operated stores; (iii) adjusted general and administrative expenses as general and administrative expenses excluding share-based compensation expenses, professional fees related to financing programs, and impairment losses of rental deposits; (iv) adjusted corporate EBITDA as operating loss excluding certain non-cash expenses consisting of depreciation and amortization, share-based compensation expenses, impairment losses of long-lived assets, loss on disposal of property and equipment, professional fees related to financing programs, and impairment losses of rental deposits; (v) adjusted corporate EBITDA margin as adjusted corporate EBITDA as a percentage of total revenues; (vi) adjusted net loss as net loss excluding share-based compensation expenses, impairment losses of long-lived assets, loss on disposal of property and equipment, professional fees related to financing programs, impairment losses of rental deposits, and changes in fair value of convertible notes; (vii) adjusted net loss margin as adjusted net loss as a percentage of total revenues; and (viii) adjusted basic and diluted net loss per ordinary share as adjusted net loss attributable to the Company's ordinary shareholders divided by weighted-average number of basic and diluted ordinary share. The Company believes company owned and operated store contribution, company owned and operated store contribution margin, adjusted general and administrative expenses, adjusted corporate EBITDA, adjusted corporate EBITDA margin, adjusted net loss, adjusted net loss margin, and adjusted basic and diluted net loss per ordinary share enhance investors' overall understanding of its financial performance and allow for greater visibility with respect to key metrics used by its management in its financial and operational decision-making.

These non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. As these non-GAAP financial measures have limitations as analytical tools and may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies. The Company compensates for these limitations by reconciling the non-GAAP financial measures to the nearest U.S. GAAP performance measures, which should be considered when evaluating the Company's performance. For reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the section of the accompanying tables titled, "Reconciliation of Non-GAAP Measures to the Most Directly Comparable GAAP Measures." The Company encourages investors and others to review its financial information in its entirety and not rely on any single financial measure.

01. Business Update

Resilient Store Network & Loyalty Membership Highlights: 2026Q2

	Q2'24	Q2'25	Q2'26	*YoY % (26 vs 25)*
Total stores	907	1,015	1,028	*1.3%*
Net new stores [1]	1	(9)	2	*(122.0)%*
Registered Loyalty club members (mm)	21.4	26.2	37.1	*41.7%*
Digital orders % [2]	86.5%	90.4%	91.8%	*1.4ppts*
Total revenues (RMB mm)	366.8	349.0	273.4	*(21.7)%*
System Sales (RMB mm) [3]	403.8	409.5	347.8	*(15.1)%*
Revenues from company-owned stores (RMB mm)	322.3	281.9	220.9	*(21.6)%*
Same-store Sales Growth for company-owned stores (%) [4]	(13.8)%	(3.6)%	(17.3)%	*(13.7)ppts*

(1) The number of gross new stores opened during the period minus the number of stores permanently closed during the period.
(2) Revenues from digital orders, including both delivery and mobile ordering for self pick-up, as a percentage of THIL's revenues from company owned and operated stores
(3) System Sales include sales generated from company-owned stores and franchise stores
(4) The percentage change in the sales of company owned and operated stores that have been operating for 12 months or longer during a certain period compared to the same period from the prior year. The same-store sales growth for any period of more than a month equals to the arithmetic average of the same-store sales growth of each month covered in the period. If a store was closed for seven days or more during any given month, its sales during that month and the same month in the comparison period are excluded for purposes of measuring same-store sales growth

Summer Fruit Coffee Innovations Drive Repeat Purchases and Attract New Customers

Melon Coffee Collection

Queen Nina Grape Series

Bayberry Series

Great Tasting and Innovative Products Meet Local Customer Demand

New York-Style Slow-Cooked Beef Shoulder Bagel Sandwich

Salt Croissant

Black Truffle Bacon Angus Beef Bagel Sandwich Lunch Box

GWP Activation Drives Combo Penetration and Social Media Buzz

Grape Plush Keychain

Ice Power Cup

Avocado Plush Keychain & Canvas Tote Bag

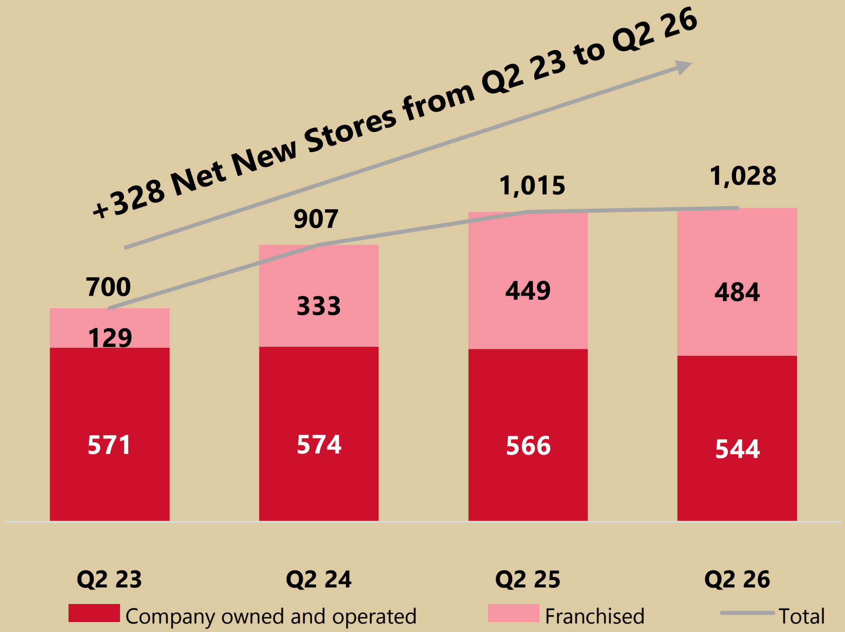
Brand Collaboration with Adidas and Topsports to Elevate Brand Identity Among Young, Active Consumers

Sustainability & Social Responsibility

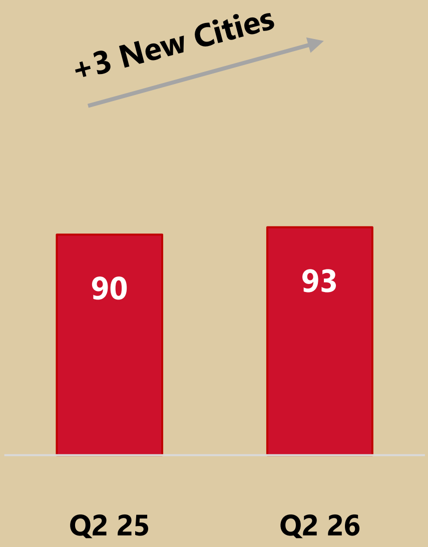
- On Children's Day this June, Tims China partnered with the Adream Foundation to launch "Super Cup Fuels Dreams" — a campaign turning every cup into a force for good. For each large beverage sold, Tims donated RMB 1 to the ***"Go Far" program***, which provides underprivileged children with experiential learning opportunities beyond the classroom.

Focus on Profitable & Capital-Efficient Store Network Expansion

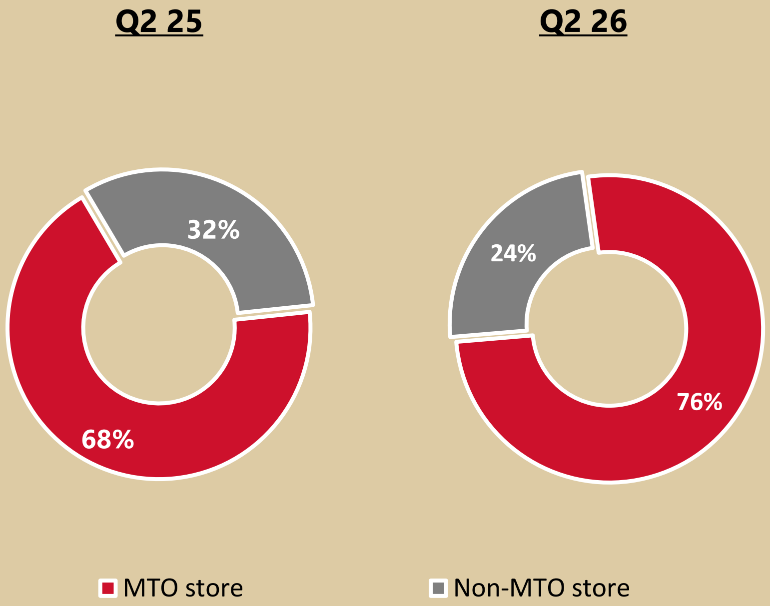
Total Stores



Market Entry



Store Formats



2 Net New Store Openings in Q2 26

3 Net Company-owned Store Openings

(1) Net Franchised Store Openings

The Individual Franchise Stores Have Demonstrated Strong Growth

Applications(1)

11,000+

Made-to-order Store Payback Period

2-3 years

Individual franchise stores(1)

Signed # ~430

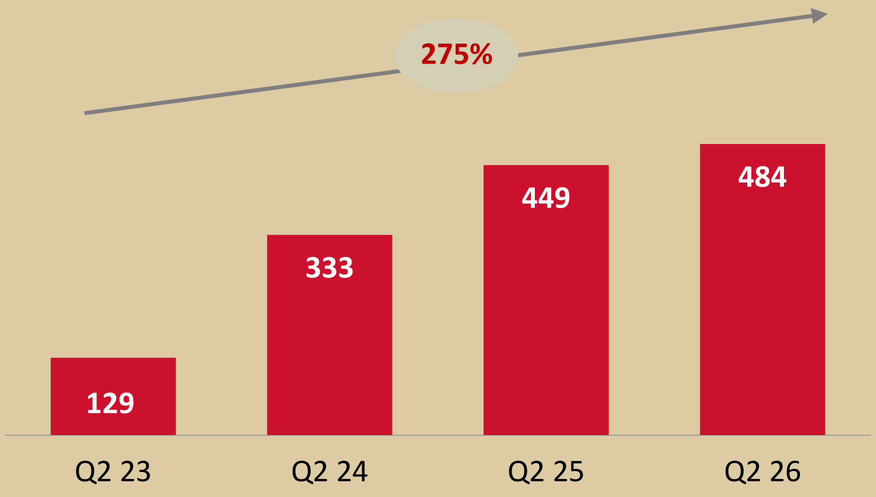
Individual Franchise stores already located across 14 provinces:

Shanghai、Beijing、Zhejiang、Jiangsu、Anhui、Sichuan、Henan、Shandong、Shanxi、Guangdong、Liaoning、Heilongjiang、Tianjin……

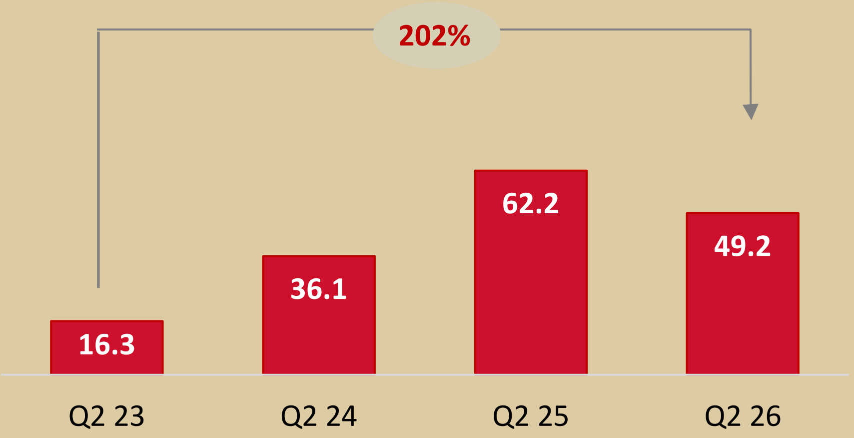
(1) Since December 2023 till June 30, 2026

Strategic Expansion of Our Franchise Network on Track

Total Sub-Franchise Stores



Revenues from Sub-Franchise Business (RMB mm)

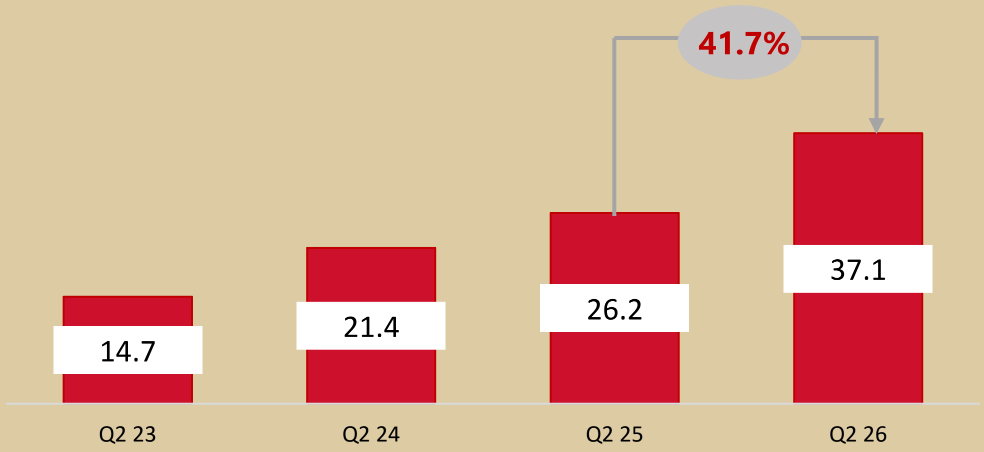


Maintain Close Cooperation with Sub-Franchisee Partners

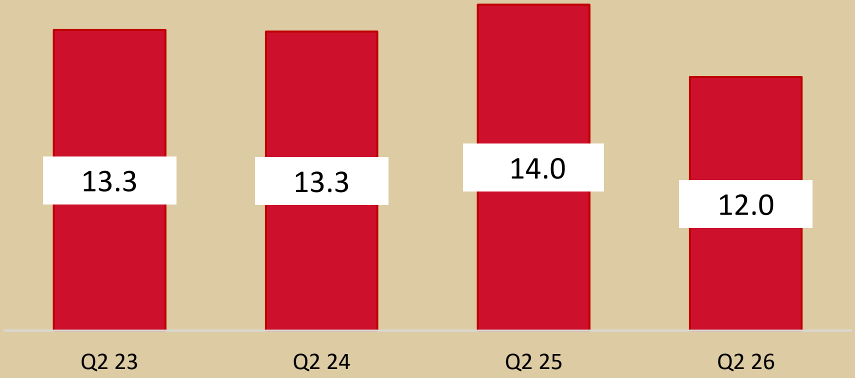
New Sub-Franchisee Store in Beijing

Steady Growth of Loyalty Club Members and Digital Orders

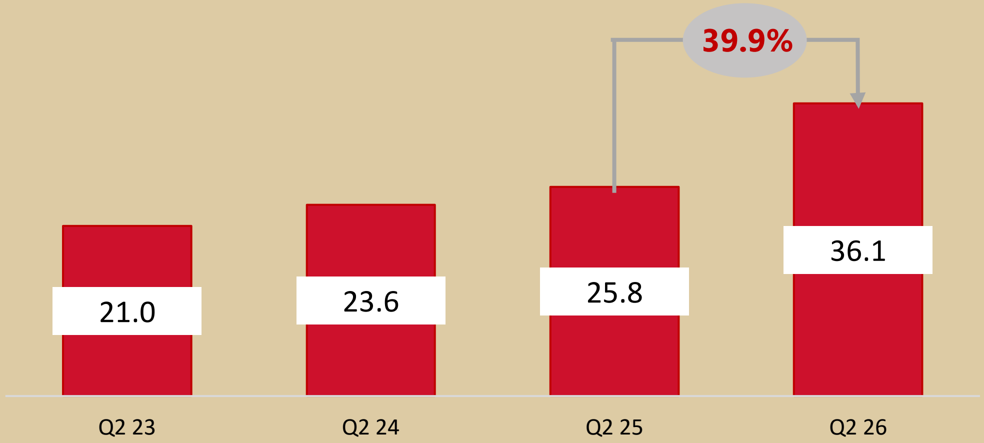
Registered Loyalty Club Members (mm)



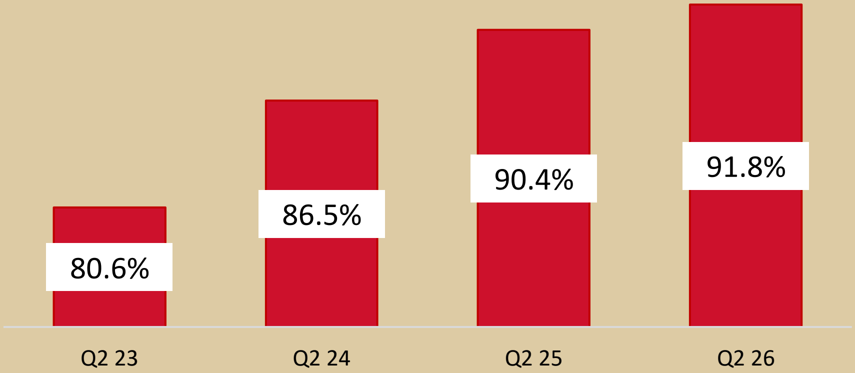
Number of Orders (mm)



Average Club Members Per Store (thousands)



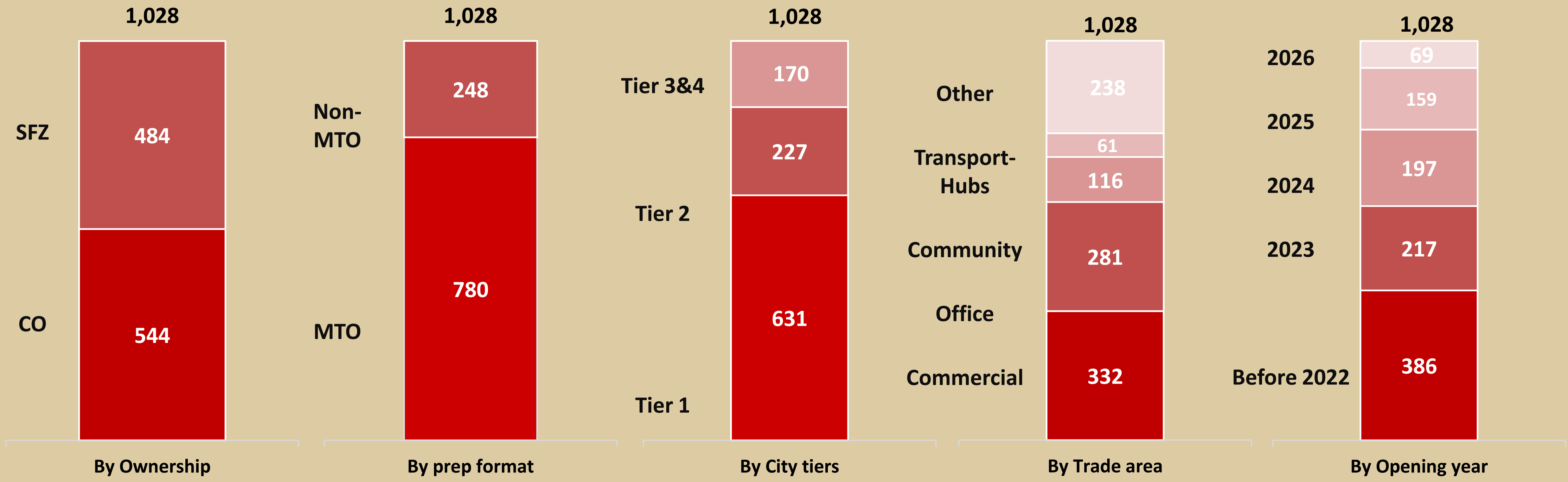
Digital Orders% (1)



(1) *Revenues from digital orders, including both delivery and mobile ordering for self pick-up, as a percentage of THIL's revenues from company owned and operated stores*

Development: Store Portfolio Breakdown

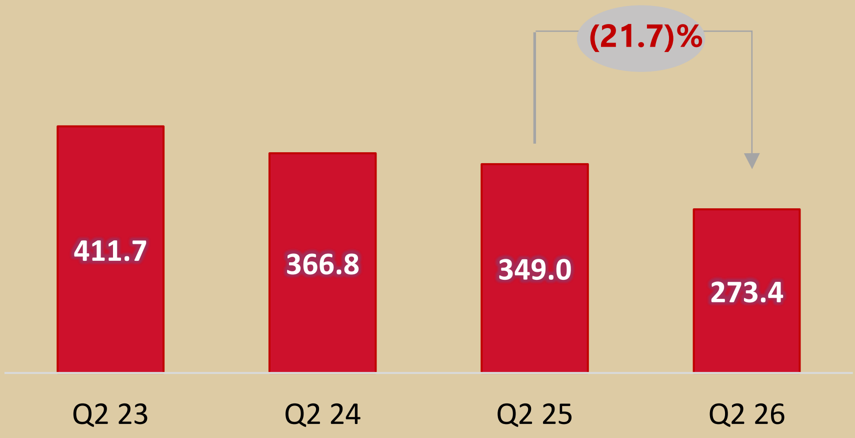
System-wide stores breakdown



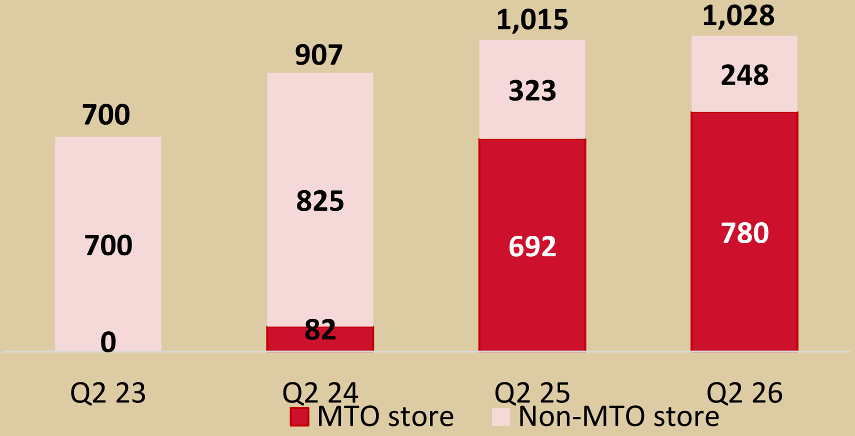
02. Financial Highlights

Top-line & Store Network Highlights

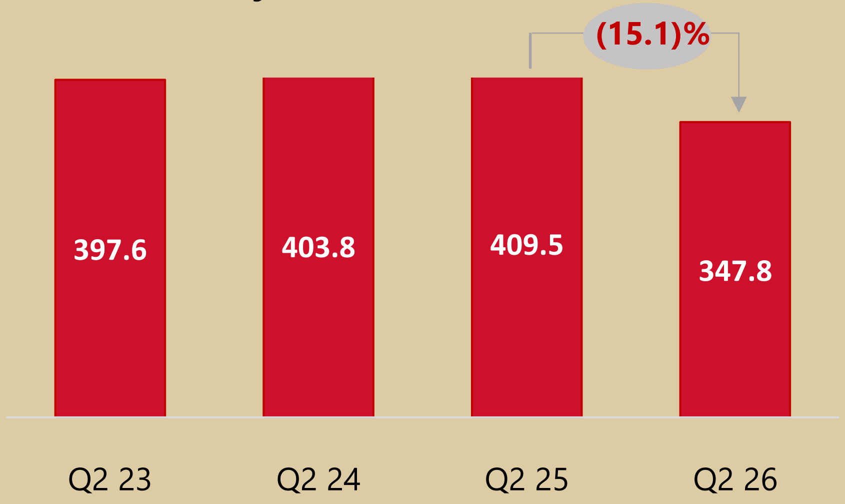
Total Revenues (RMB mm)



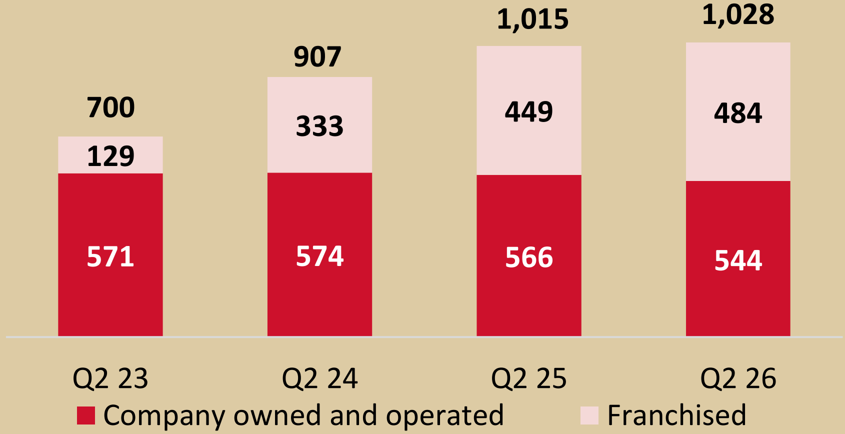
System-wide Stores[1]



System Sales[2] (RMB mm)



System-wide Stores[1]



(1) *Popeyes stores are not included in the count*
(2) *System Sales include sales generated from company-owned stores and franchise stores*

Key Store and Corporate Financial Metrics: 2026Q2

	Q2			YOY
	2024	2025	2026	(26 vs. 25)
Food and packaging[1]	30.9%	30.1%	28.3%	↓ 180bp
Rental and property management fee[1]	19.3%	20.2%	21.7%	↑ 150bp
Payroll and employee benefits[1]	18.9%	17.8%	19.9%	↑ 210bp
Other operating expenses[1]	7.6%	7.2%	7.9%	↑ 70bp
Company owned and operated store contribution margin[1] [2]	10.1%	9.6%	5.7%	↓ 390bp
Marketing expenses[3]	3.5%	4.0%	4.9%	↑ 90bp
Adjusted general and administrative expenses[3] [4]	8.3%	9.9%	14.5%	↑ 460bp
Adjusted corporate EBITDA margin [3] [5]	0.9%	0.6%	(7.6%)	↓ 820bp

(1) As percentage of revenues from company owned and operated store
(2) Company owned and operated store contribution margin stands for company owned and operated store contribution as a percentage of our revenues from company owned and operated stores. Company owned and operated store contribution is calculated as fully-burdened gross profit of company owned and operated stores excluding depreciation and amortization, previously disclosed as adjusted store EBITDA margin
(3) As percentage of total revenues
(4) Adjusted general and administrative expenses. Calculated as general and administrative expenses excluding share-based compensation expenses, professional fees related to financing programs, and impairment losses of rental deposits
(5) Adjusted corporate EBITDA. Calculated as operating loss excluding certain non-cash expenses consisting of depreciation and amortization, share-based compensation expenses, impairment losses of long-lived assets, loss on disposal of property and equipment, professional fees related to financing programs, and impairment losses of rental deposits

Near-Term Priorities

- Deliver Sustainable Revenue Growth
- Expand Store-Level Profitability
- Optimize Cost Structure
- Accelerate Franchising Store Development
- Achieve Corporate EBITDA Breakeven

About TH International Limited

TH International Limited (Nasdaq: THCH) ("Tims China") is the parent company of the exclusive master franchisees of Tim Hortons coffee shops in mainland China, Hong Kong, and Macau. The company's philosophy is rooted in world-class execution and data-driven decision making and centered on true local relevance, continuous innovation, genuine community, and absolute convenience. For more information, please visit https://ir.timschina.com/.

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