CHOICE HOTELS®

30 YEARS

CHH LISTED NYSE

# Q3 2026 EARNINGS RESULTS



# Q3 FINANCIAL HIGHLIGHTS

**$458M**

REVENUE

+2% YoY

**$193M**

ADJ. EBITDA[1]

+1% YoY

**$2.33**

ADJ. EPS[2]

+11% YoY




## RETURNED TO SHAREHOLDERS

YTD 2026[3]

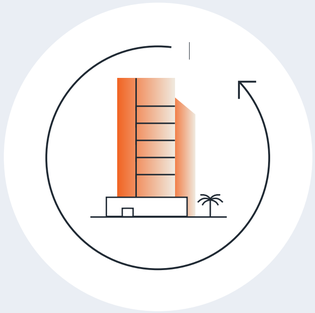
Dividends & Share Repurchases



"Our focus is on returning to the fundamentals that have driven our success for decades, while continuing to invest in commercial and technology capabilities that help franchisees capture more demand."

— Dom Dragisich, President & Chief Executive Officer

# CEO’S EXECUTION PRIORITIES



## ACCELERATE

U.S. net rooms growth & establish a sustainable trajectory



## STRENGTHEN

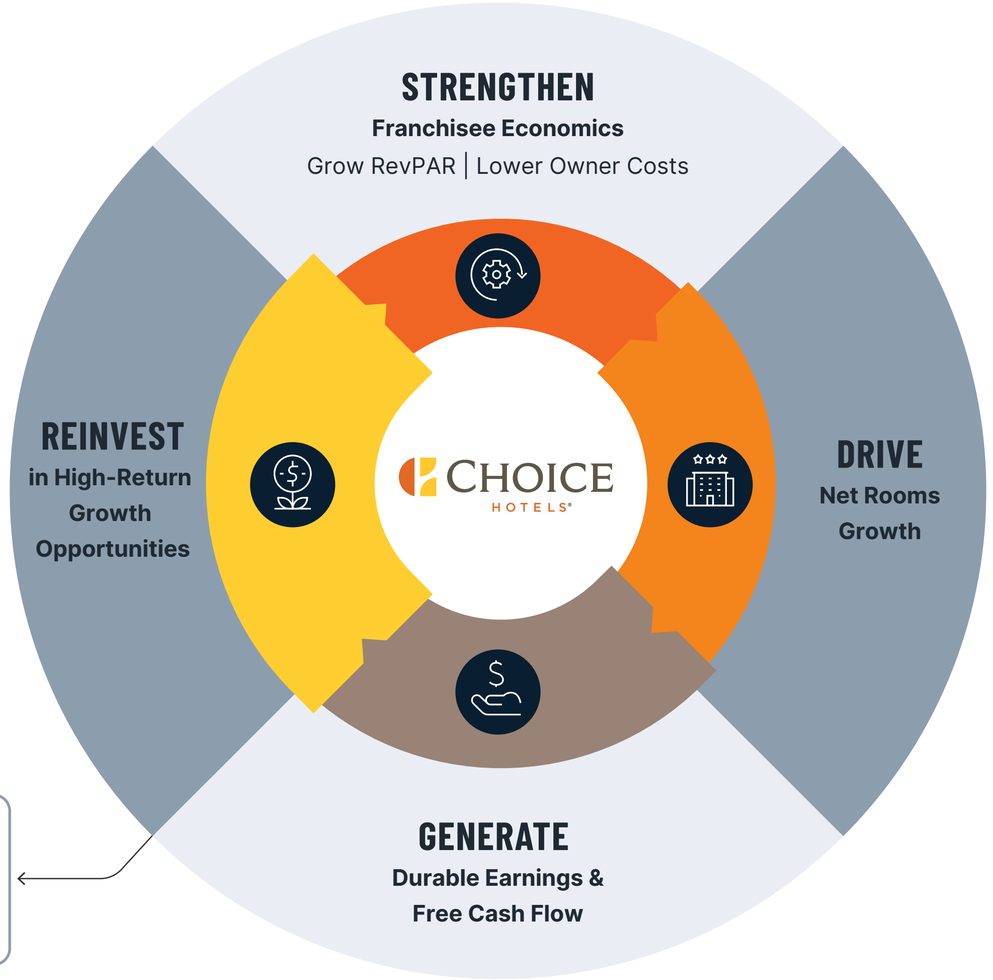
Commercial competitiveness & franchisee economics



## RETURN

To a more capital-efficient asset-light model

# HOW CHOICE CREATES LONG-TERM SHAREHOLDER VALUE




**RETURN**
**Excess Capital To Shareholders**
Dividends | Buybacks

# STRENGTHENING FRANCHISEE ECONOMICS

## LOWER COSTS

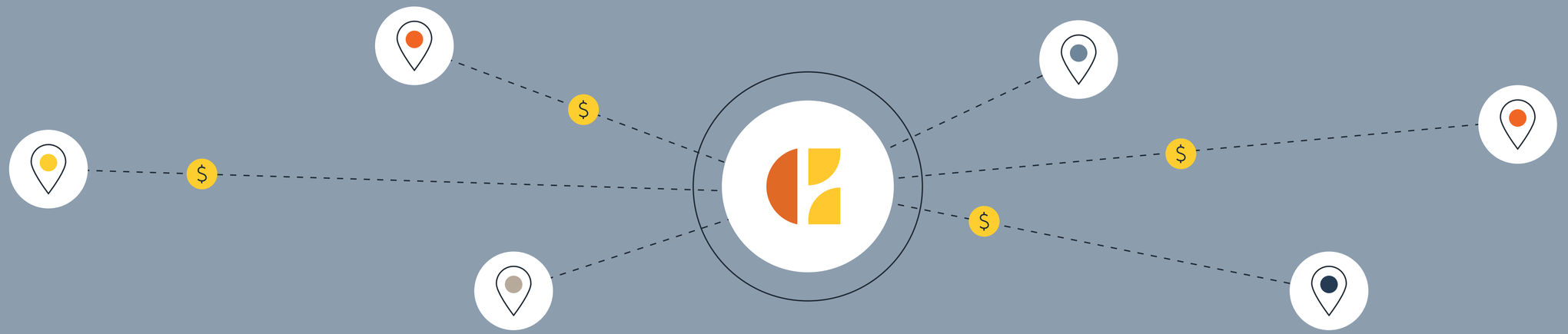
- **Hotel Prototype Costs**
  - ↓ **Up to 25%** across key midscale brands
- **FF&E Procurement**
  - ↓ **Up to 20%** across select categories
- **AI-Enabled Smart Response**
  - ↓ **~30%** in reputation management fees

## GROW HIGH-QUALITY DEMAND

- **Loyalty Program**
  - ↑ **140+ bps** loyalty contribution YoY
- **Business Direct Platform**
  - ↑ **18% YoY** SMB revenue
  - → **75%** of enrolled business new to Choice
- **EasyBid AI Platform**
  - ↑ **27% YoY** group revenue
  - ↑ **210 bps** group RFP conversion

## OPERATE MORE EFFECTIVELY

- **Charlie AI Teammate**
  - → Simplifies routine hotel operations
  - → Frees hotel teams to focus on guests



# Q3 REVPAR PERFORMANCE

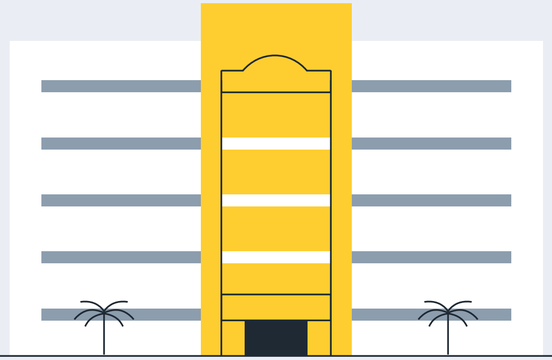
YoY GROWTH[4]

**+3.8%**



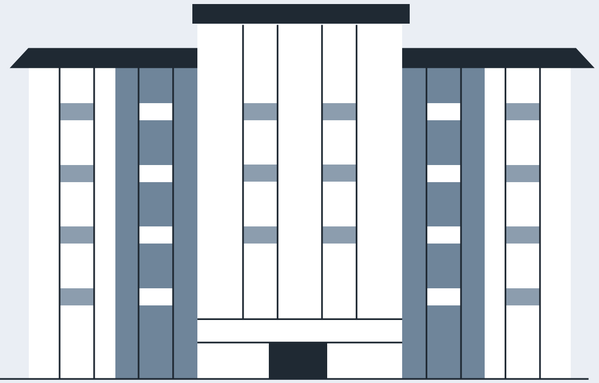
U.S.

**+3.7%**



INTERNATIONAL

**+3.9%**

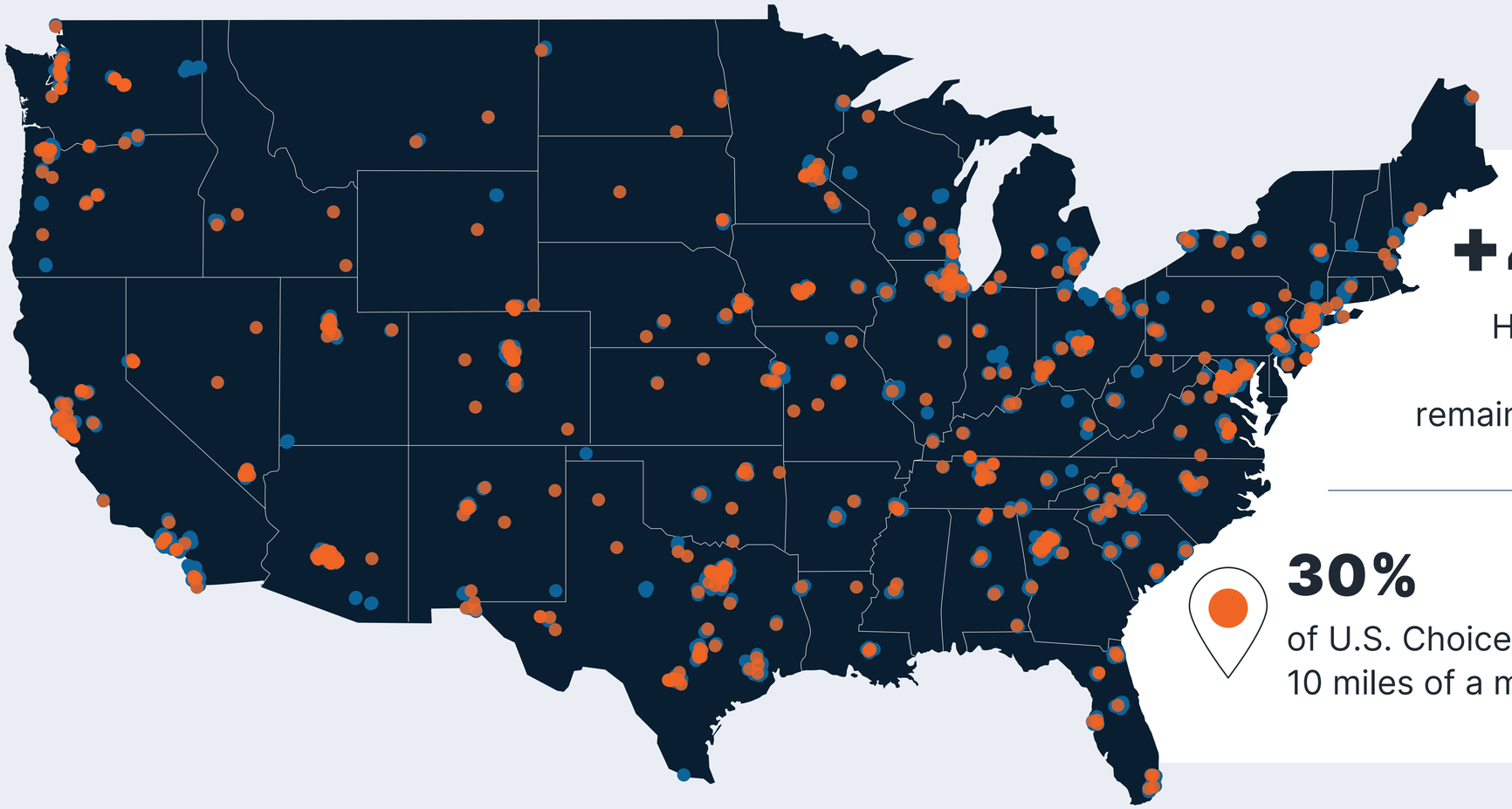


GLOBAL

## Q3 DEMAND DRIVERS

- Value-Minded Travelers
- Business & Infrastructure Demand
- World Cup Tailwind

# CAPTURING INFRASTRUCTURE-DRIVEN DEMAND



**+400 bps**

Higher Q3 RevPAR growth vs. the remaining U.S. portfolio

**30%**

of U.S. Choice Hotels are within 10 miles of a major data center

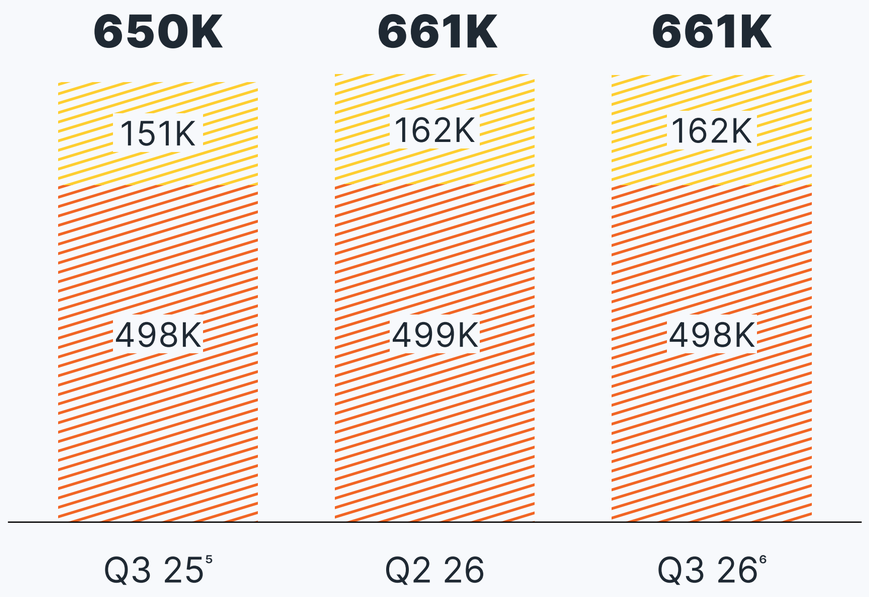
CHOICE HOTELS U.S. FOOTPRINT

HOTELS WITHIN 10 MILES OF A MAJOR DATA CENTER

GLOBAL

# NET ROOMS YOY GROWTH

U.S. ROOMS  INTERNATIONAL ROOMS




**FLAT**
U.S.
YoY Growth

**+7.3%**
International
YoY Growth

**+1.7%**
Global
YoY Growth

# U.S.



**3RD CONSECUTIVE QUARTER**

OF IMPROVEMENT IN U.S. NET ROOMS GROWTH RATE

**+17%**

U.S. ROOM OPENINGS

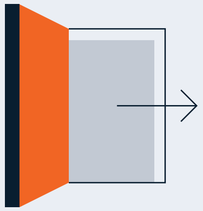
YTD YoY



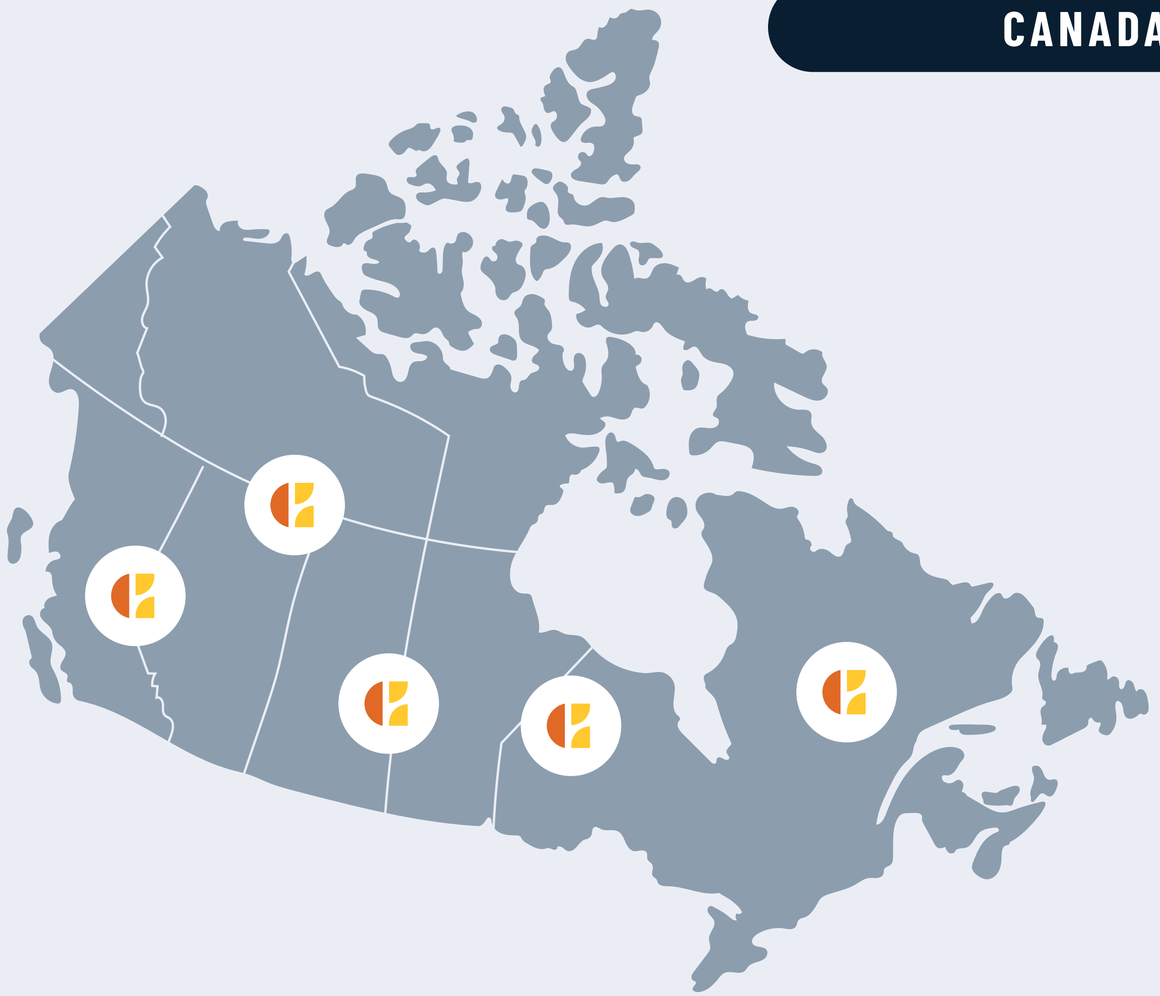
**-44%**

U.S. ROOM EXITS

YTD YoY



# CANADA



**+5.1%**

Net Rooms Growth YoY

*Supported by the transition to direct franchising*

# PIPELINE & DEVELOPMENT

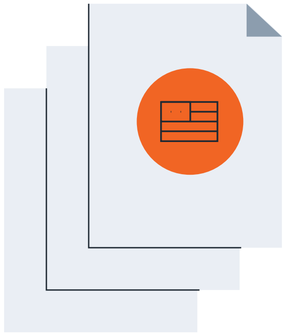


**96%**

OF PIPELINE IN HIGHER-REVENUE SEGMENTS

Global upscale, midscale, and extended stay

## DEVELOPMENT ACTIVITY



**+24%**

U.S. FRANCHISE AGREEMENTS EXECUTED

Q3 2026 YoY

## CONVERSION ENGINE

**~2/3**

OF U.S. CONVERSION ROOMS OPENED WITHIN 3 MONTHS OF SIGNING



**+29%** YoY

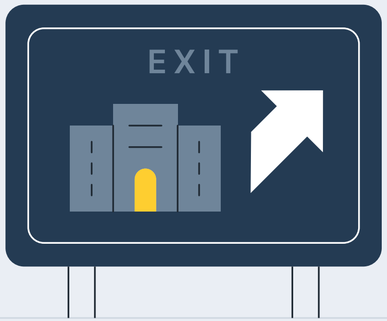
U.S. CONVERSION PIPELINE



# WINNING WITH THE VALUE-MINDED TRAVELER

## BUILT FOR THE ROAD TRIP

Convenient Locations Along the Way and at the Destination




**4,000+**

HOTELS WITHIN ONE MILE OF AN INTERSTATE EXIT

**2,000+**

HOTELS NEAR BEACHES OR NATIONAL PARKS




OPTIONS FOR EVERY BUDGET

- Economy
- Midscale
- Extended Stay
- Upscale



REWARDS THAT GO FURTHER

**New: Point Sharing**

More flexibility in how Choice Privileges members use their rewards

# VALUE APPEALS ACROSS INCOME LEVELS



1 IN 2 U.S. GUESTS EARN

**$100K+**

1 IN 5 EARN

**$200K+**

# SERVING BUSINESS & LEISURE TRAVELERS



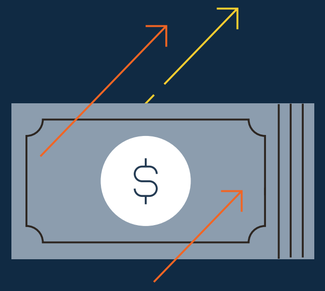

*Based on revenues

# GROWING CHOICE PRIVILEGES ENGAGEMENT






**+7%**
**YoY**



**+12%**

REVENUE PER NEW MEMBER WHO STAYED YoY, following the Choice Privileges relaunch

# EXPANDING OUR REACH INTO OUTDOOR TRAVEL

Harvest Hosts acquisition (October 2026)[7]



HARVEST HOSTS

Asset-light, recurring-revenue membership platform serving value-minded RV travelers

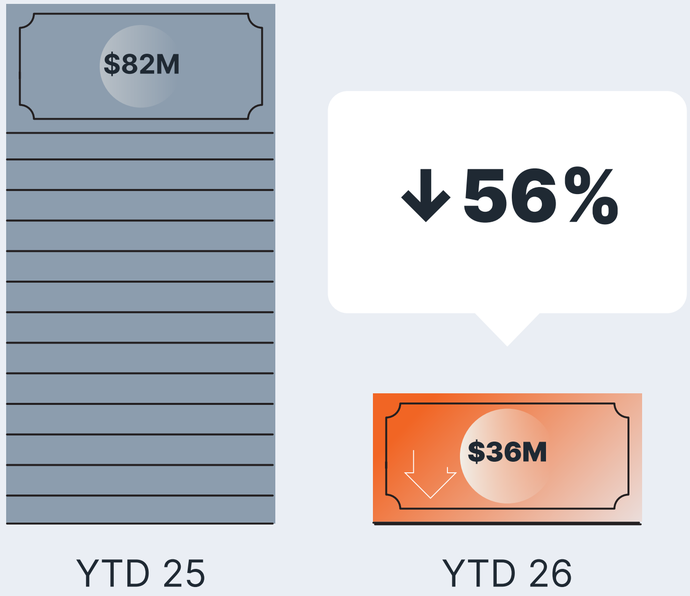
**~300K**
Active members

**~2M**
Choice Privileges members who participated in RV travel over the past year

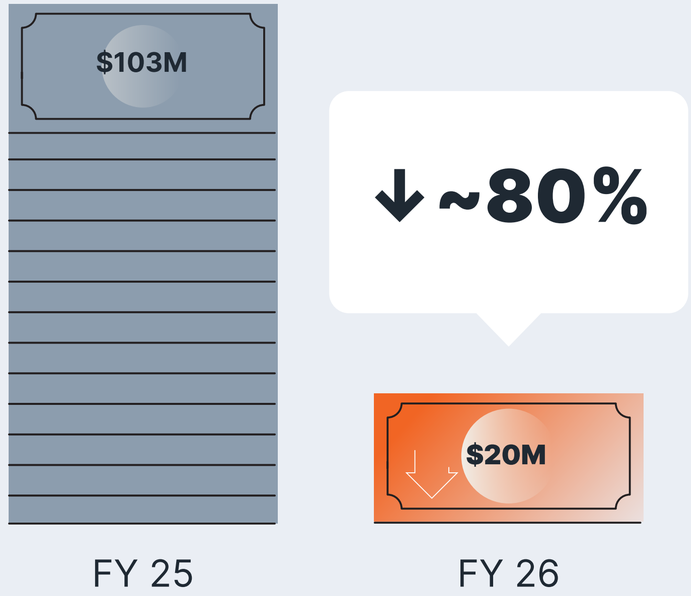
# RETURNING TO OUR ASSET-LIGHT ROOTS

## SIGNIFICANTLY LOWER DEVELOPMENT CAPITAL OUTLAYS

### YTD Progress[8]




### 2026 Outlook




Net capital outlays for hotel development and lending activities

# OWNED HOTEL SALES UNDERWAY

## MONETIZING OWNED ASSETS WHILE RETAINING FRANCHISE AGREEMENTS




**2**

OWNED HOTELS SOLD

Subsequent to quarter-end

**~$34M**

Estimated Net Cash Proceeds

# COMPANY UPDATES

## EXTENDED STAY

**600TH**

Extended Stay Hotel Opening

**13TH CONSECUTIVE QUARTER**

of Double-Digit Net Rooms Growth

## AWARDS




Please see our Q3 2026 Earnings Press Release posted on November 2, 2026on our Investor Relations website (investor.choicehotels.com) for full financial data, the reconciliation of non-GAAP financial measures to the most comparable GAAP measures, and a forward-looking statement disclaimer.

1 Reported Net Income was $58M for Q3 2026.
2 Diluted EPS was $1.28 for Q3 2026.
3 As of September 30, 2026.
4 International and global RevPAR growth on a currency-neutral basis.
5 Totals may not sum due to rounding.
6 Totals may not sum due to rounding.
7 Purchased in $130M all-cash transaction.
8 As of September 30 for both YTD periods.

CHOICE HOTELS®