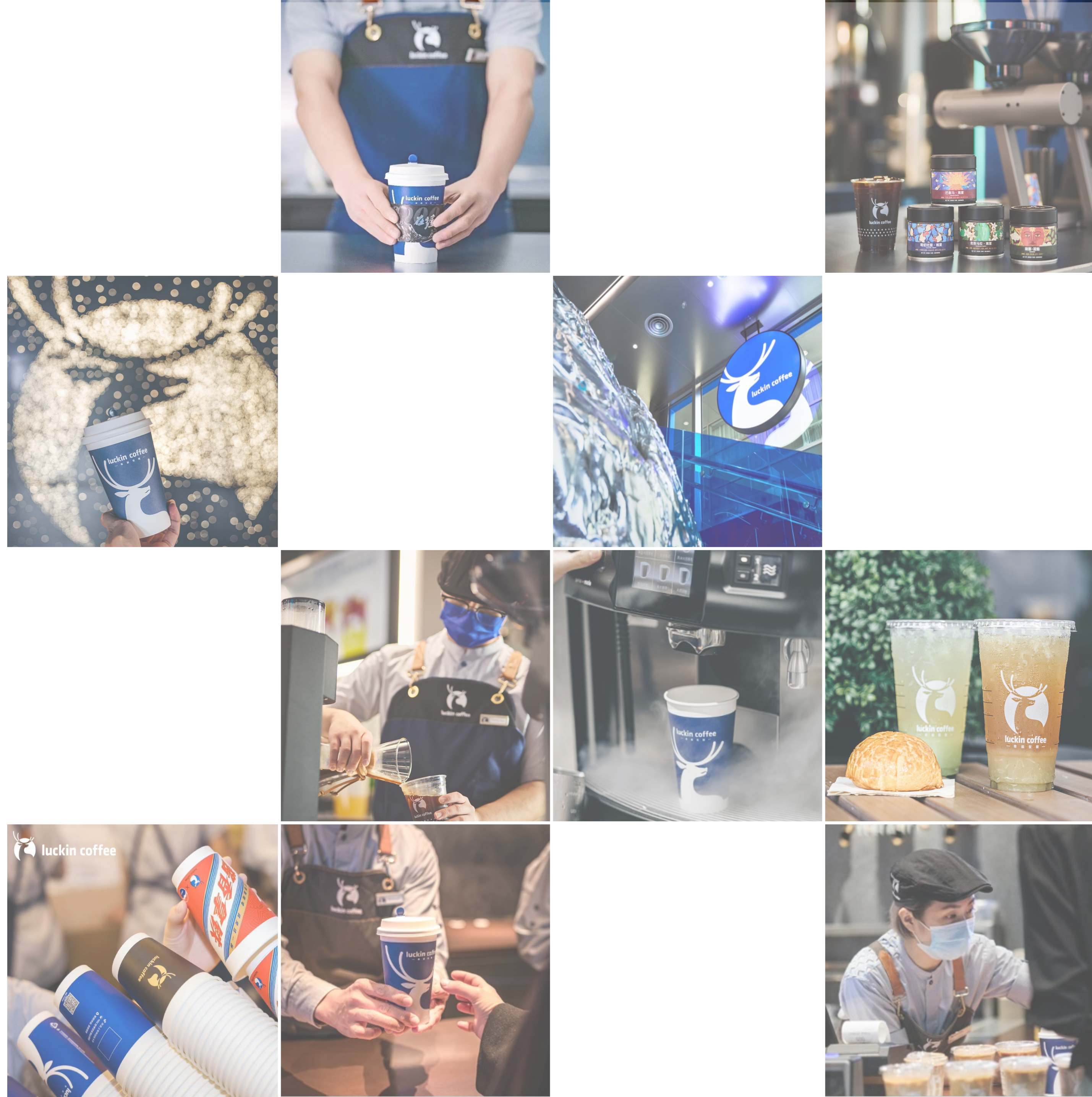




luckin coffee

LKNCY 2024Q2 Earnings Presentation

July 30, 2024



DISCLAIMER

This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the United States (“GAAP”), including non-GAAP operating income/(loss), non-GAAP net income/(loss), non-GAAP basic and diluted net income/(loss) per ADS. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, please see the table captioned “Reconciliation of Non-GAAP Measures to the Most Directly Comparable GAAP Measures” in the earnings release.

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. Luckin Coffee 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 Luckin Coffee’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: the expense, timing and outcome of existing or future legal and governmental proceedings or investigations in connection with Luckin Coffee; the outcome and effect of the restructuring of Luckin Coffee’s financial obligations; Luckin Coffee’s growth strategies; its future business development, results of operations and financial condition; the effect of the non-reliance identified in, and the resultant restatement of, certain of Luckin Coffee’s previously issued financial results; the effectiveness of its internal control; 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 the coffee industry or the food and beverage sector in general; changes in its revenues and certain cost or expense items; the expected growth of China’s coffee industry or China’s food and beverage sector in general; governmental policies and regulations relating to Luckin Coffee’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 Luckin Coffee’s filings with the SEC. All information provided in this presentation is as of the date of this presentation, and Luckin Coffee undertakes no obligation to update any forward-looking statement, except as required under applicable law.



1

BUSINESS UPDATE

2

FINANCIAL HIGHLIGHTS

1

**BUSINESS
UPDATE**



Sustainable topline growth with profitability restored

Total net revenues

RMB8.4 billion

+35.5% YoY increase

Average monthly transacting customers⁽¹⁾

69.7 million

+61.8% YoY increase

SSSG⁽²⁾ (self-operated stores)

(20.9)%

Store-level operating profit⁽³⁾ (self-operated stores)

21.5%

store-level profit margin⁽⁴⁾

RMB1,351.0 million

GAAP operating income

12.5%

operating margin

RMB1,050.7 million

Store footprint worldwide⁽⁵⁾

19,961 stores

+1,371 net new store openings⁽⁶⁾ QoQ

Notes:

(1) The total of each month's number of transacting customers divided by the number of months during the period (includes those of partnership stores and those only paid with free-coupons).

(2) Defined as the growth rate of total revenue from self-operated stores that (i) were in operation at the beginning of the comparable period and were not closed before the end of the current period and (ii) maintained an average of at least 15 operating days per month over both the current and comparable periods.

(3) Store level operating profit - self-operated stores. Calculated by deducting cost for self-operated stores including cost of direct materials (including wastage in stores), cost of delivery packaging materials, storage and logistics expenses, commissions to third-party delivery platforms related to revenues from self-operated stores, store depreciation expense (including decoration loss for store closure), store rental and other operating costs, delivery expense, transaction fees, store preopening and other expenses from the Company's self-operated store revenues. Before the first quarter of 2023, commissions to third-party delivery platforms related to revenues from self-operated stores was not deducted when calculating this term. Comparative figures from previous periods presented were also adjusted to be consistent.

(4) Calculated by dividing store level operating profit by total revenues from self-operated stores, which include net revenue from the sales of freshly brewed and non-freshly brewed items through self-operated stores, and delivery fees derived from self-operated stores paid by the Company's customers.

(5) The number of stores (including stores in the overseas market) open at the end of the period, excluding unmanned machines.

(6) The number of gross new stores (including stores in the overseas market) opened during the period minus the number of stores (including stores in the overseas market) permanently closed during the period.

Largest Chinese coffee chain brand⁽¹⁾ with 20,000th store opened in July



Notes:
 • As of June 30, 2024
 (1) In terms of total number of stores in China, based on public information.
 (2) The number of gross new stores opened during the quarter minus the number of stores permanently closed during the quarter.

Innovative products and enhanced global supply chain for superior customer experience

2024Q2 newly launched **30** SKUS

2024Q2 new transacting customers **~25** million



Luckin Coffee News



In the presence of Brazilian Vice President Geraldo Alckmin Luckin Coffee entered into a series of letters of intent to purchase **120,000 metric tons of Brazilian coffee beans** through the end of 2025, deepening its high-quality global supply chain



Commitment to sustainable development and health innovation



Luckin Coffee 20,000th Store

Beijing



built in accordance with **LEED ID+C: Retail v4 Platinum standard**

Saving energy and resources

- Energy monitoring system
- Intelligent variable frequency air conditioning unit
- ENERGY STAR equivalent ice machine
- Low-e glass curtain wall
- Water saving faucet

Ensuring air quality

- Low escape bulk finishing materials
- Fresh air filtration system

Intelligent lighting

- High efficiency LED energy-saving lamps, with daylight and personnel sensors, to achieve intelligent lighting

Three LEED Gold certified stores



Luckin store in Tianjin



Luckin store in Hangzhou

Luckin store in Xiamen



Coffee & Health Innovation



Luckin Coffee x Peking University Health Science Center

launched **Health Innovation Base for Coffee & Healthy Research**



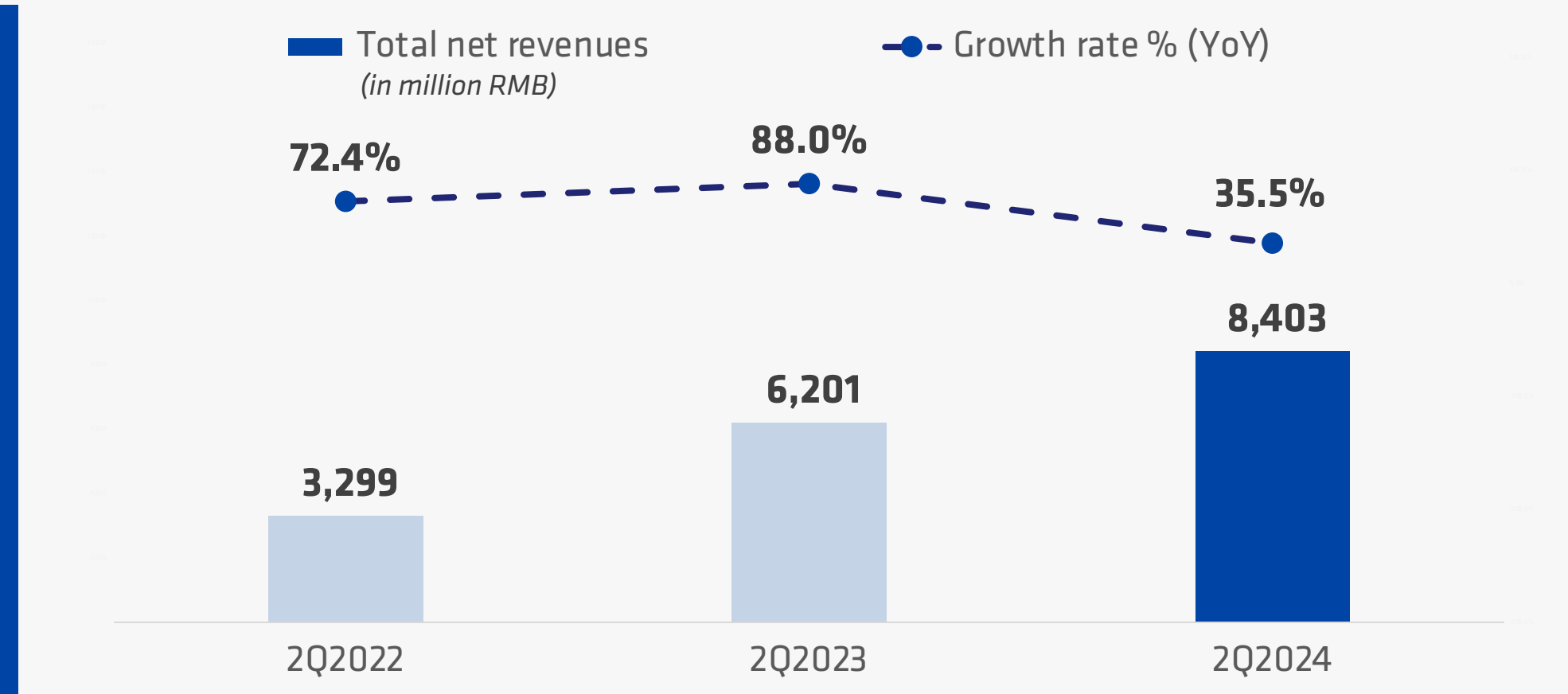
2

**FINANCIAL
HIGHLIGHTS**

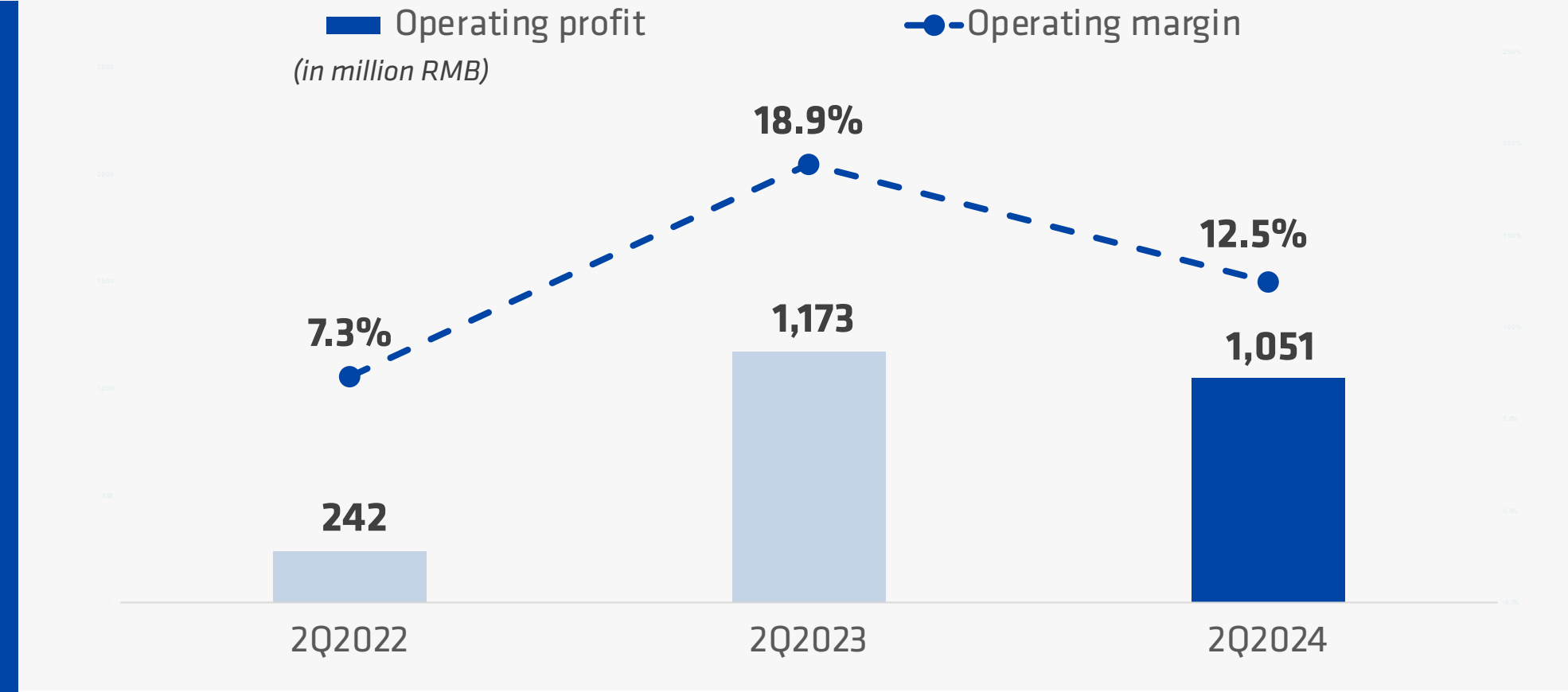


Significant revenue growth and impressive business performance in Q2 2024

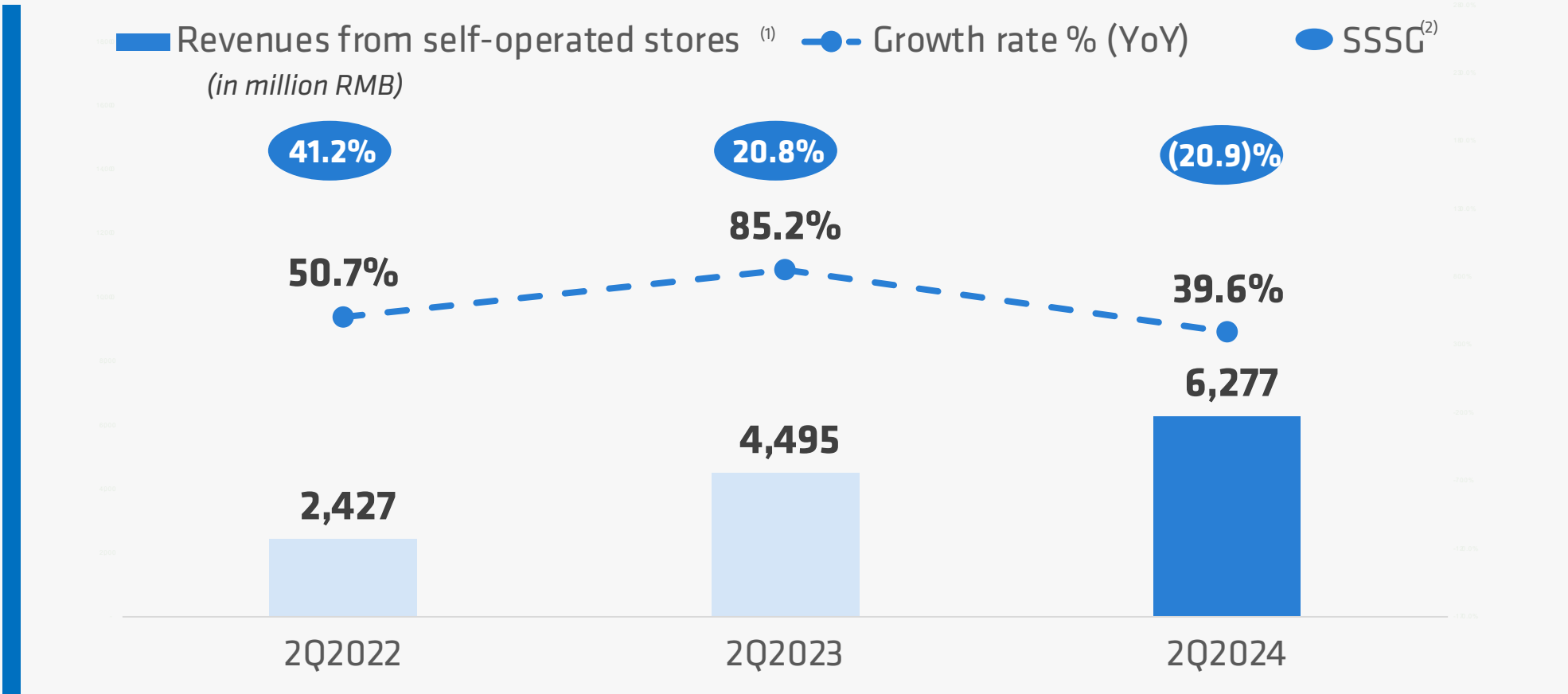
Total net revenues



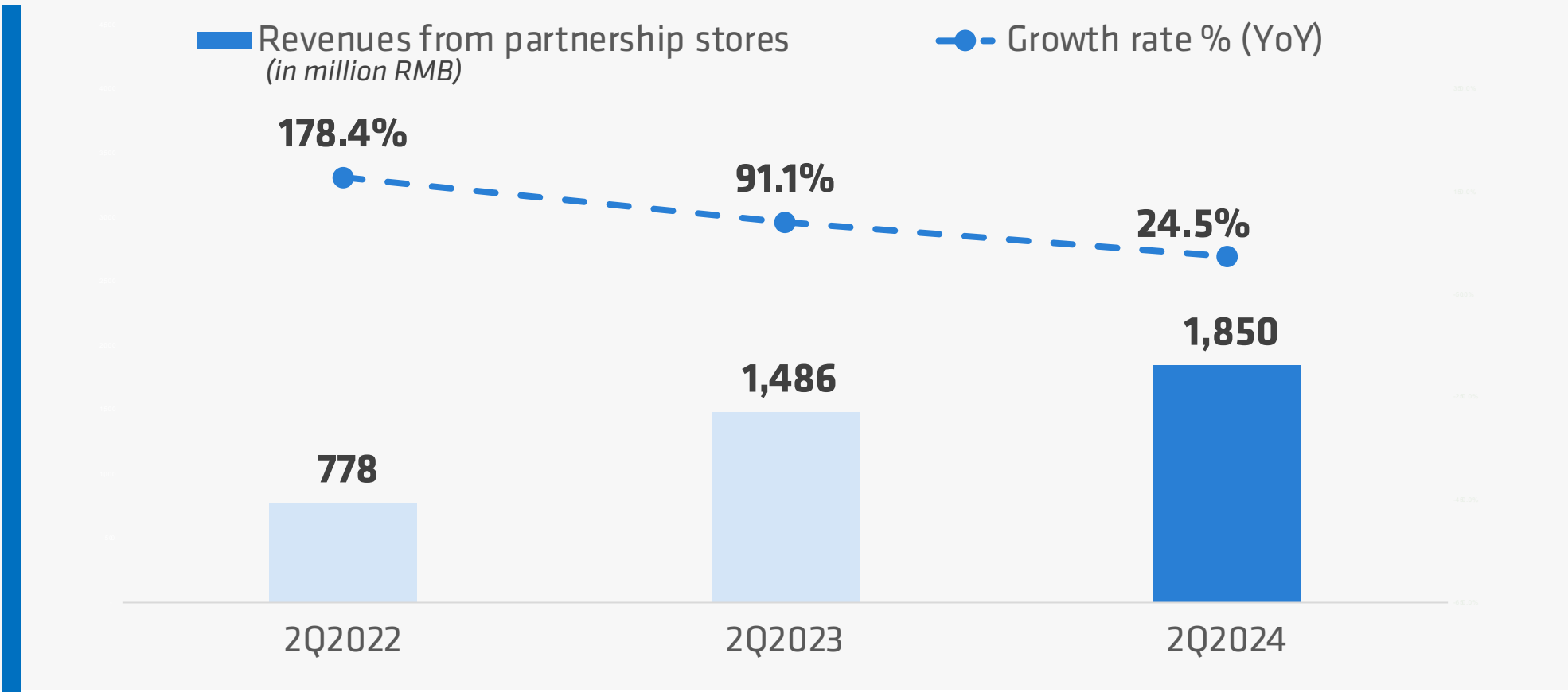
Operating profit



Self-operated stores



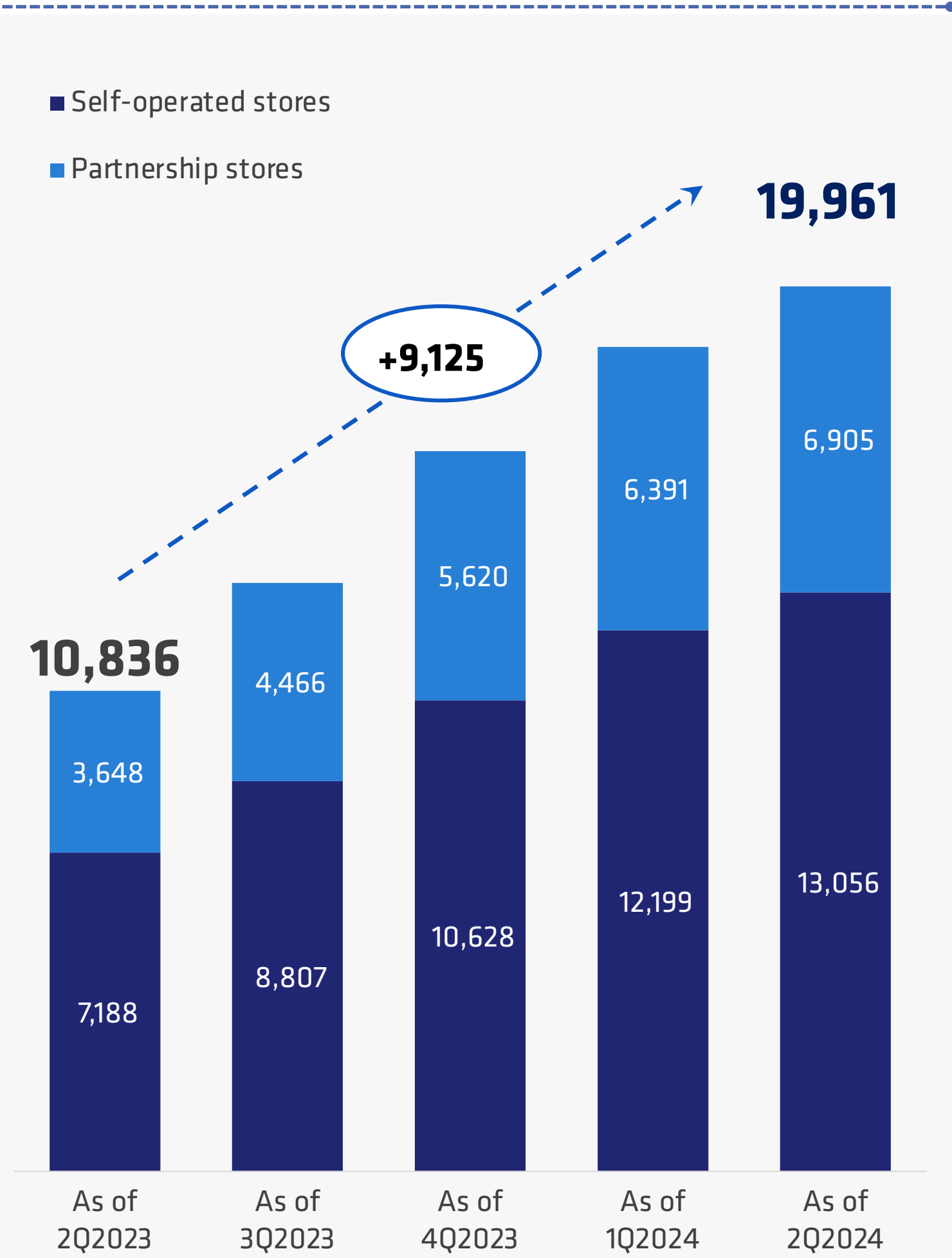
Partnership stores



Notes:
 (1) Revenues from self-operated stores include net revenue from the sales of freshly brewed and non-freshly brewed items through self-operating stores, and delivery fees derived from self-operated stores paid by the Company's customers. Before the first quarter of 2023, revenues from self-operated stores only included net revenue from the sales of freshly brewed and non-freshly brewed items through self-operating stores, and beginning from the first quarter of 2023, we added delivery fees derived from self-operated stores paid by the Company's customers to this definition. Comparative figures from previous periods presented were also adjusted to be consistent.
 (2) Defined as the growth rate of total revenue from self-operated stores that (i) were in operation at the beginning of the comparable period and were not closed before the end of the current period and (ii) maintained an average of at least 15 operating days per month over both the current and comparable periods.

Healthy expansion of store network and significant increase in customer engagement

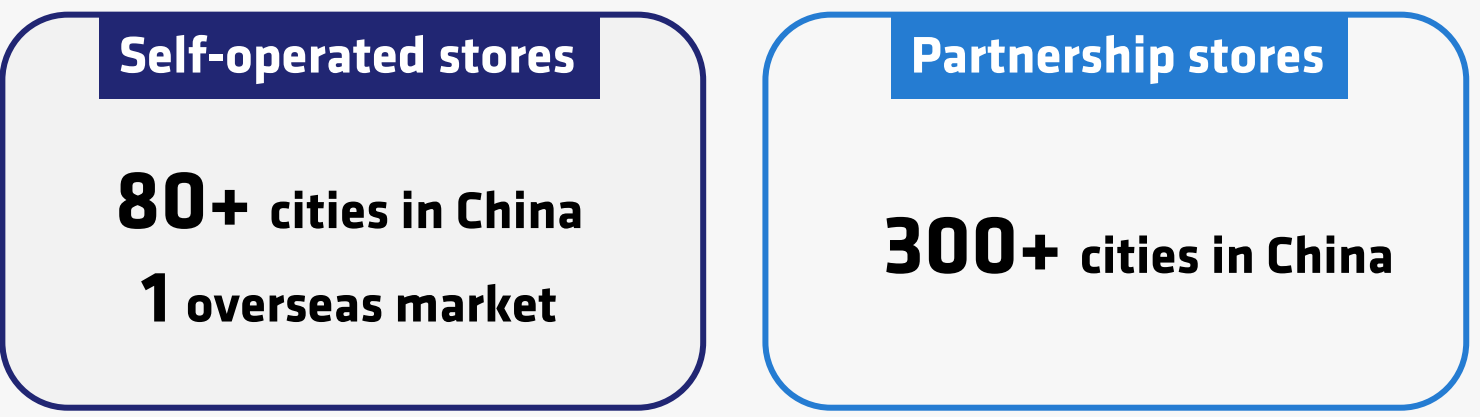
Number of stores⁽¹⁾



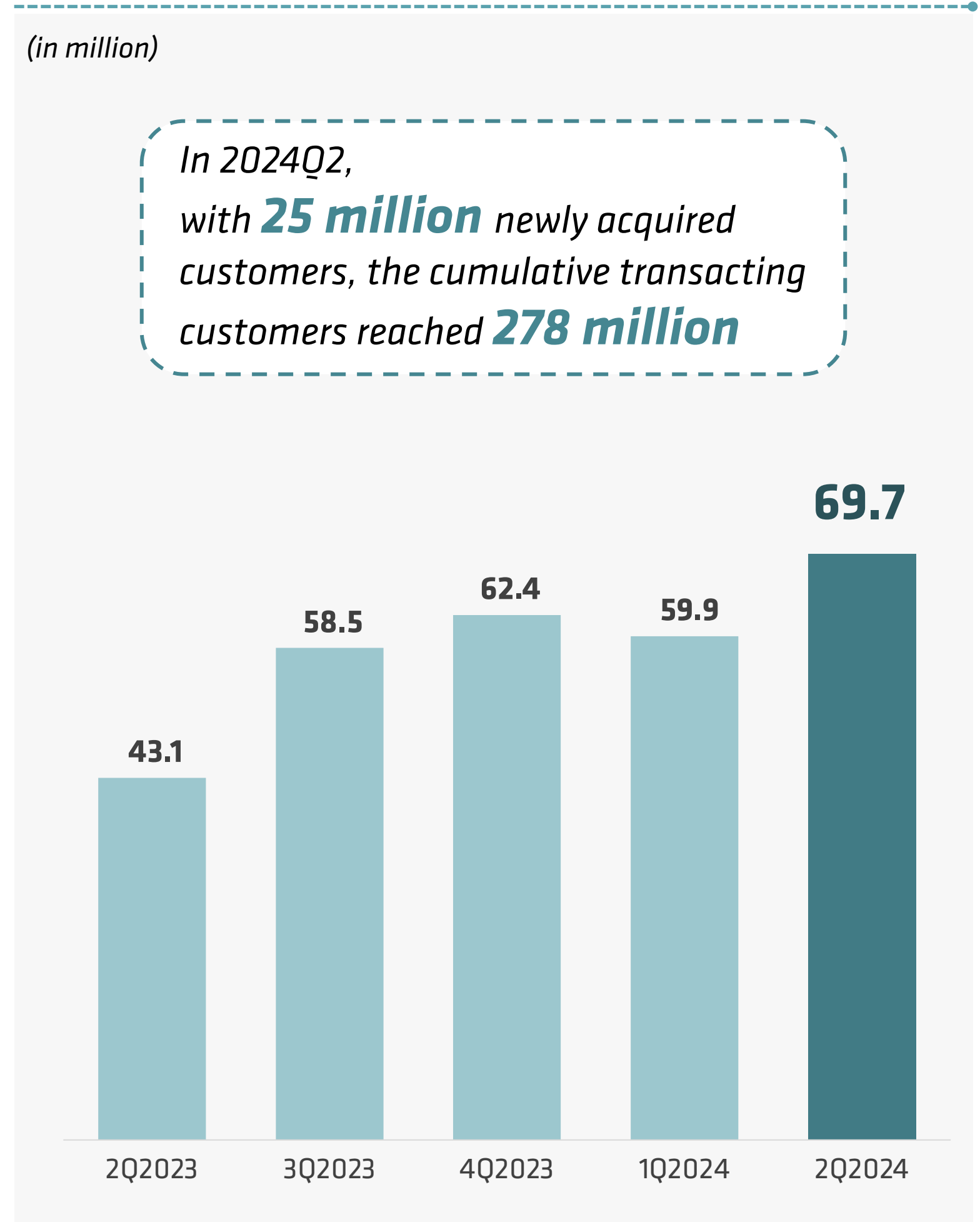
Net new store openings⁽²⁾



Cities or markets entered as of 2024Q2



Average monthly transacting customers⁽³⁾



Notes:
 (1) The number of stores (including stores in the overseas market) open at the end of the period, excluding unmanned machines.
 (2) The number of gross new stores (including stores in the overseas market) opened during the period minus the number of stores (including stores in the overseas market) permanently closed during the period.
 (3) The total of each month's number of transacting customers divided by the number of months during the period (includes those of partnership stores and those only paid with free-coupons).

Recovered margin profile driven by economies of scale during peak season

Operating margin

2024Q2

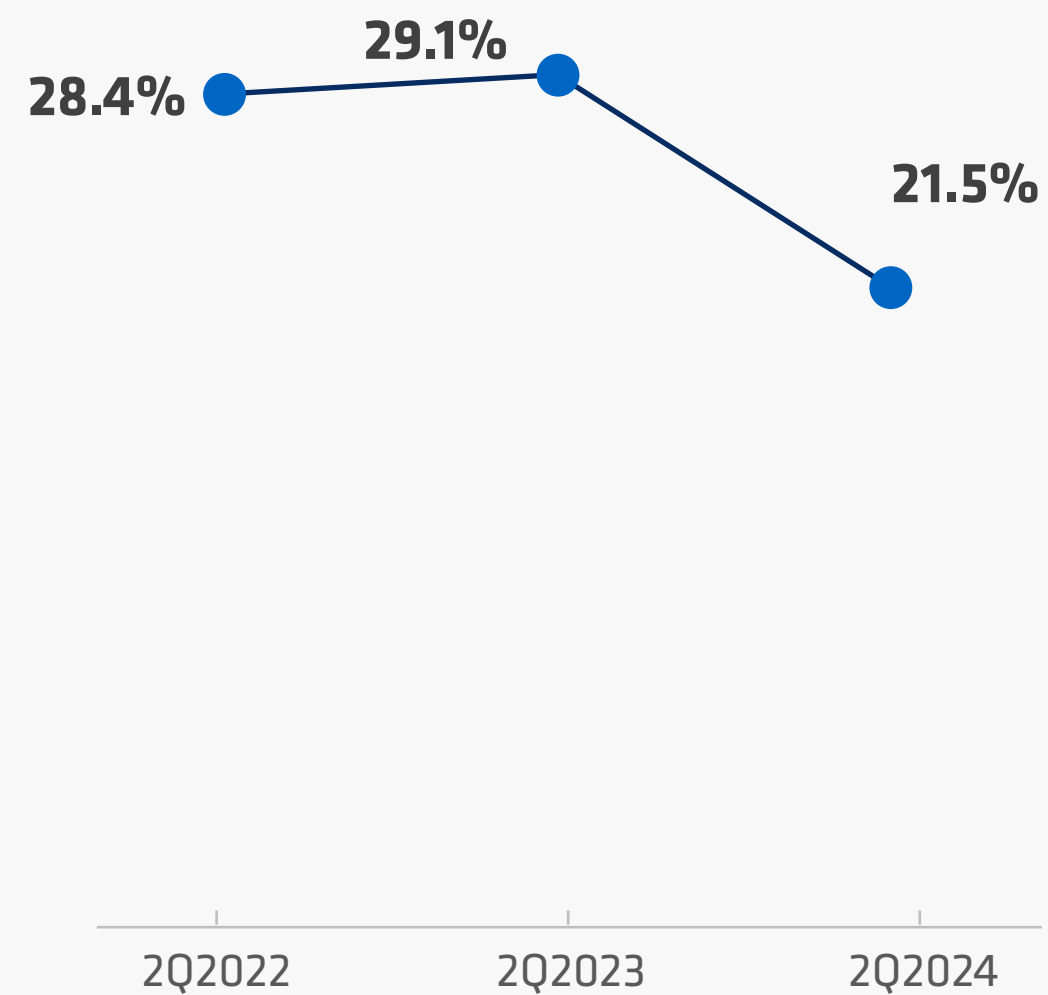
12.5%

Net margin

2024Q2

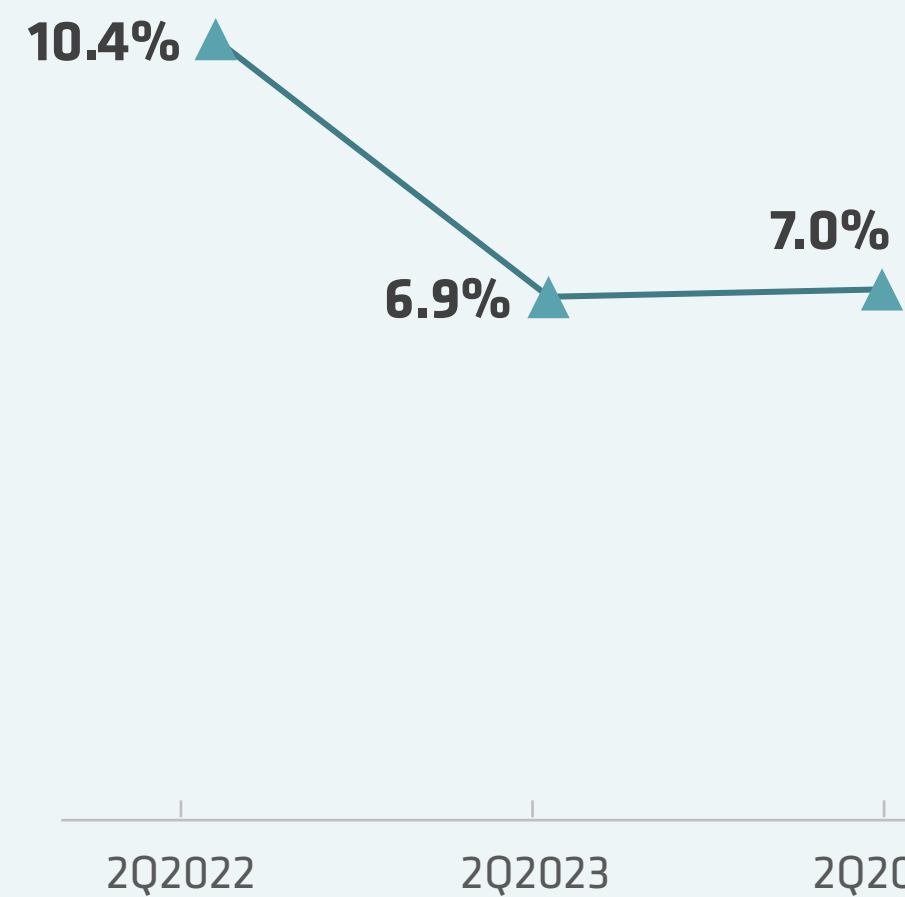
10.4%

Store-level operating profit margin⁽¹⁾ (self-operated stores)



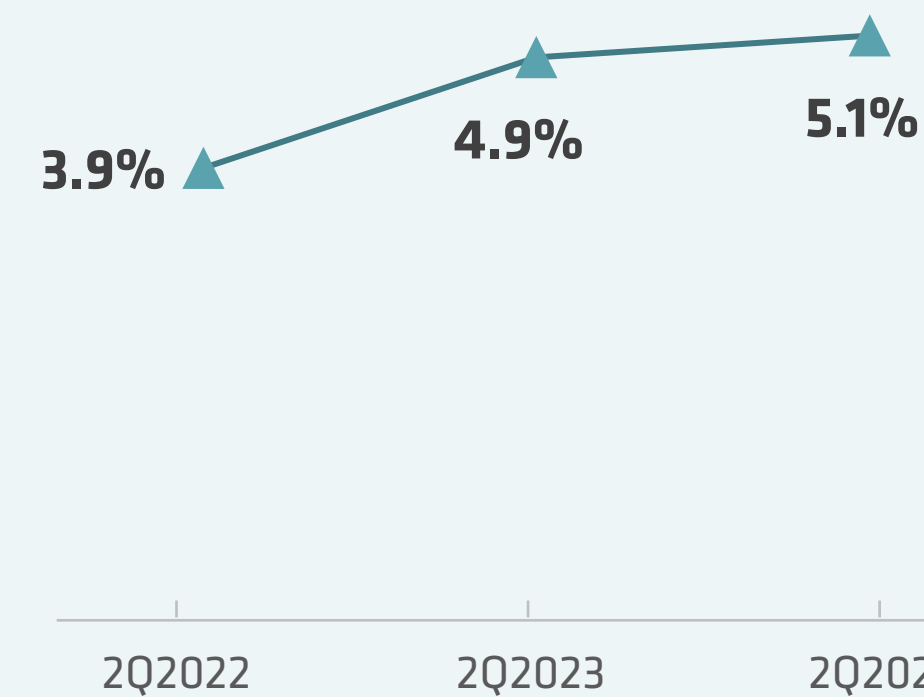
General & administrative expenses

% Total net revenue ⁽²⁾



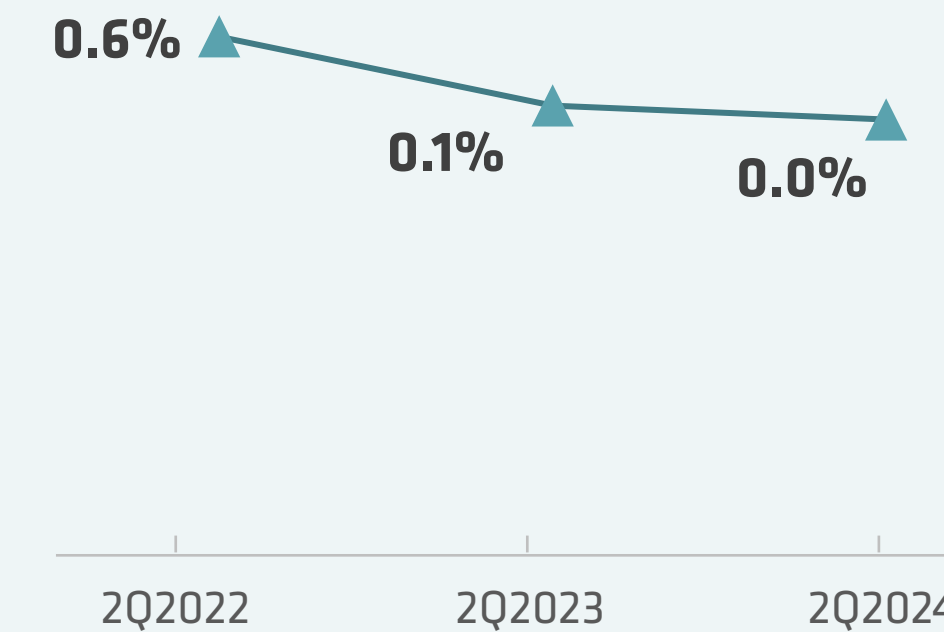
Sales & marketing expenses

% Total net revenue ⁽²⁾



Restructuring-related expenses

% Total net revenue ⁽²⁾



Notes:

(1) Calculated by dividing store level operating profit by total revenues from self-operated stores.

(2) As a percentage of net revenue.

Robust cash position and positive operating cash flow

Cash at bank and on hand⁽¹⁾



RMB
3,786.0 million

Cash inflow/(outflow) from operating activities



RMB
1,549.1 million

Interest-bearing debt



RMB
300 million

Short-term bank borrowing

Notes:
(1) Includes Cash and cash equivalents, restricted cash, term deposits and short-term investments.



Thank you !



Q&A