



**Tongcheng Travel Holdings Limited**

**Stock Code: 0780**



# **Investor Presentation**

**May 2023**



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# Agenda

1

**1Q2023 Review**

2

**Business Highlights and Updates**

3

**Financial Highlights**



Section 1

## 1Q2023 Review

# 1Q2023 Review



Revenue  
**RMB 2.6Bn**  
*Record high*

**50.5%**  
YoY Growth  
**45.0%**  
YoY Growth vs 2019



MAUs  
**286.1MM**  
*Record high*

**16.9%**  
YoY Growth  
**43.6%**  
YoY Growth vs 2019



Adjusted EBITDA<sup>(1)</sup>  
**RMB 732.2MM**  
*Record high*

**28.3%**  
Margin



MPUs  
**41.4MM**  
*Record high*

**30.6%**  
YoY Growth  
**79.2%**  
YoY Growth vs 2019



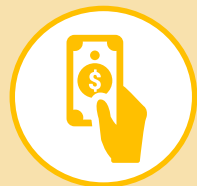
Adjusted Net Profit<sup>(2)</sup>  
**RMB 503.6MM**  
*Record high*

**19.5%**  
Margin



GMV  
**RMB 57.2Bn**  
*Record high*

**76.5%**  
YoY Growth  
**59.3%**  
YoY Growth vs 2019



APU<sup>(3)</sup>  
**200.7MM**  
**7.0%**  
QoQ Growth

## Notes

1. Calculated as operating profit adding back share-based compensation(gross), amortization of intangible assets, depreciation of property, plant and equipment, and right-of-use assets, foreign exchange gain, net losses/(gains) on investees, and others
2. Calculated as profit for the period adding back share-based compensation(net), amortization of intangible assets from acquisition, foreign exchange gain, net losses/(gains) on investees, and others
3. Twelve-month period ended March 31, 2023

# 1Q2023 Review – Business Highlights



**Domestic Room Nights**

**Over 130%**  
YoY Growth vs 2019



**Air Ticketing Volume**

**Over 35%**  
YoY Growth vs 2019





Section 2

## Business Highlights and Updates

# Our Business and Strategic Highlights

*User Base*

**Robust traffic with diversified sources**

*Lower-tier  
Cities*

**Solidified market position in lower-tier cities**

*User  
Experience*

**Augmented user satisfaction through one-stop shop platform**

*User  
Engagement*

**Enhanced brand awareness via effective marketing campaigns**

*Data &  
Technology*

**Pioneering Innovator from OTA to ITA**

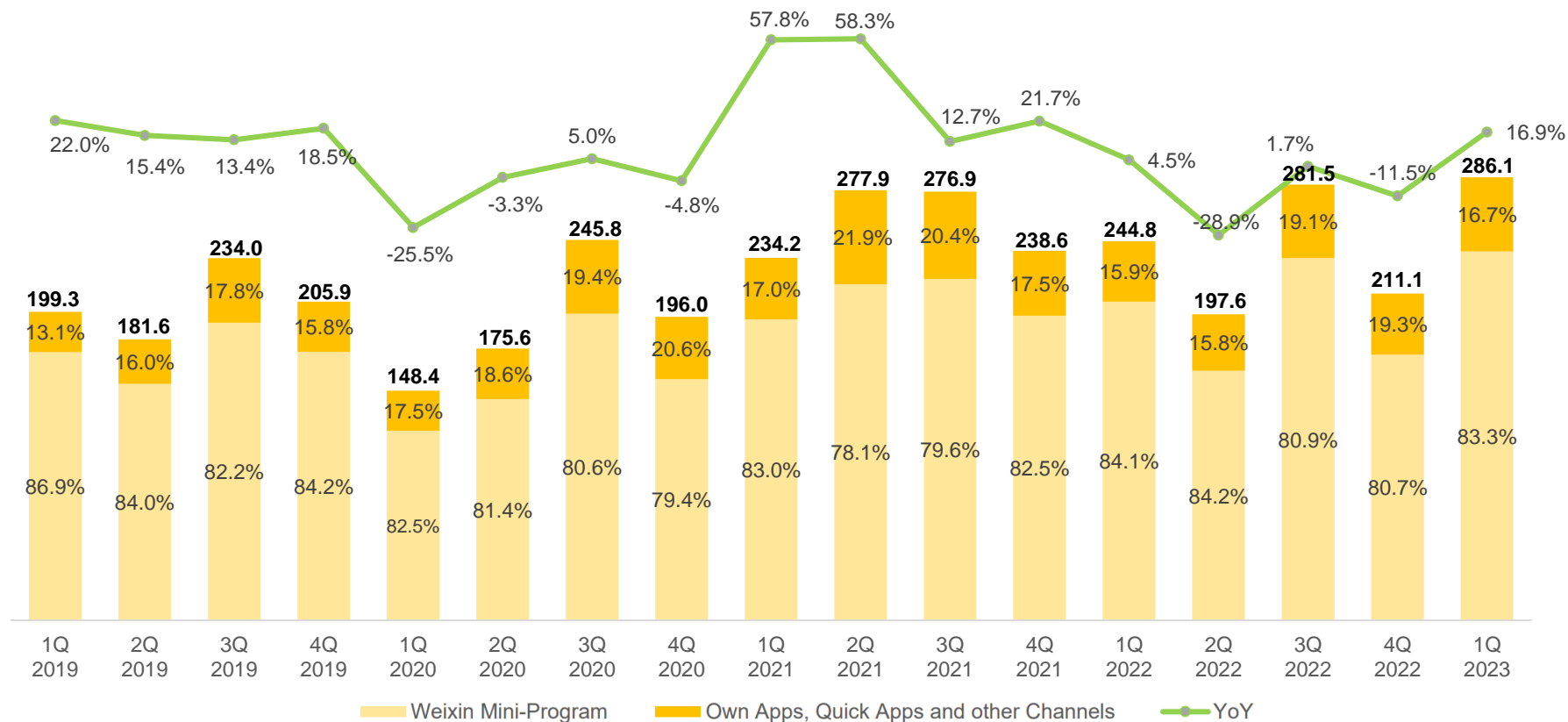


## 1

## Robust Traffic with Diversified Sources

## Average MAUs

MM

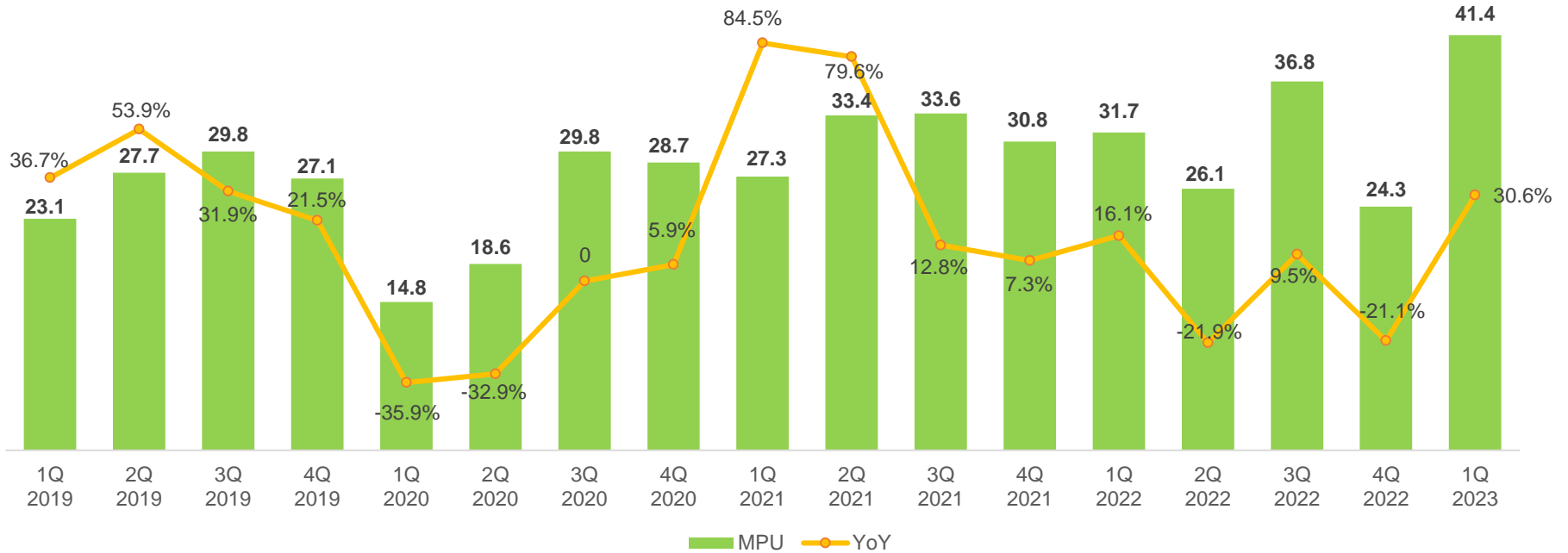
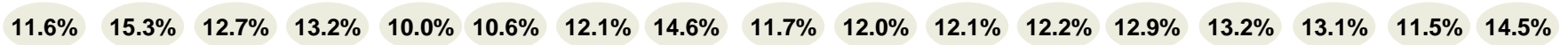


# 1

## Robust Traffic with Diversified Sources

### Average MPUs

MM

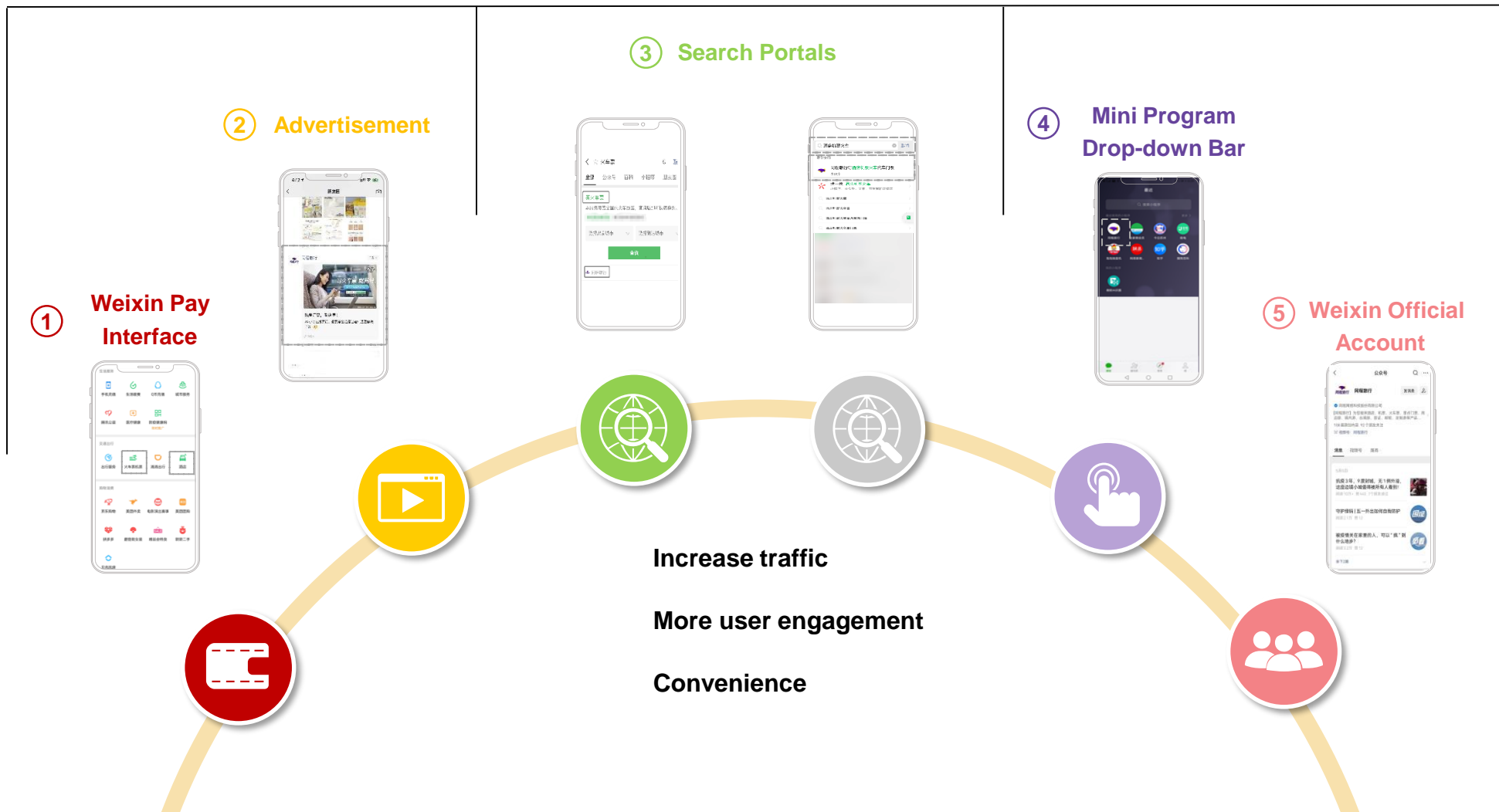


○ Paying ratio<sup>(1)</sup>

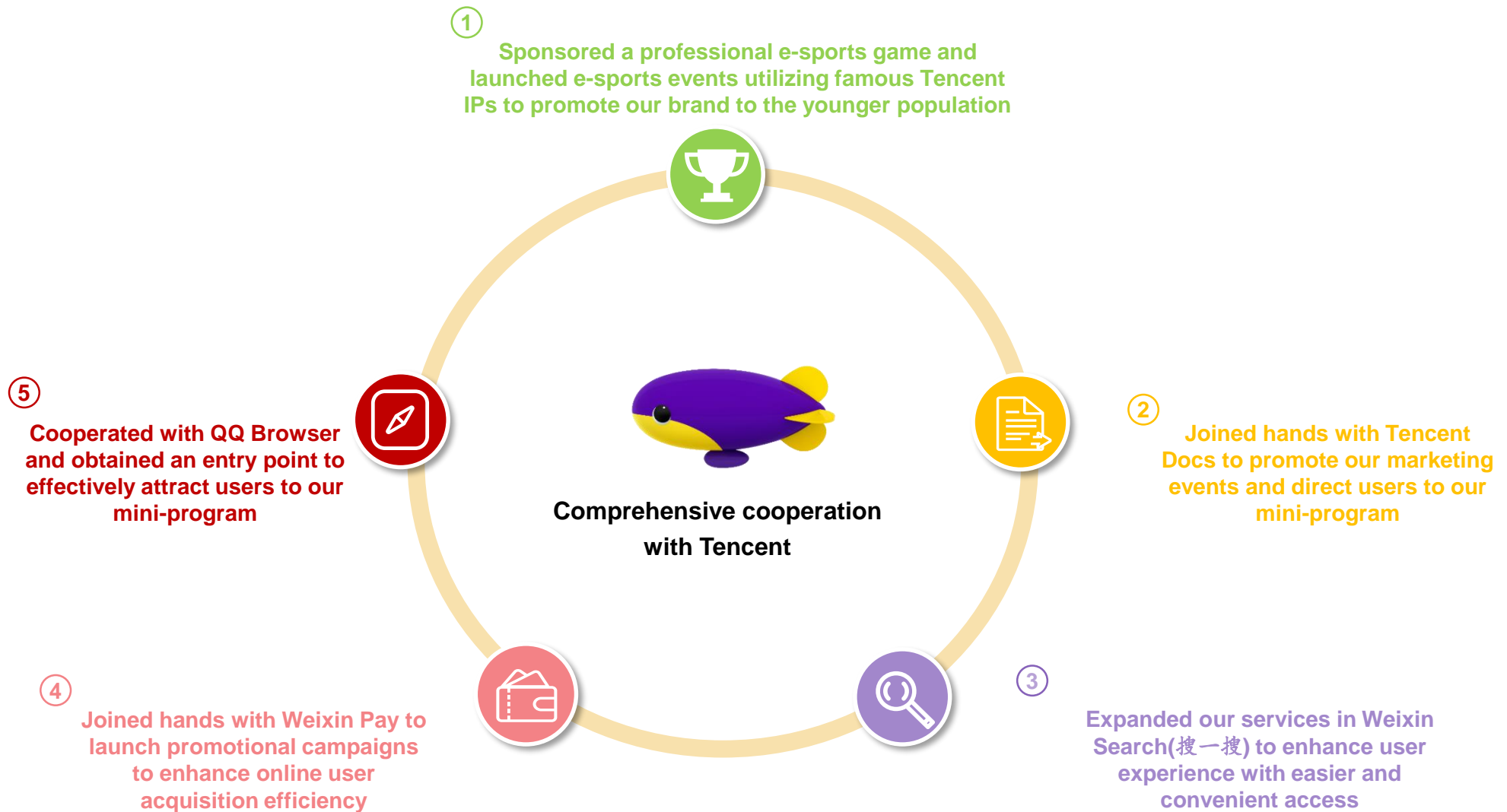
Notes  
1. Calculated as MPUs divided by MAUs.

# 1 Extensive Cooperation within Weixin

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



# 1 Deepened Engagement in Tencent Ecosystem



# 1

# Expand User Base through Multiple Channels

## Offline Traffic Acquisition



Offline user acquisition initiatives

## Cooperation with Handset Vendors



Convenient access for users

## “Campus Card” Program



Tailor-made benefit packages for students

## Solidified Market Position in Lower-tier Cities

### Promising Demographic Feature of Our Users



The **great migration to internet** has accelerated online penetration, creating opportunities for OTA like us



The **resilience and vitality** of lower-tier cities in China provide us great potential for future growth



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

#### Notes

1. As of March 31, 2023
2. For the three months ended March 31, 2023

# 3

## Augmented User Satisfaction Through One-stop Shop Platform



✓ Capture More Revenue Opportunities

✓ Increase User Engagement and Stickiness

✓ Higher Spending Per User

✓ More Repeat Purchase



# 4 Enhanced Brand Awareness via Effective Marketing Campaigns

## Marketing Campaigns

## Branding Campaigns



Holiday travel benefits for users



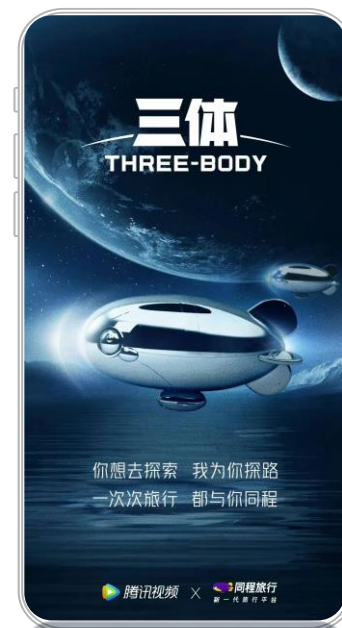
Promotional campaigns for E-sports hotels



Diverse Black-Whale membership versions with various privileges



NFT collection themed with city flowers



Advertisement placement on Tencent Video Platform



# 5 Pioneering Innovator from OTA to ITA

## Intelligent Travel Assistant (ITA)

- 

**“Huixing” system** provides users with intelligent transportation product combo booking system
- 

**“Technology Solutions”** help airports construct digital infrastructure and thus enhance operational efficiency
- 

Provide value proposition to TSPs to boost the digitalization of bus ticketing and tourist attractions ticketing
- 

**“Hotel SaaS Solutions”** help individual hotels and alternative accommodations in the management of daily operations as well as for the management of inventory, revenue and marketing
- 

Launch an intelligent platform with in-depth data monitor and analysis capability to enhance customer satisfaction and customer service efficiency

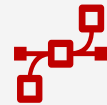
## “Huixing” Smart System



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



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



Provide a combination of train tickets that connect different legs of the trip when direct train tickets are unavailable. Users can change seats on the same train during their journey



## 5 Practice Sustainability Philosophy



### Improved ESG practices

- Obtained “AA” MSCI ESG Rating
- Optimized ESG policies and increased efforts to enhance disclosure transparency to pursue better ESG practice
- Set up a board-level ESG committee to further improve ESG initiatives and better fulfill corporate social responsibility



### Contributions to the society

- Launched the “Tongcheng Thousand Villages Program” to help more villages build sustainable tourism models and promote developments
- launched a cultural heritage tourism initiative to build an innovative marketplace that revitalizes heritage
- Cooperated with Yan’an and other local governments to promote local produce
- Worked with hotels and provide outdoor workers with shelters and services to protect them from extreme heat



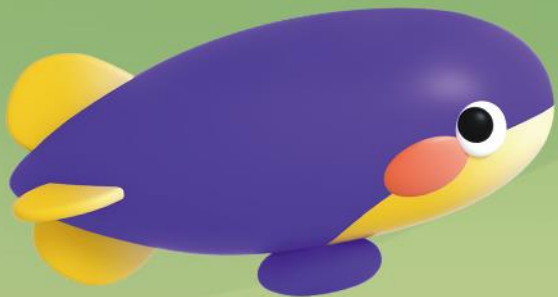
### User caring undertakings

- Provided college students with free-airport pick-up and drop-off services during winter break to ensure they make a safe and smooth trip home
- Tailor-made a barrier-free user interface for the elderly to facilitate online booking and provide them with a more convenient and joyful experience
- Provided customer service in gesture language to satisfy certain users’ needs



Section 3

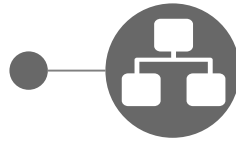
**Financial Highlights**



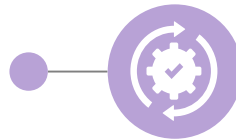
# Our Financial Highlights



**Record-high Performance with Industry Leading Growth 1**



**Diversified Revenue Streams with Balanced Mix 2**



**Efficient Operations Supported by Technology and Acute Management 3**

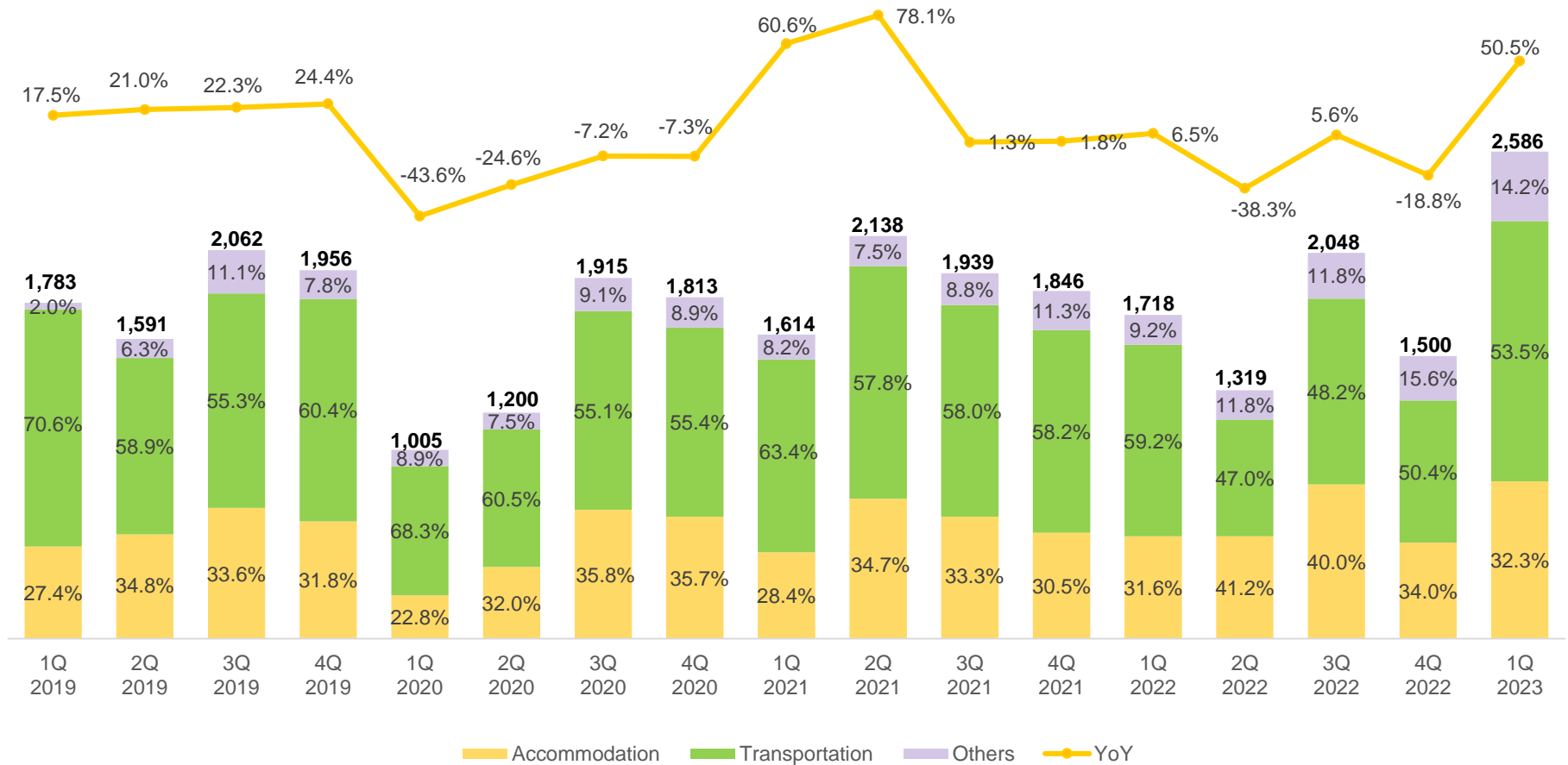


**Admirable Profitability with Healthy Financial Position 4**

# Record-high Performance with Industry Leading Growth

## Revenue

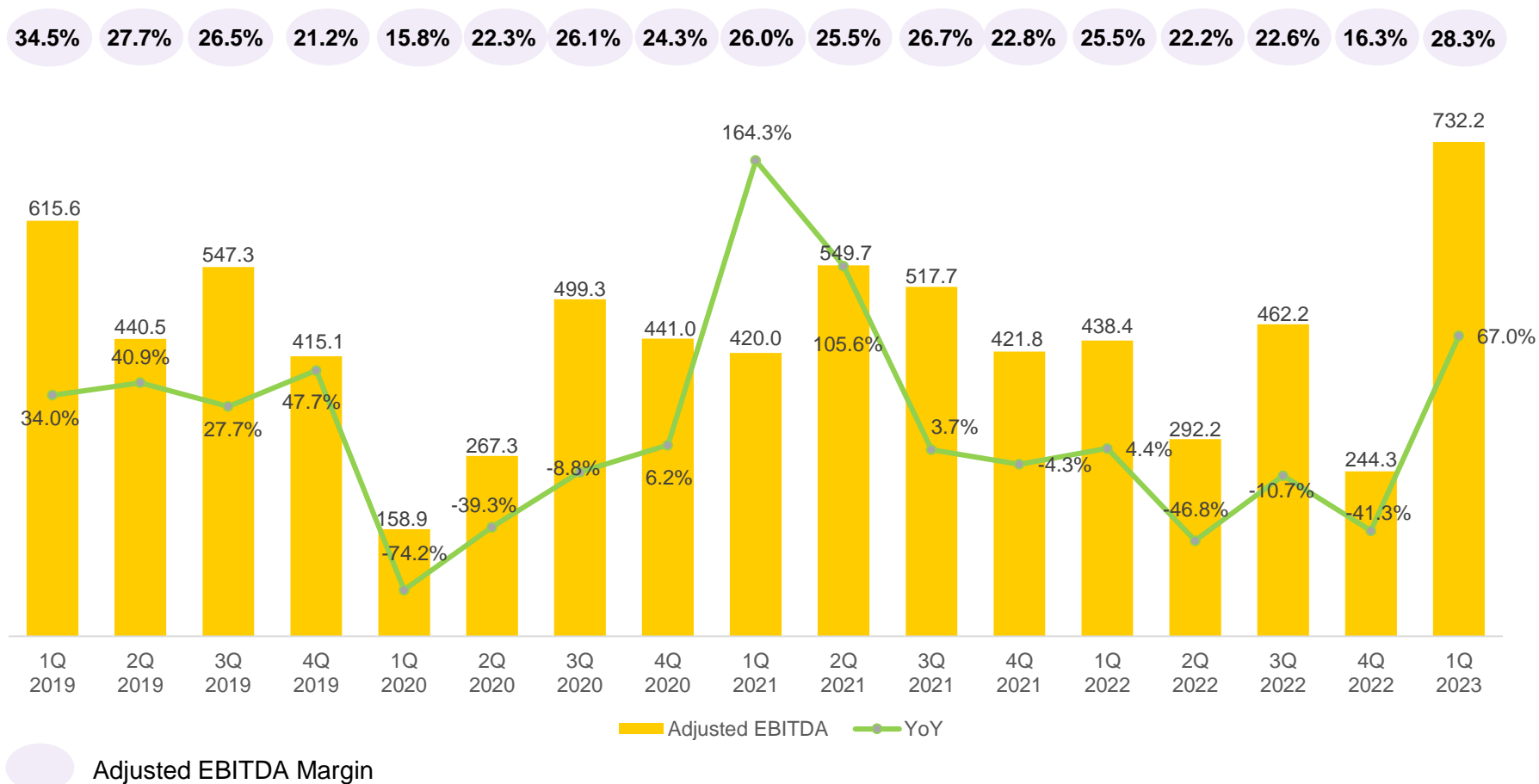
RMB MM



# Admirable Profitability with Healthy Financial Position

## Adjusted EBITDA<sup>(1)</sup>

RMB MM



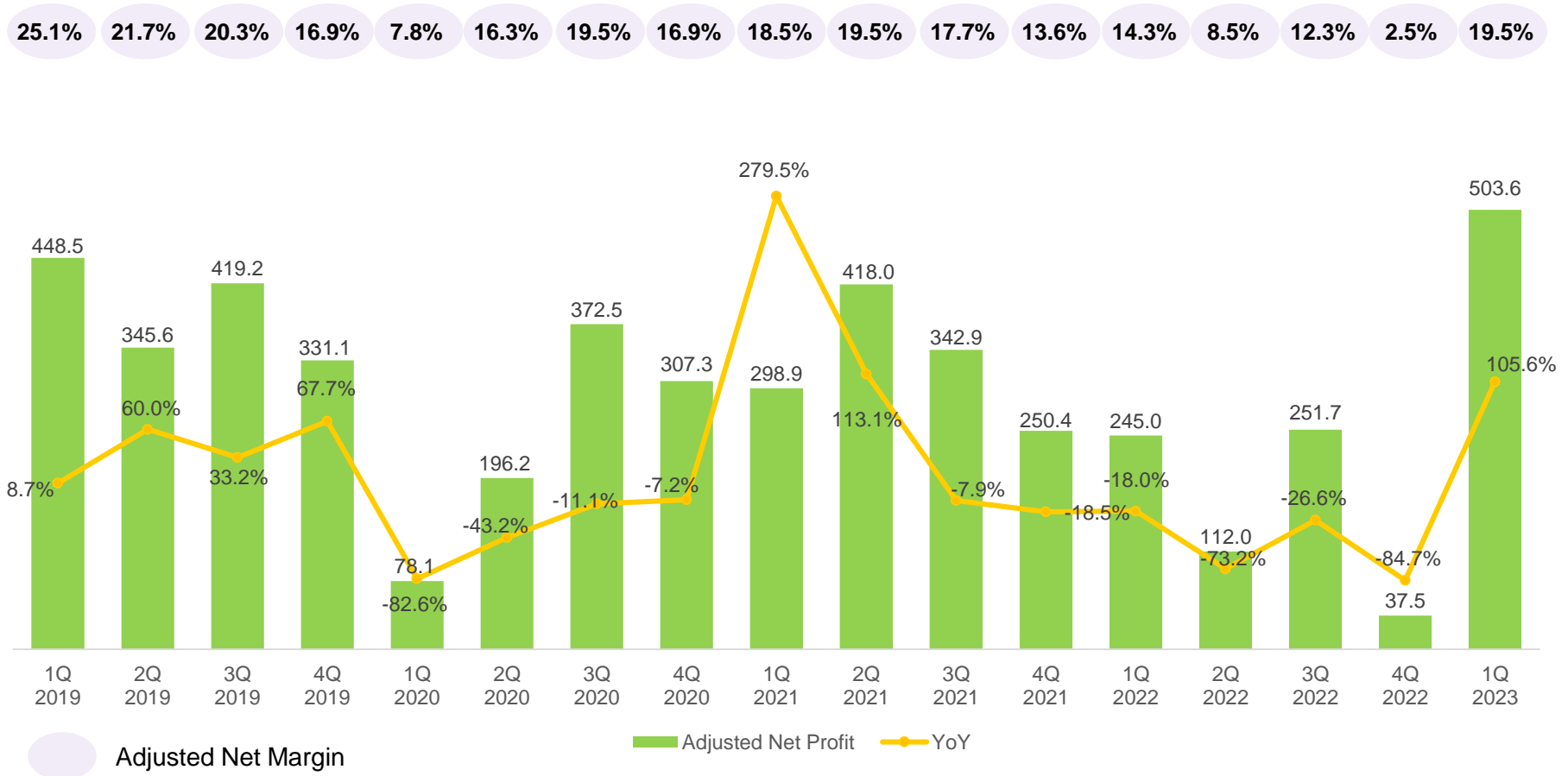
**Notes**

1. Calculated as operating profit adding back share-based compensation(gross), amortization of intangible assets, depreciation of property, plant, and equipment, and right-of-use assets, foreign exchange gain, net losses/(gains) on investees, and others

# Admirable Profitability with Healthy Financial Position

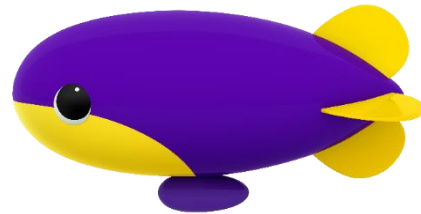
## Adjusted Net Profit<sup>(1)</sup>

RMB MM



### Notes

1. Calculated as profit for the period adding back share-based compensation (net), amortization of intangible assets from acquisitions, foreign exchange gain, net losses/(gains) on investees, and others



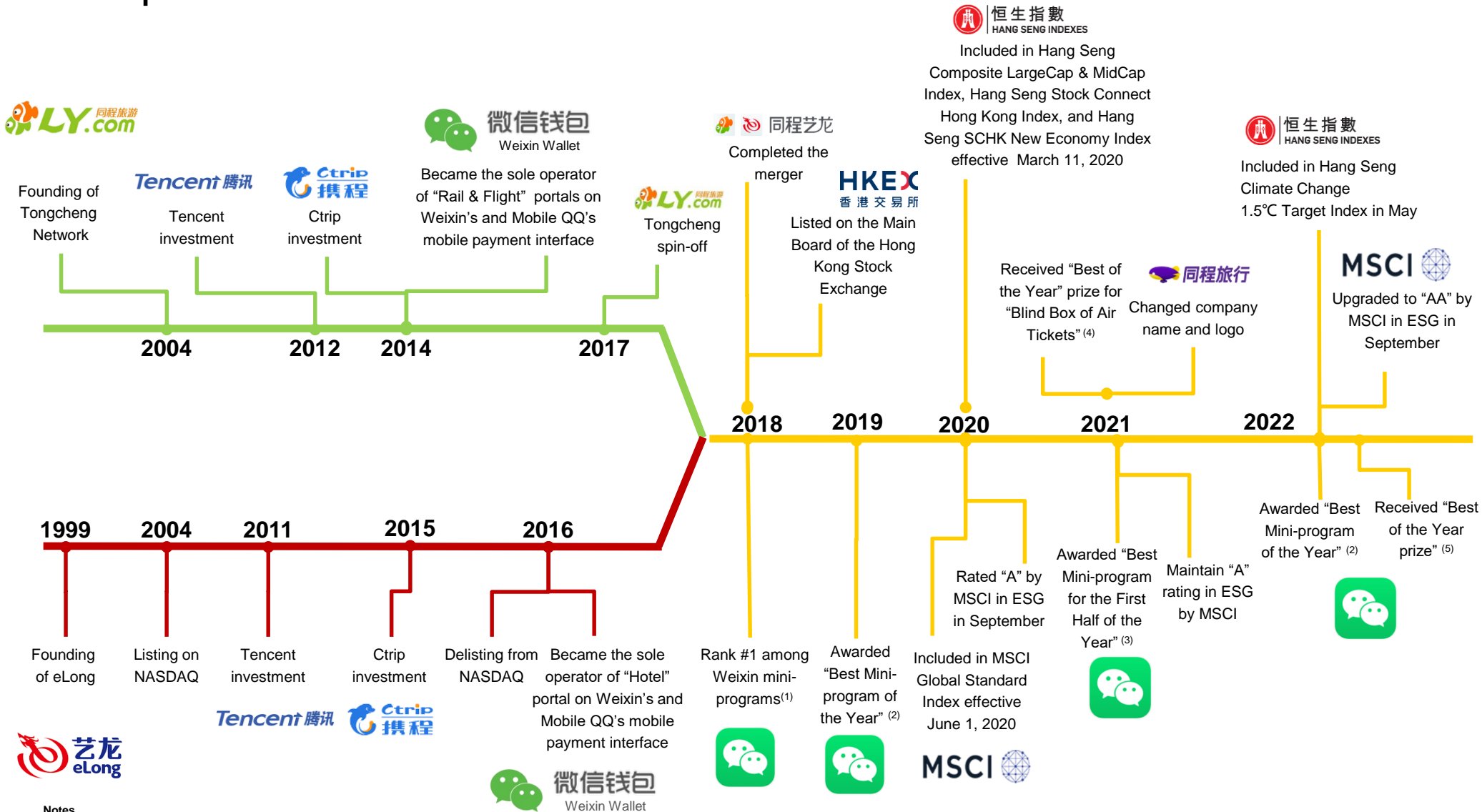
**Our Mission is to Make Travel**  
**Easier and More Joyful**





Appendix

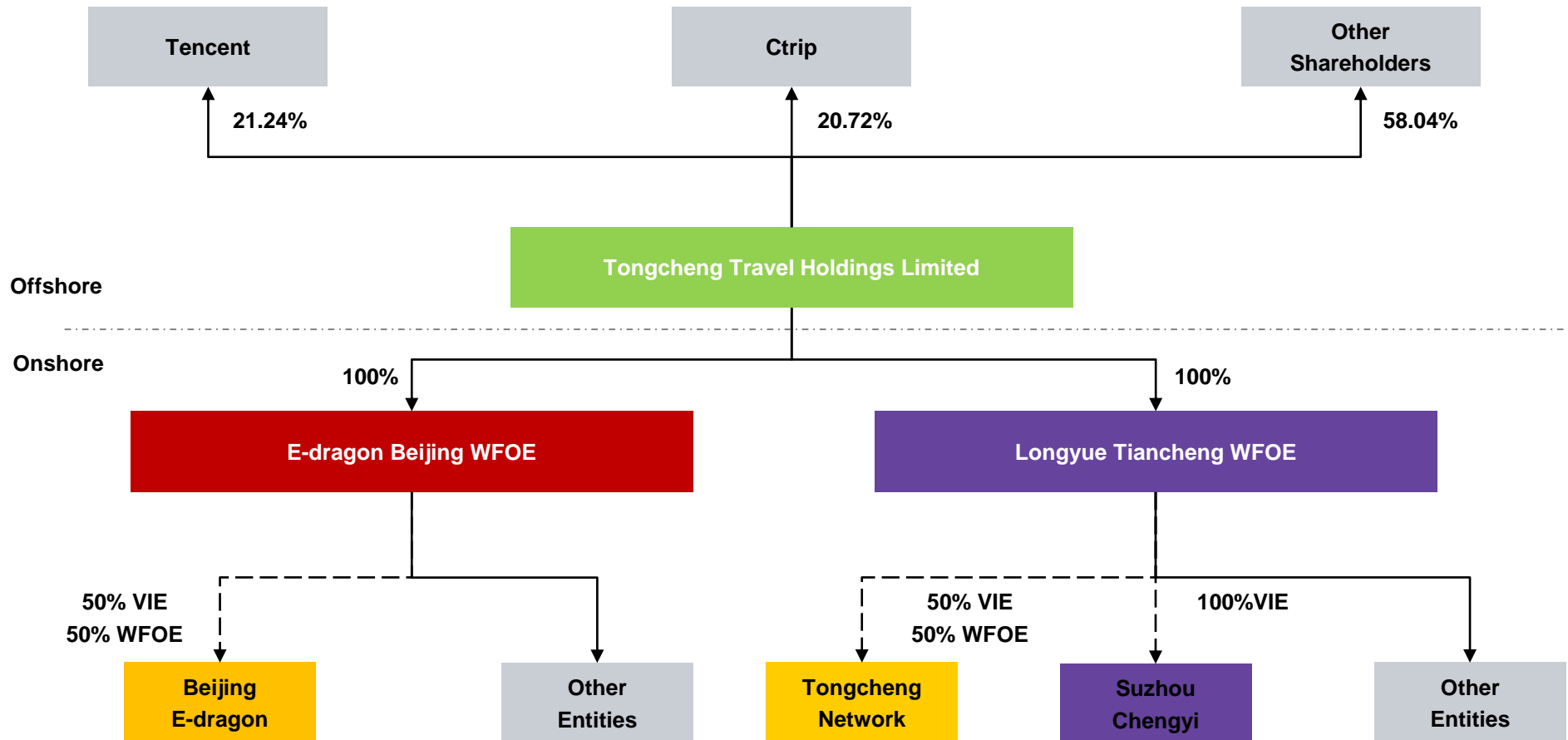
# Corporate Milestones



**Notes**

1. According to the Aladdin Index
2. At the Aladdin Annual Conference
3. At the Aladdin Semi-Annual Conference
4. In 2021 Tencent IN Innovative Marketing Award
5. In 2022 Tencent IN Innovative Marketing Award

# Updated Corporate Structure<sup>(1)</sup>



## Notes

1. This is a simplified structure and for illustrative purpose only. The diagram illustrates the corporate structure as of March 31, 2023 base on information from Hong Kong Share Registrar