



同程艺龙

Investor Presentation

March 2020

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Agenda

1

Q4 2019 and Full Year 2019 Review

2

Business Highlights and Updates

3

Financial Highlights



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Section 1

Q4 2019 and Full Year 2019 Review

Q4 2019 and Full Year 2019 Review – Financial Metrics



Q4 2019 Revenue
RMB1.96Bn

24.4%
YoY Growth



FY 2019 Revenue
RMB7.39Bn

21.4%
YoY Growth⁽¹⁾



Q4 2019 Adjusted EBITDA ⁽²⁾
RMB415MM

47.7%
YoY Growth **21.2%**
Margin



FY 2019 Adjusted EBITDA ⁽²⁾
RMB2,019MM

36.2%
YoY Growth⁽¹⁾ **27.3%**
Margin



Q4 2019 Adjusted Net Profit ⁽³⁾
RMB331MM

67.7%
YoY Growth **16.9%**
Margin



FY 2019 Adjusted Net Profit ⁽³⁾
RMB1,544MM

35.4%
YoY Growth⁽¹⁾ **20.9%**
Margin

Notes

1. Year over year growth is on a combined basis
2. Adjusted EBITDA is calculated as operating profit adding back share-based compensation, amortization of intangible assets, depreciation of property, plant, and equipment, selling and marketing expenses in the form of newly issued preferred shares, charges related to re-designation of ordinary shares to preferred shares in connection with the eLong Cayman Privatization, reorganization cost, issuance of ordinary shares at discount, listing expense, impairment loss on equity method investments and acquisition-related cost
3. Calculated as profit for the period adding back share-based compensation, amortization of intangible assets from acquisitions, fair value change on redeemable convertible preferred shares measured at fair value through profit or loss, reorganization cost, issuance of ordinary shares at discount, income tax expense related to re-organization, listing expense, impairment loss on equity method investments and acquisition-related cost

Q4 2019 and Full Year 2019 Review – Operating Metrics



Q4 2019 GMV
RMB41.3Bn

19.7 %
YoY Growth



FY 2019 GMV
RMB166.1Bn

26.3%
YoY Growth⁽¹⁾



Q4 2019 MAU
205.9MM

18.5%
YoY Growth



FY 2019 MAU
205.2MM

17.1%
YoY Growth⁽¹⁾



Q4 2019 MPU
27.1MM

21.5%
YoY Growth



FY 2019 MPU
26.9MM

34.5%
YoY Growth⁽¹⁾



FY 2019 APU
152.4MM

35.1%
YoY Growth⁽¹⁾

Notes

1. Year over year growth is on a combined basis

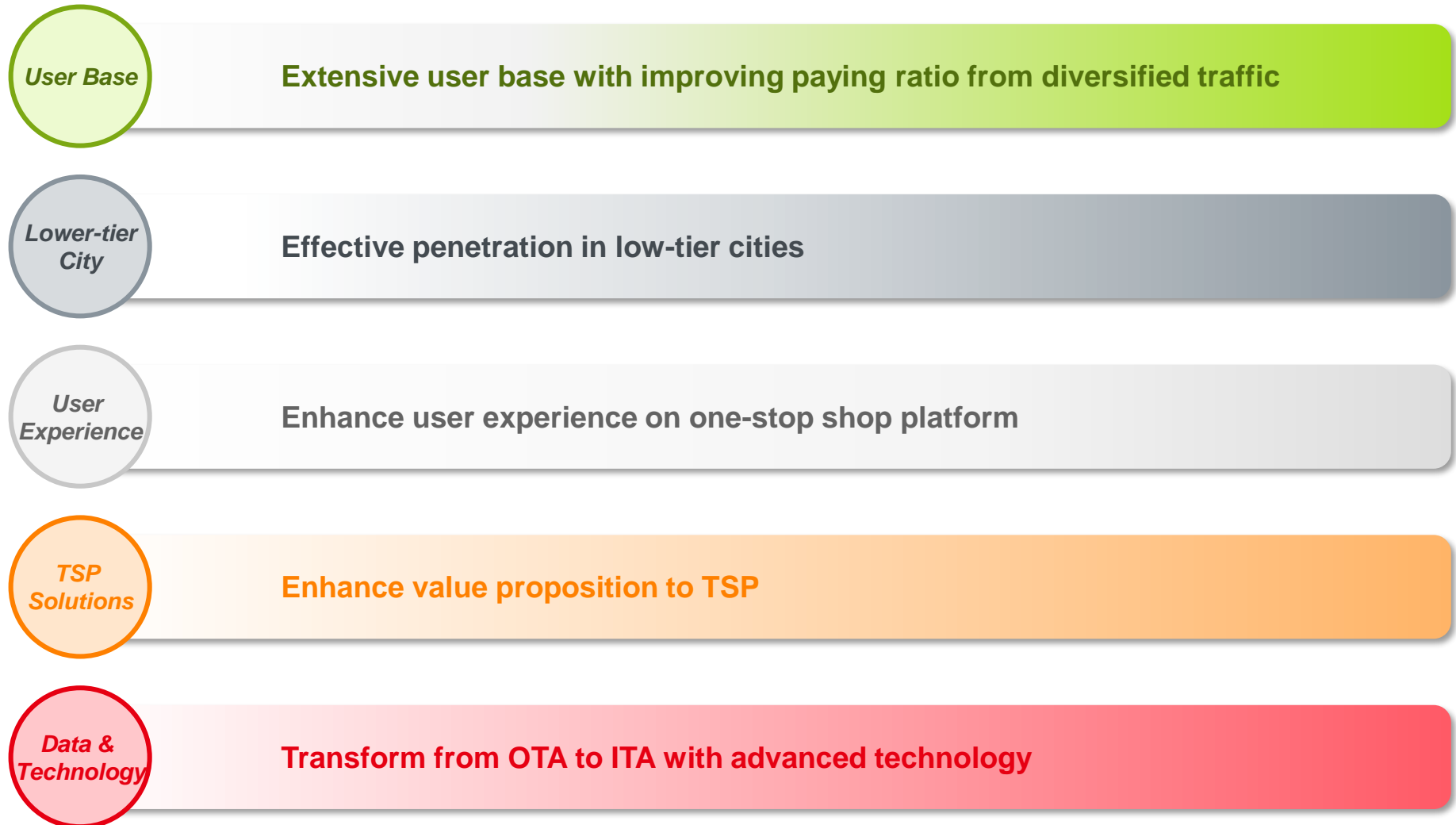


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Section 2

Business Highlights and Updates

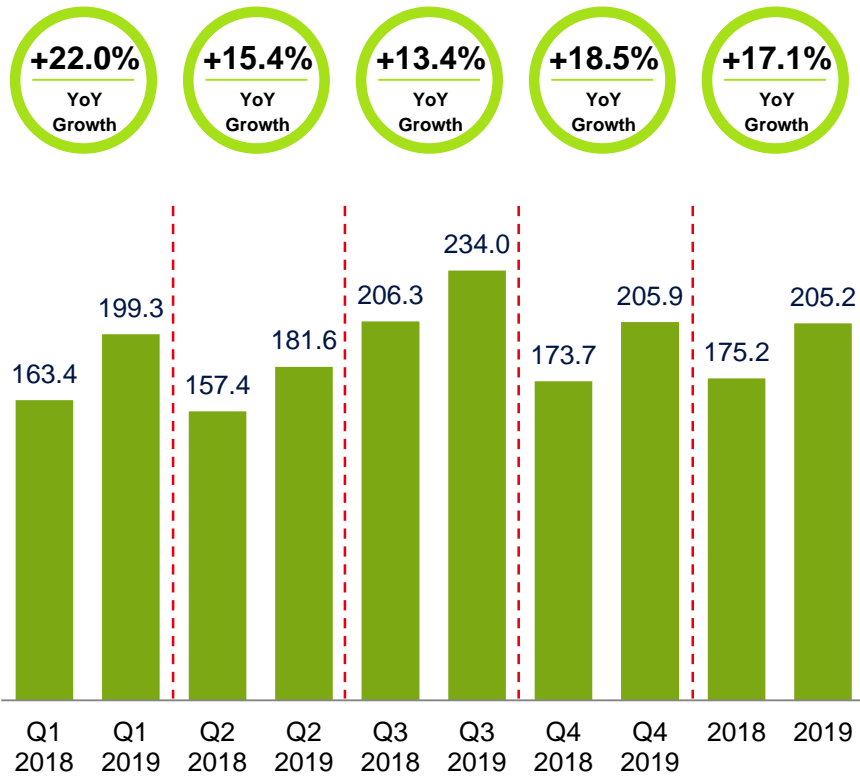
Our Business and Strategic Highlights



1 Large and Fast Growing User Base

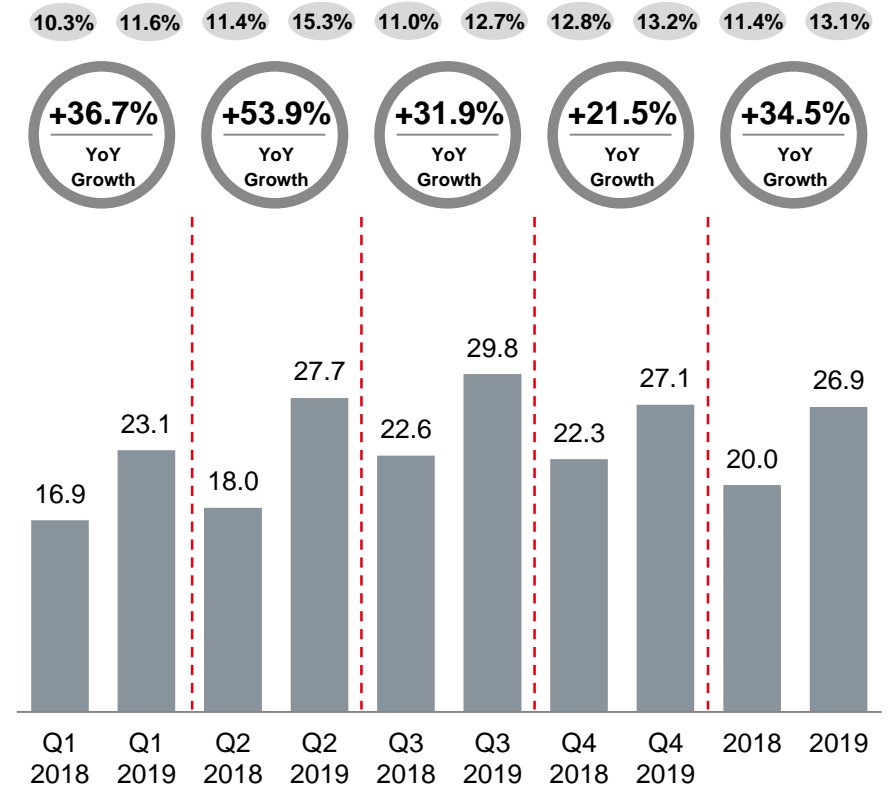
Average MAU⁽²⁾

MM



Average MPU⁽³⁾

MM



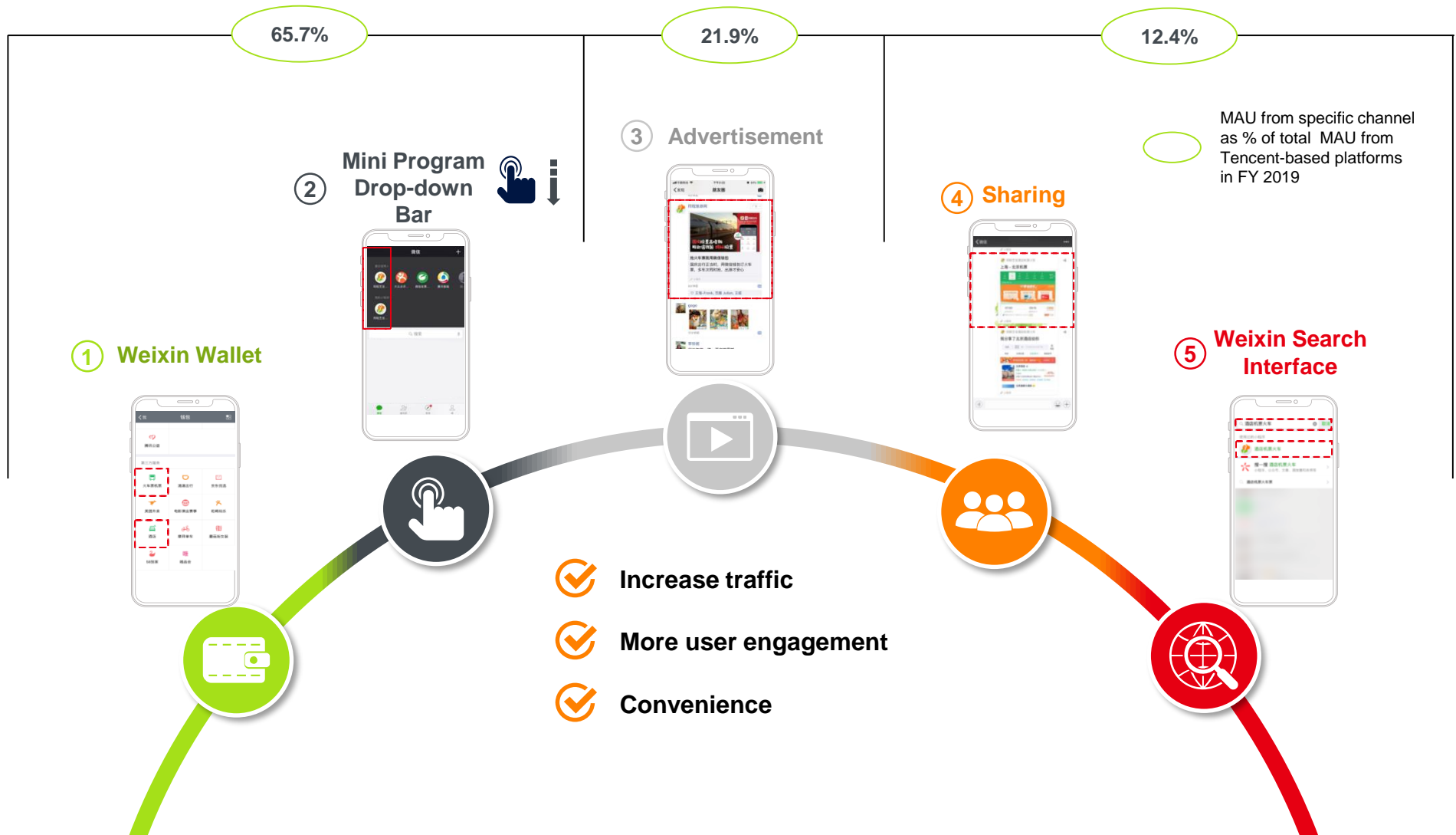
○ Paying ratio⁽¹⁾

Notes

1. Calculated as MPUs divided by MAUs.
2. Average MAUs in 2018 is the average MAUs of Tongcheng and eLong combined
3. Average MPUs in 2018 is the average MPUs of Tongcheng and eLong combined

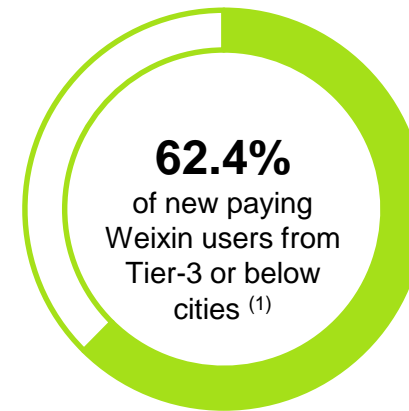
1 Diversified Traffic Sources within Weixin Platform

We Direct Users to Our Mini Program Based Platform from Various Channels on Weixin



2 Effective Penetration in Low-tier Cities

Attractive Demographic Feature of Our Users



The total travel spending of residents in non-first-tier cities accounted for **89.7%** of total travel spending in China in 2017



The market is expected to grow at a CAGR of 11.7% from 2017 to 2022, **outpacing** that of 6.3% for first-tier cities



Residents in non-first-tier cities have **increasing demands for quality travel products**

Notes

1. As of December 31, 2019

3 Enhance User Experience on One-stop Shop Platform



Capture More Revenue Opportunities



Increase User Engagement and Stickiness



Higher Spending Per User



More Repeat Purchase

Enhance User Experience on One-stop Shop Platform (Cont'd)

Effective Marketing Campaign

Enhance User Engagement



Sponsorship for
“吐糟大会”
(an online stand-up
talk show)



Sponsorship for
“庆余年”
(an online drama
series)



Ad placement on high
speed train



Black Whale
Membership



CTS Hotel
membership
cooperation

4 Enhance Value Proposition to TSP

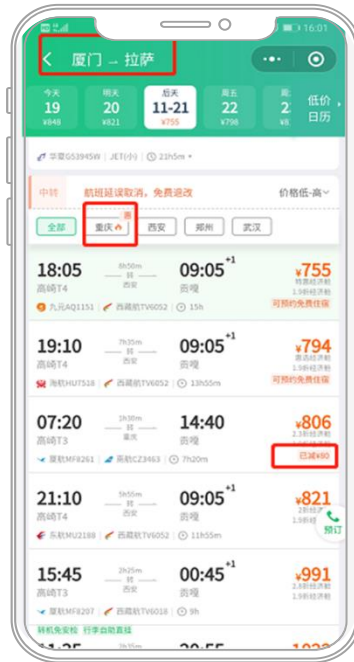
Deepen Cooperation with TSP



Business advertising for hotels



Targeted-marketing for airports



Transit routes promotion for airports




Tourist attractions marketing for tourist destinations




Mini program development for Air New Zealand

5 ITA Enhances User Experience Further


Intelligent Travel Assistant (ITA)




“Express Check-in” allows users with enough points of Wechat payment to check in hotel without deposit




“Buddha” system in air ticket booking serves different customers for their various demands



“Intelligent Hotel” system allows users to enjoy the benefits of advanced technologies throughout the process of reservation, check-in, accommodation and departure




“Huixing” system provides customers with intelligent transportation product combo booking system




Airline Revenue Management System
The first and only OTA in China that successfully developed such cost-effective software for small airlines


“Huixing” Smart System



Provide all-in-one transportation planning to allow availability, affordability and achievability



Including various transportation methods such as train, flight, bus etc.



Support voice ticket inquiry and ticket booking





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Section 3

Financial Highlights

Our Financial Highlights



Industry Leading Growth and Profitability

1



More Balanced Revenue Structure

2



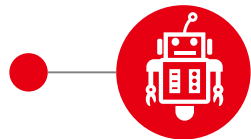
Better Monetization and Increasing User Value

3



Efficient User Acquisition and Improving User Conversion

4

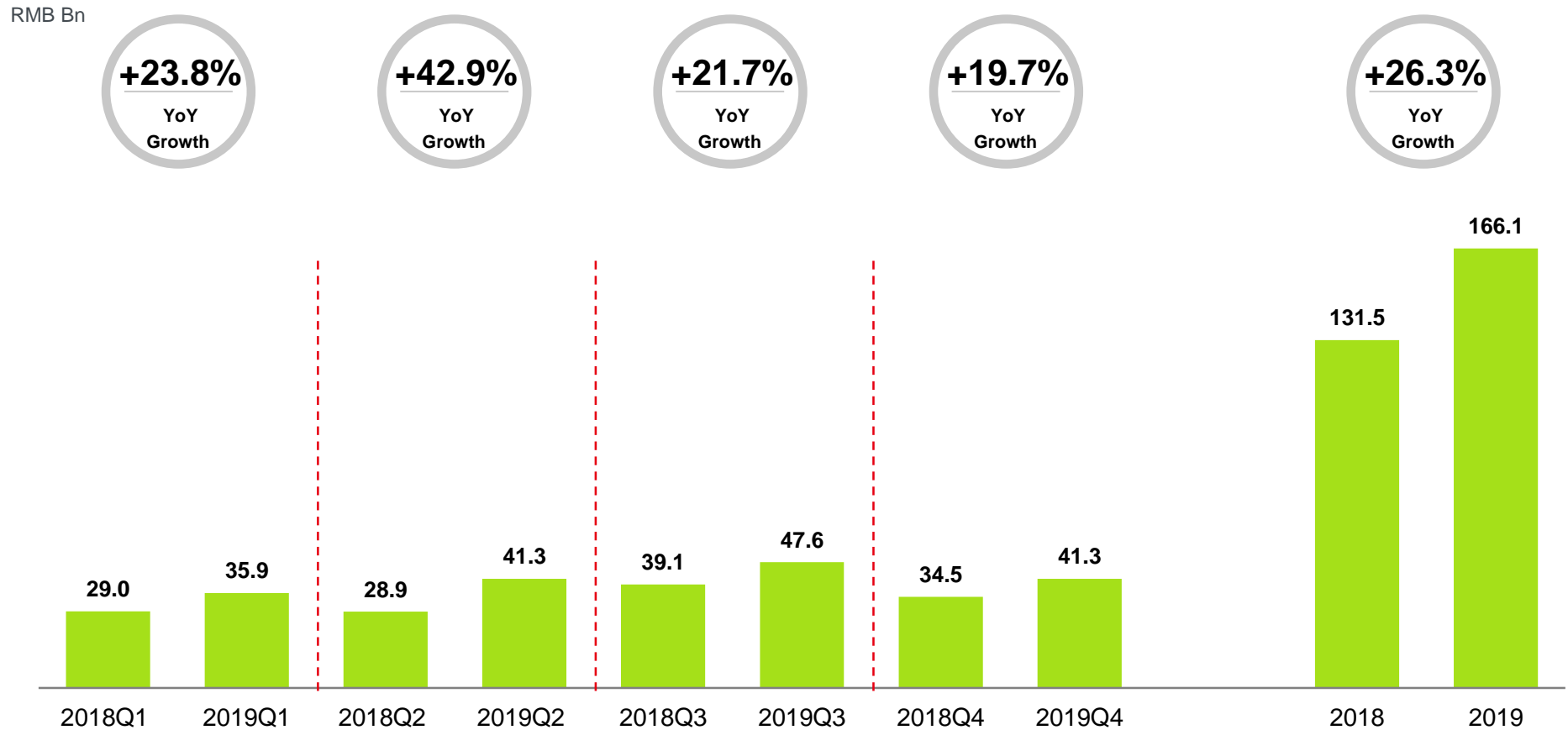


Remarkable Operating Leverage from Technology and Synergy

5

Leading Industry Growth and Further Scalable Business

GMV (1)



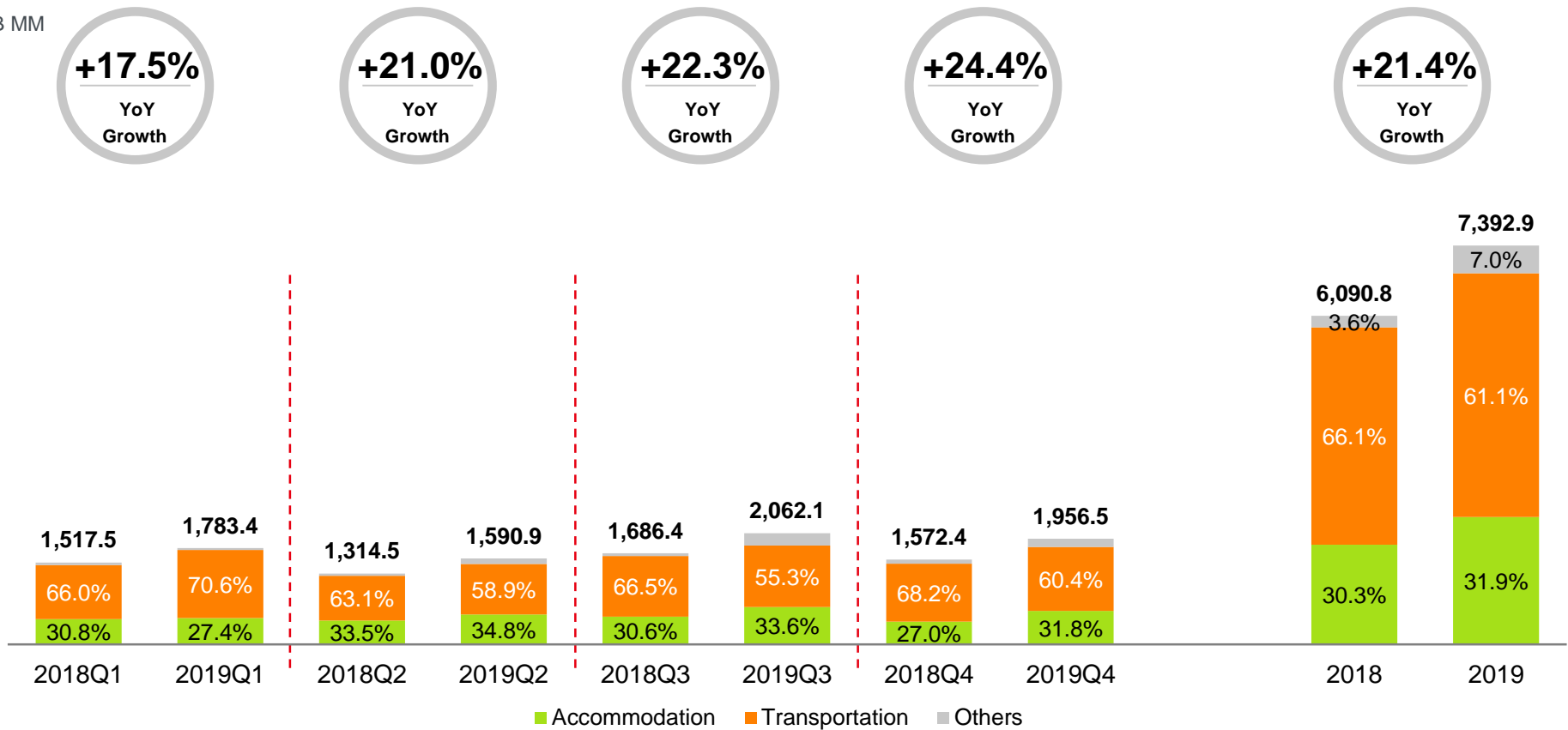
Notes

1. GMV in 2018 is the combined number of Tongcheng and eLong

Robust Revenue Growth and More Balanced Revenue Structure

Revenue (1)

RMB MM



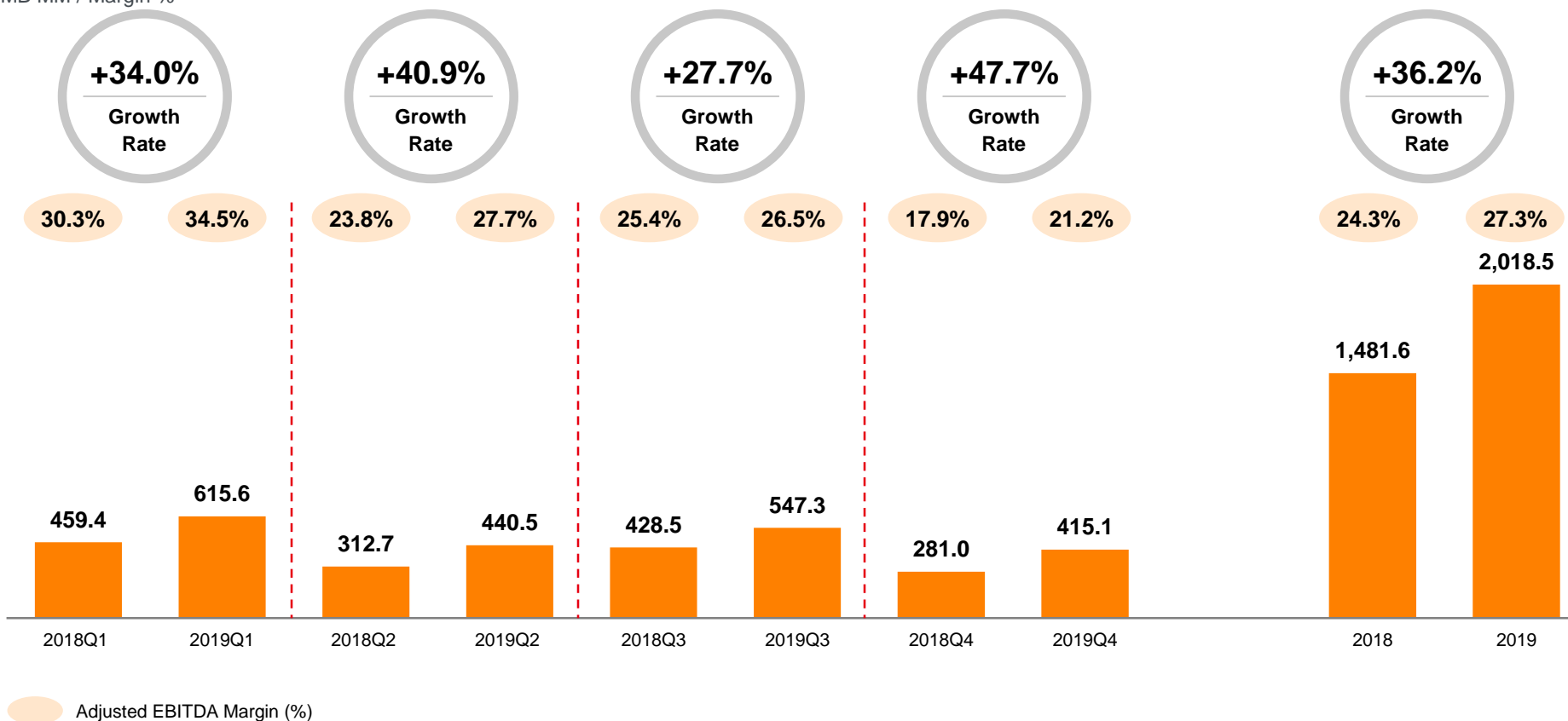
Notes

1. YoY Growth is on a combined basis

Steadily Increasing Profitability

Adjusted EBITDA ⁽¹⁾⁽²⁾

RMB MM / Margin %



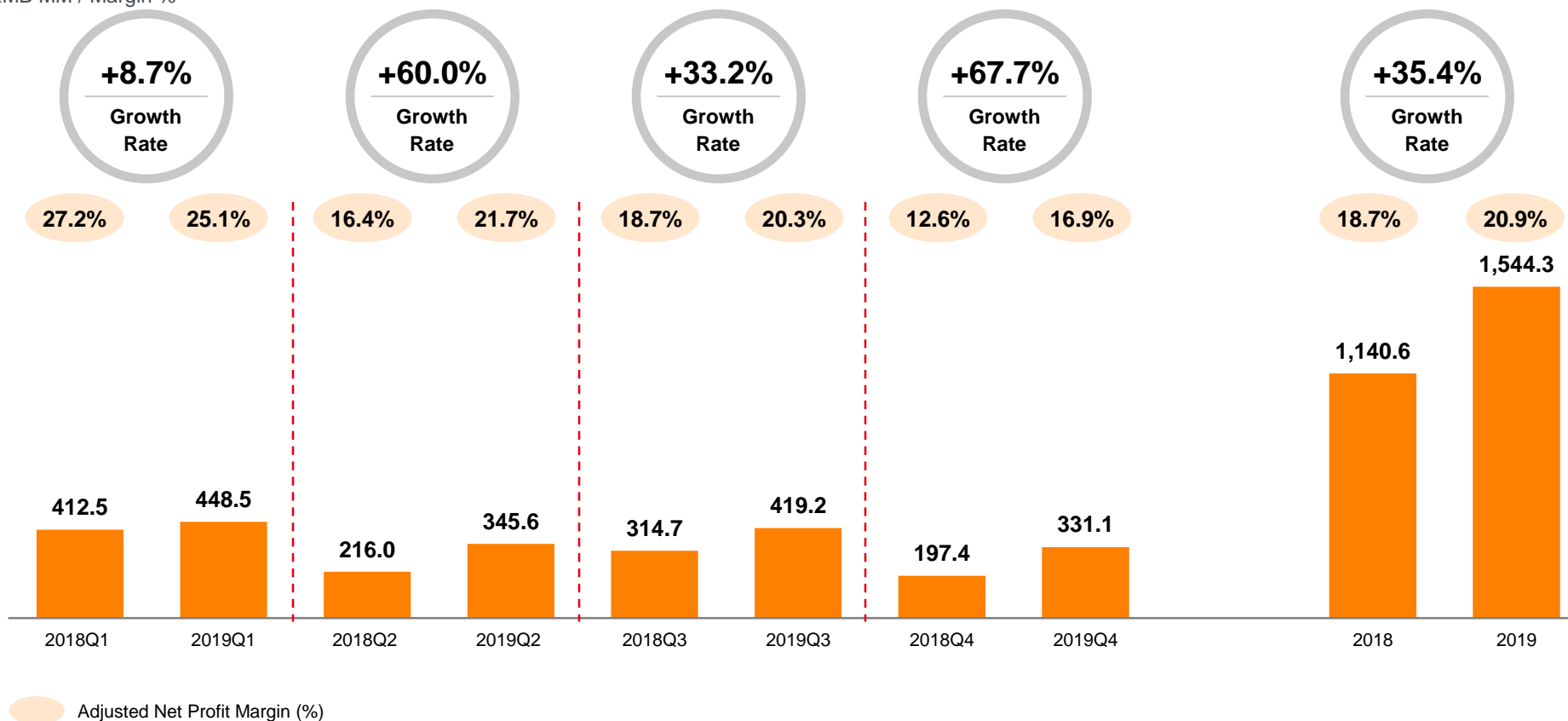
Notes

- Financials for Tongcheng-Elong is combined financials
- Adjusted EBITDA is calculated as operating profit adding back share-based compensation, amortization of intangible assets, depreciation of property, plant, and equipment, selling and marketing expenses in the form of newly issued preferred shares, charges related to re-designation of ordinary shares to preferred shares in connection with the eLong Cayman Privatization, reorganization cost, issuance of ordinary shares at discount, impairment loss on equity method investments, and acquisition-related cost

Steadily Increasing Profitability (cont'd)

Adjusted Net Profit ⁽¹⁾⁽²⁾

RMB MM / Margin %



Notes

- Financials for Tongcheng-Elong is combined financials
- Calculated as profit for the period adding back share-based compensation, amortization of intangible assets from acquisitions, fair value change on redeemable convertible preferred shares measured at fair value through profit or loss, reorganization cost, issuance of ordinary shares at discount, income tax expense related to re-organization, impairment loss on equity method investments, acquisition-related cost
















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Tongcheng-Elong Holdings Limited

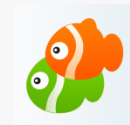
Our Mission is to Make
Travel **Easier** and
More Joyful



Initiatives to Fight Coronavirus Outbreak

- 
- Jan 24**  **Penalty-free cancellations** of all domestic orders on our platform
 - Jan 25**  Open up **self-service cancellation** function
 - Jan 27**  Set up RMB200 million **emergency fund** for timely refund
 - Jan 30**  Work with an online medical platform to provide **medical consultation** for free
 - Feb 01**  Launch an **inquiry service**, allowing users to check any covid-19 diagnosed patients in same train / flight
 - Feb 06**  Provide Covid-19 related **insurance free** of charge for users with travel demand
 - Feb 07**  Initiate “**Safe Riding**” service to ensure the safety of drivers and passengers
 - Feb 11**  Establish “**Ark Alliance**” to help promote tourist attractions free of charge via online marketing tools for members within the alliance
 - Feb 13**  Extend **validity period** of membership for all members
 - Feb 19**  Launch “**Safe Room**” to ensure the safety of guests
 - Feb 20**  Initiate “**Return to Work Platform**” to provide customized bus transport services for enterprises
 - Feb 21**  Give **Black Whale membership** for free to medical workers across Mainland China to pay tribute to their contribution and sacrifices
 - Mar 17**  Upgrade the “**Hit The Road**” initiative, with successive safety measures, in an effort to relieve users’ anxiety of going out after the epidemic, meanwhile work with partners to help revitalize the travel industry

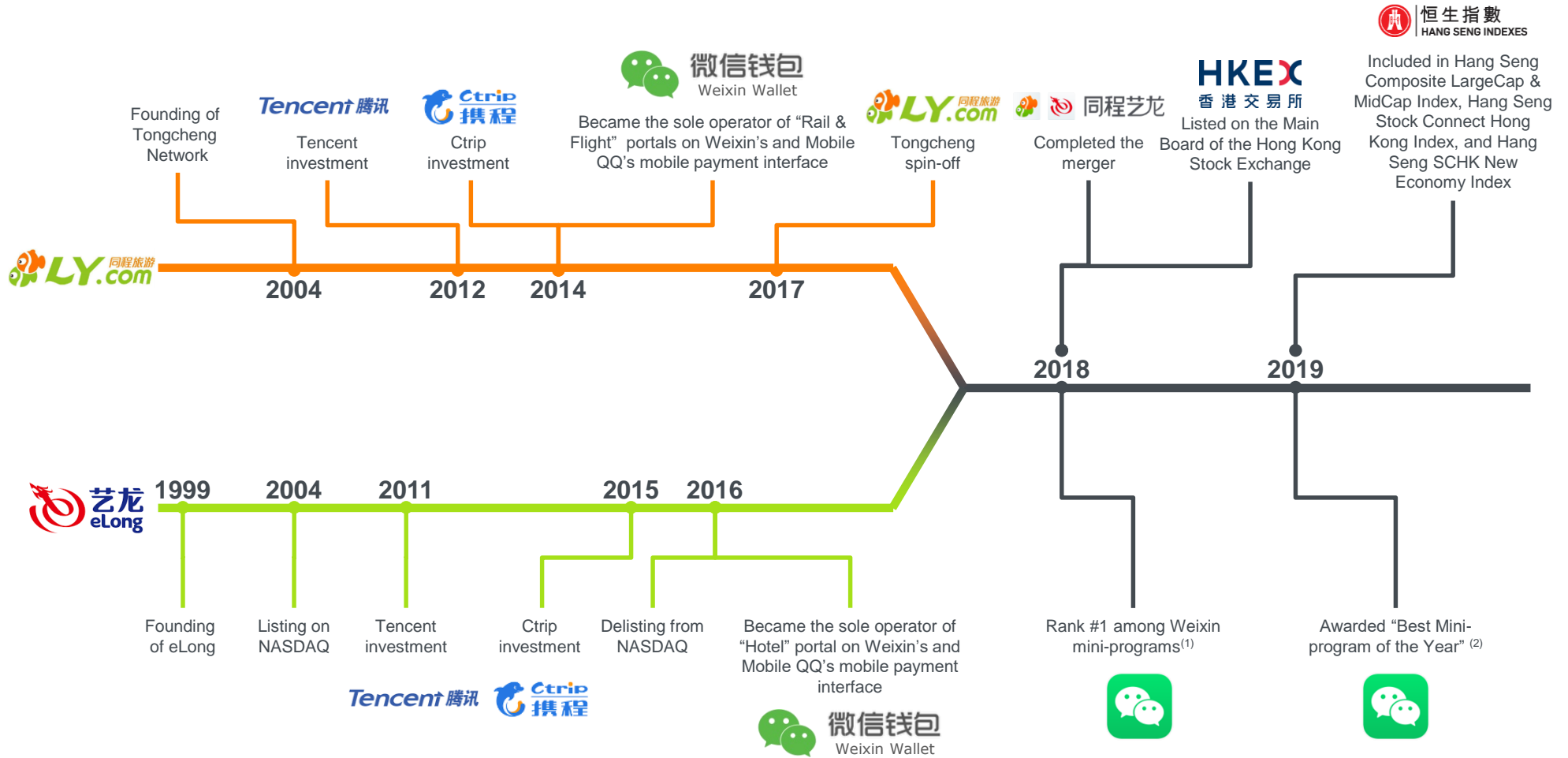




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Appendix

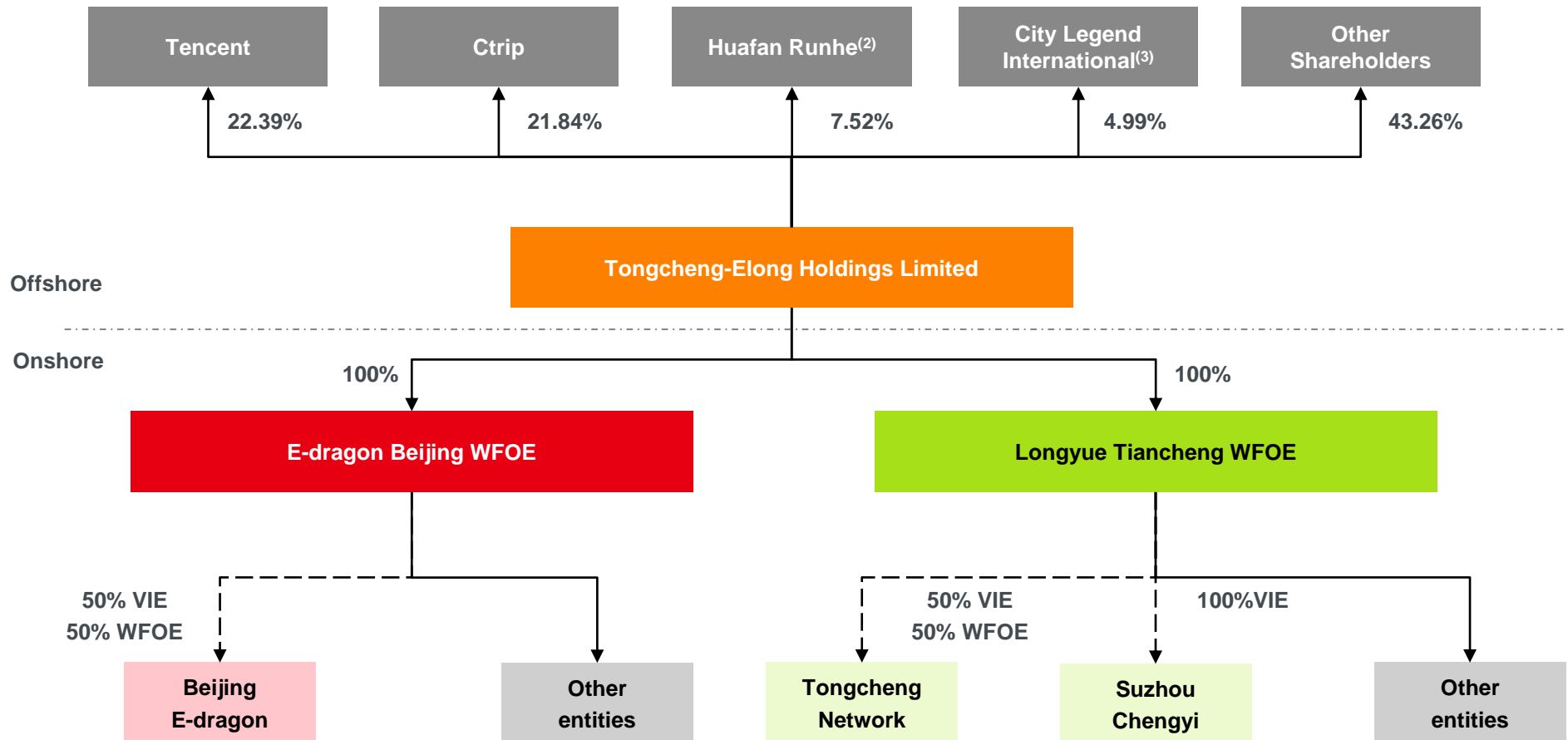
Corporate Milestones



Notes

- 1. According to the Aladdin Index
- 2. At the Aladdin Annual Conference

Corporate Structure⁽¹⁾



Notes

1. This is a simplified structure and for illustrative purpose only. The diagram illustrates the corporate structure as at December 31, 2019 base on information from Hong Kong Share Registrar
2. Huafan Runhe is 20% owned by each of the Tongcheng Network Founders
3. City Legend International Limited is wholly-owned by Overseas Chinese Town (Asia) Holdings Limited

China's Travel Market Presents Vast Growth Potential

Supply

- ✓ Improving transportation infrastructure
- ✓ Increasing quality TSPs
- ✓ More product variety

Demand

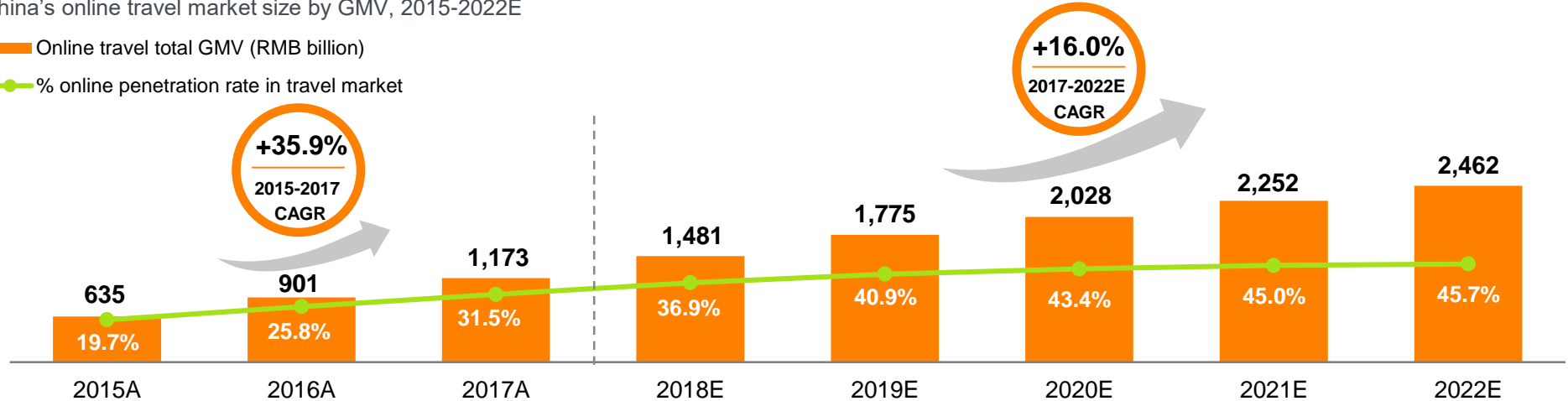
- ✓ Rising consumption power
- ✓ Increasing urbanization ratio
- ✓ Demand for high quality travel

... and is Continuously Moving Online

China's online travel market size by GMV, 2015-2022E

— Online travel total GMV (RMB billion)

— % online penetration rate in travel market



China's online travel market has been growing rapidly with strong growth potential, with 31.5% online penetration rate vs. 45.0% in US in 2017

Online Travel Market in China is Rapidly Evolving



Source: iResearch

Notes

1. In terms of user base, according to iResearch