



**Tongcheng Travel Holdings Limited**  
**Stock Code: 0780**



# Investor Presentation

November 2023



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# Agenda

1

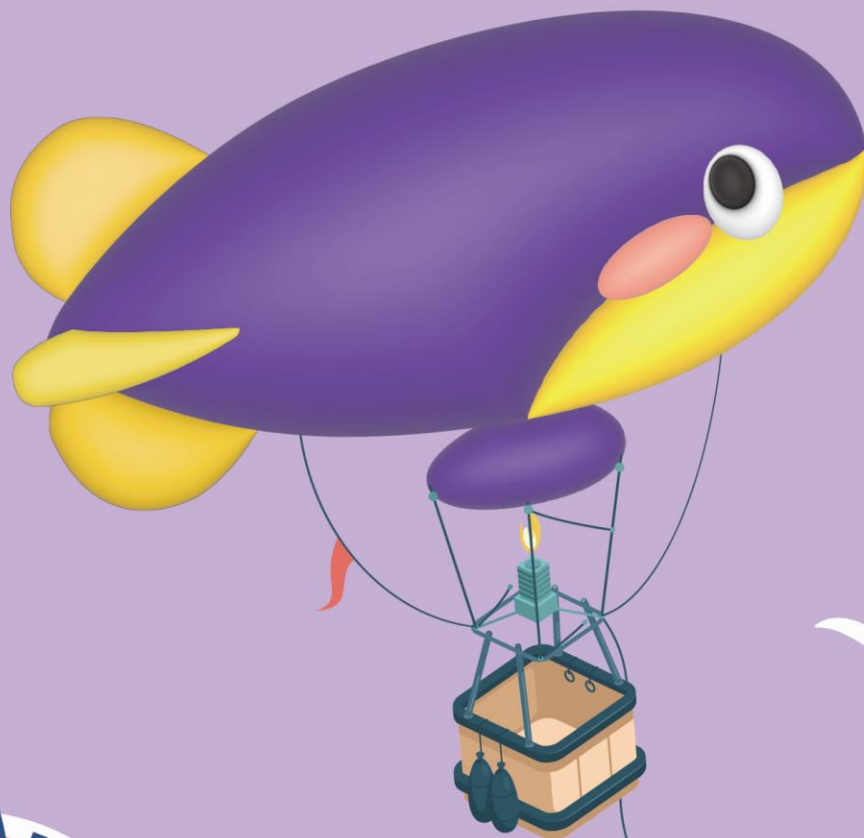
**3Q2023 Review**

2

**Business Highlights and Updates**

3

**Financial Highlights**



Section 1

## 3Q2023 Review



# 3Q2023 Review



Revenue  
**RMB 3.3Bn**  
*Record high*

**61.1%**  
YoY Growth  
**60.0%**  
vs 2019



APU<sup>(3)</sup>  
**224.7MM**  
*Record high*

**12.1%**  
YoY Growth



Adjusted EBITDA<sup>(1)</sup>  
**RMB 870.0MM**  
*Record high*

**26.4%**  
Margin



MPUs  
**44.2MM**  
*Record high*

**20.1%**  
YoY Growth  
**48.3%**  
vs 2019



Adjusted Net Profit<sup>(2)</sup>  
**RMB 620.6MM**  
*Record high*

**18.8%**  
Margin



GMV  
**RMB 71.1Bn**  
*Record high*

**75.1%**  
YoY Growth  
**49.3%**  
vs 2019

## 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)/loss, net (gains)/losses 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)/loss, net (gains)/losses on investees, and others
3. Twelve-month period ended September 30, 2023

# 3Q2023 Review – Business Highlights



**Room Nights Sold**

**100%**

**YoY Growth vs 2019**

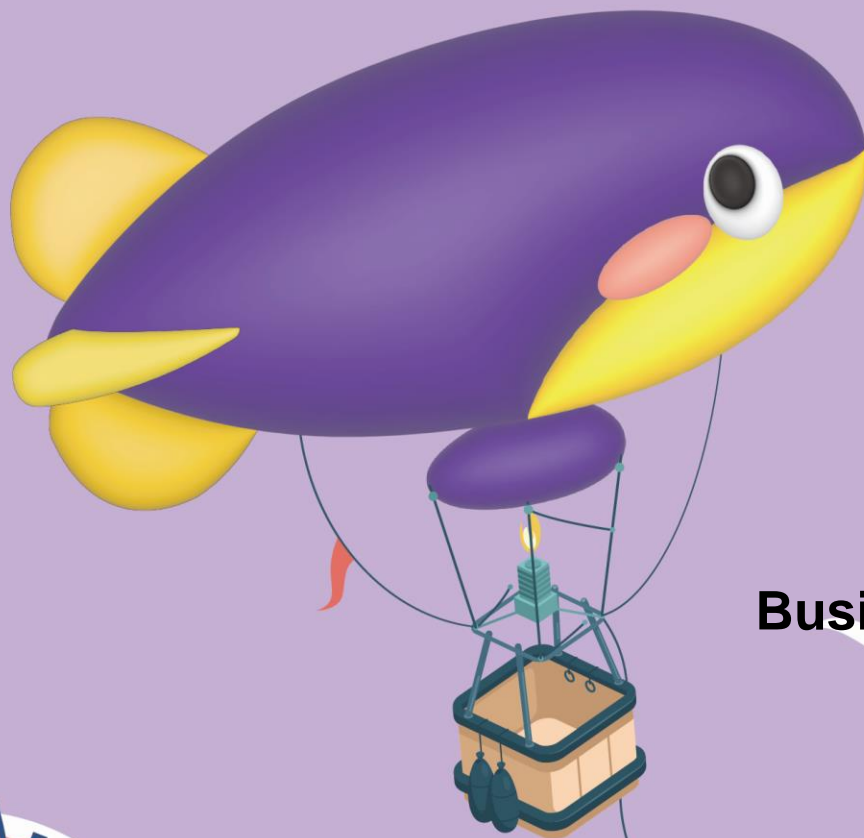


**Air Ticketing Volume**

**Over 30%**

**YoY Growth vs 2019**





Section 2

## Business Highlights and Updates



# Business and Strategic Highlights

*User Base*

**Further enlarged user base with more diversified sources**

*Lower-tier  
Cities*

**Consolidated market presence in lower-tier cities**

*User  
Experience*

**Enriched products and services through one-stop shop platform**

*User  
Engagement*

**Improved brand awareness via effective marketing campaigns**

*Data &  
Technology*

**Leading Innovator from OTA to ITA**

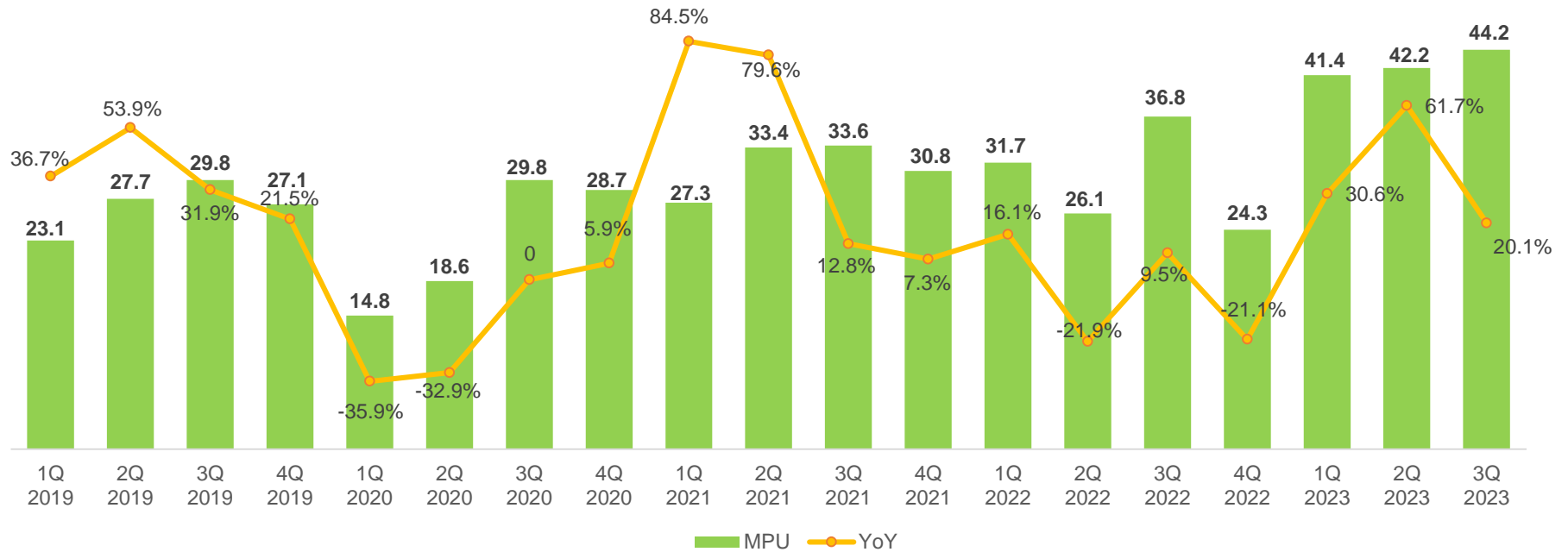


## 1

## Further Enlarged User Base with More Diversified Sources

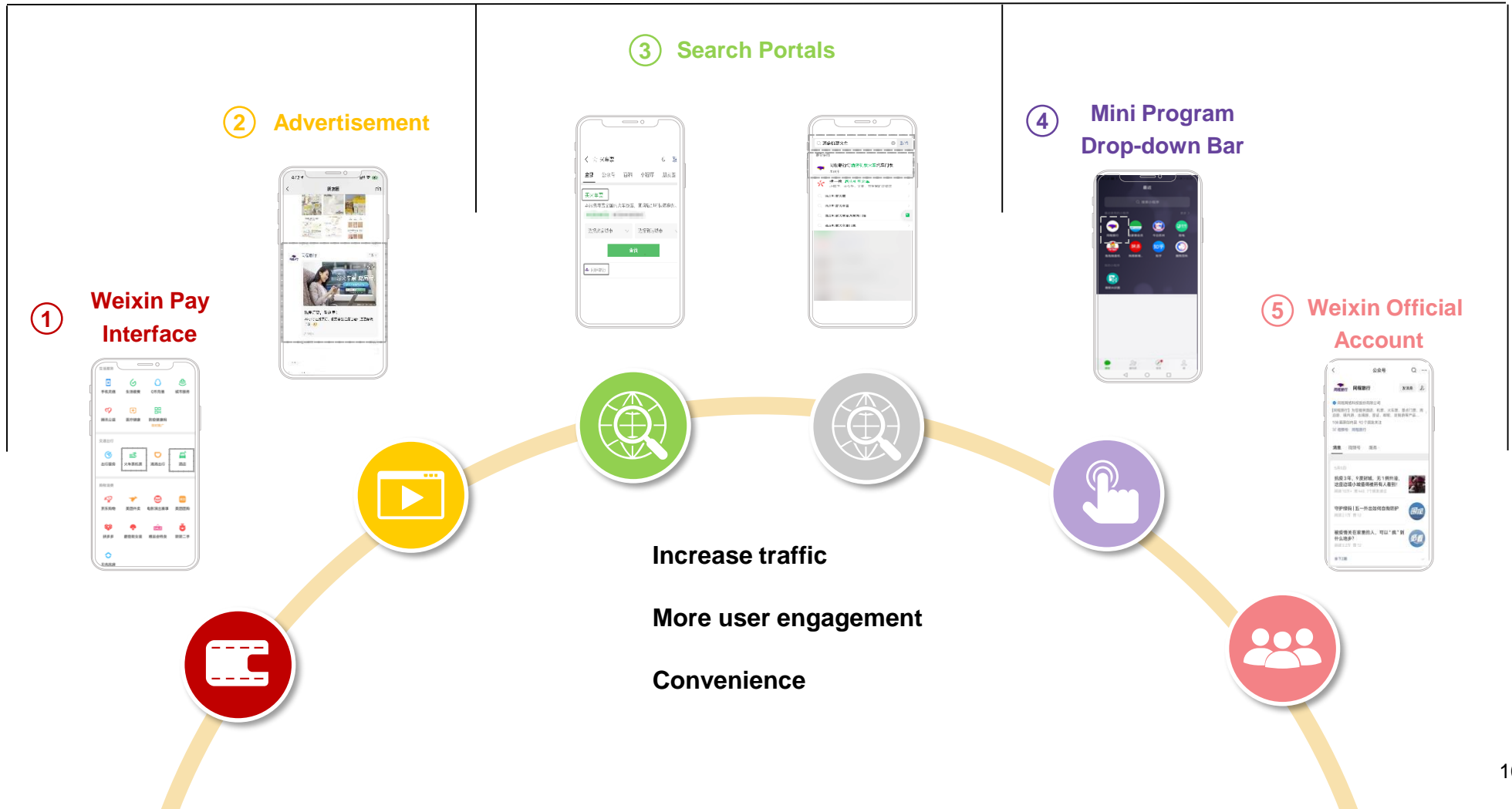
## Average MPUs

MM



# 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

Standalone Apps

Cooperation with Handset Vendors



Offline user acquisition initiatives

Pre-installation on mobile phones

Convenient access for users

## 2

# Consolidated Market Presence in Lower-tier Cities

## Promising Demographic Feature



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 September 30, 2023

2. For the three months ended September 30, 2023

# Enriched Products and Services Through One-stop Shop Platform



## Transportation Ticketing

- Provides comprehensive transportation ticketing services including air, train, bus, car-hailing, metro and ferry
- Enriches and optimizes related value-added products and services including insurance, Huixing, and other long-tail services to enhance monetization
- Leverage on the huge traffic of ticketing business to cross-sale to other businesses



## Accommodation Reservation

- Provides diversified hotel and alternative accommodation offerings catering to different preferences and budgets of users
- Develops value-added products and services including vouchers, disposable supplies, room cancellation insurance to enhance user experience



## Other Businesses

- Enriches “To C” products and services such as Black-Whale membership card, attraction ticketing, and package tour services to utilize our vast user base and increase user stickiness
- Provides “To B” businesses such as advertising services, ITA-related services (such as PMS), corporate travel, and hotel management services to facilitate the digital transformation and growth of the travel industry

# 4 Improved Brand Awareness via Effective Marketing Campaigns

## Marketing Campaigns



Sales of travel packages containing concert tickets of an iconic vocalist



Promotional campaigns for hotel stays surrounding concerts



Upgraded Black-Whale membership with more privileges


## Branding Campaigns




Extend the ultimate boundary of travel experience through innovative branding campaigns

# 5 Leading 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



**“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

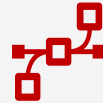
## “Huixing” Smart System



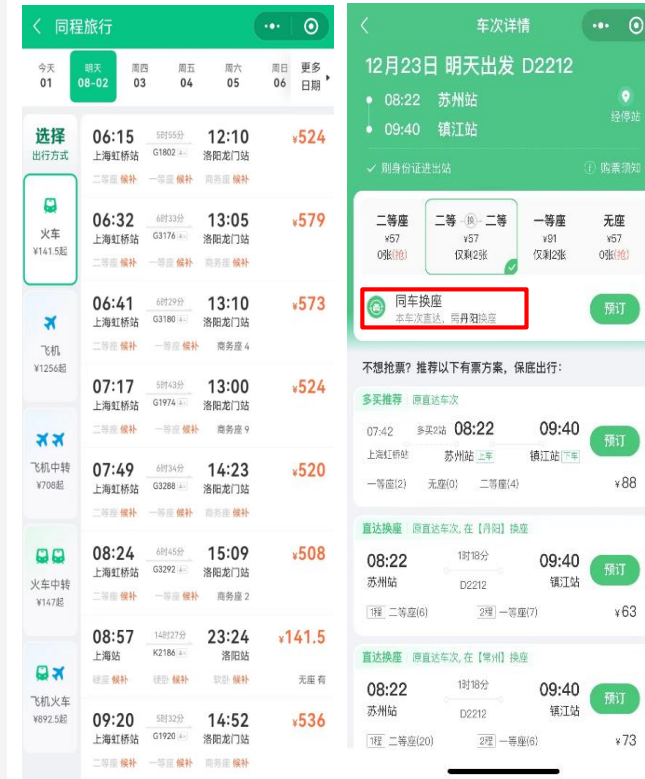
Provide all-in-one transportation planning to allow availability, affordability and achievability



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



The screenshots show the user interface of the Huixing Smart System. The left screenshot displays a list of travel options for a journey from Shanghai Hongqiao Station to Luoyang Longmen Station. The options include train, flight, and flight+train combinations, with prices ranging from ¥524 to ¥536. The right screenshot shows a detailed view of a selected train ticket (D2212) for December 23rd, including departure and arrival times, seat selection options (二等座, 一等座, 无座), and a '同车换座' (Change seats on the same train) feature highlighted with a red box.



## 5 Practice Sustainability Philosophy



**Improved ESG practices**

- Maintained **“AA” MSCI ESG Rating** for the second consecutive year
- Included in The **Sustainability Yearbook (China)** by S&P Global
- 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



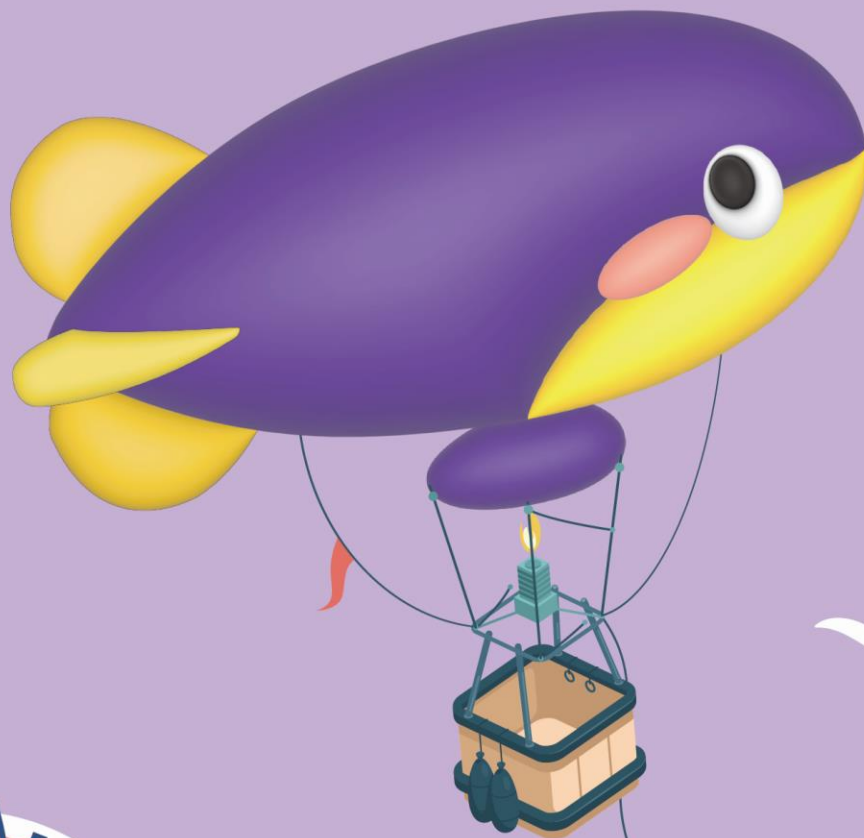
**Contributions to the industry**

- Initiated a training program on digital operation and marketing of **rural tourism** to help stimulate and accelerate the growth of the rural economy
- 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



**Contributions to the society**

- Collaborated with hotels in Guangdong province and provided **resting areas and emergency supplies** to those affected by a severe hurricane in the region
- 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



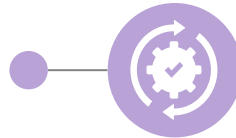
# Our Financial Highlights



**Record-Breaking Results with Industry Leading Growth 1**



**Diversified Revenue Streams with Balanced Mix 2**



**Effective Operations Enabled by Technology and Acute Management 3**

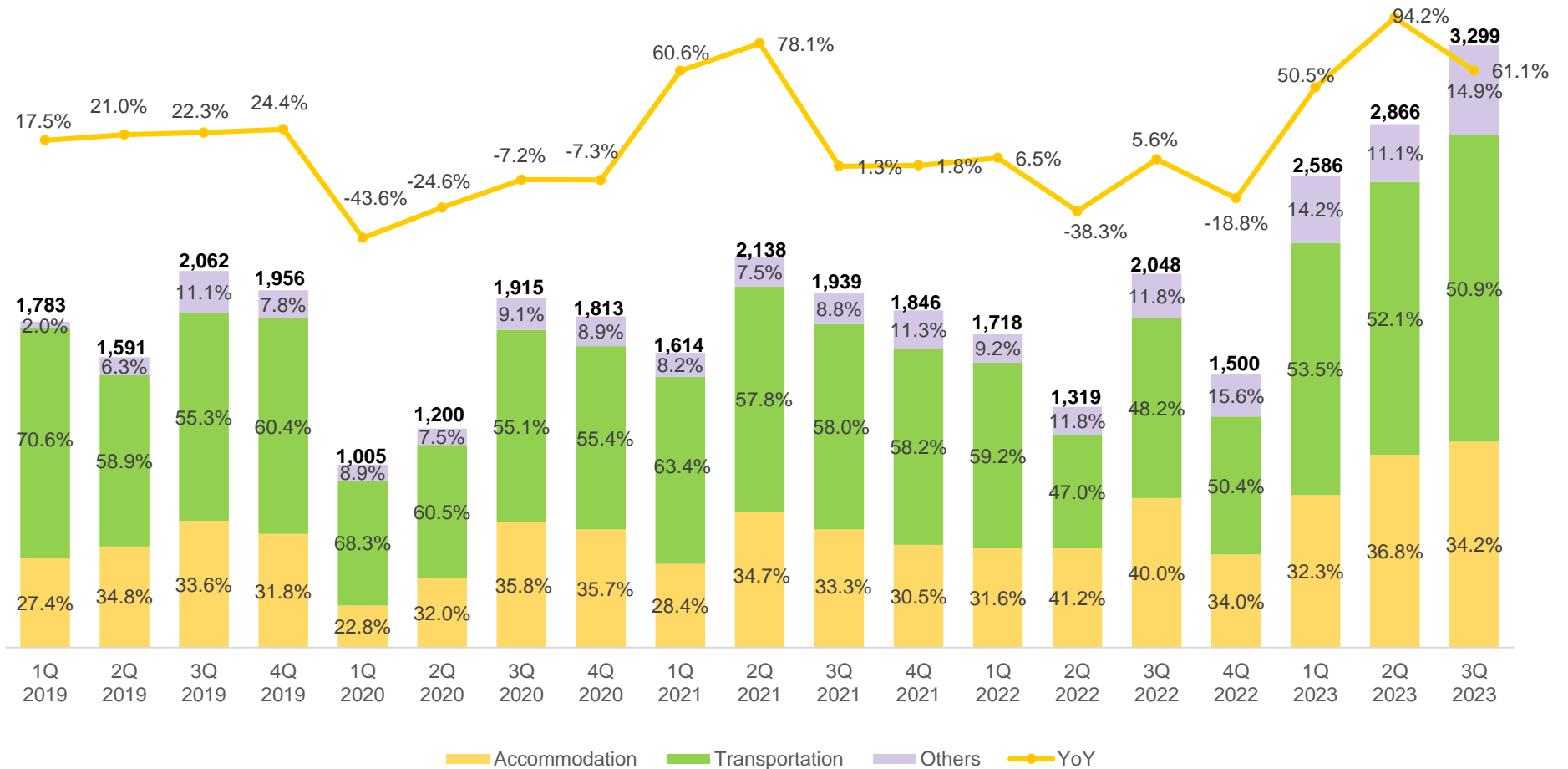


**Remarkable Profitability with Healthy Financial Position 4**

# Record-Breaking Results with Industry Leading Growth

## Revenue

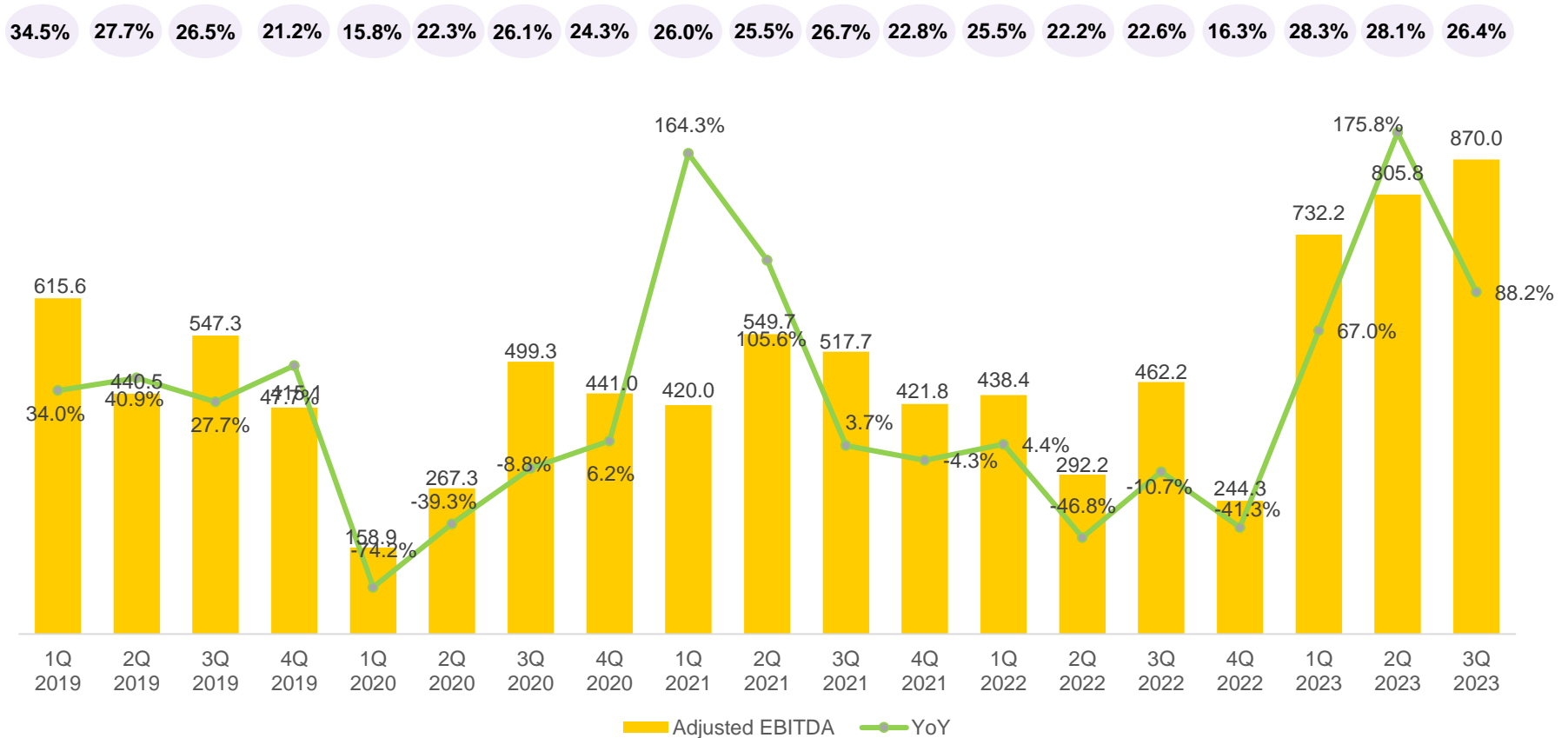
RMB MM



# Remarkable Profitability with Healthy Financial Position

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

RMB MM



Adjusted EBITDA Margin

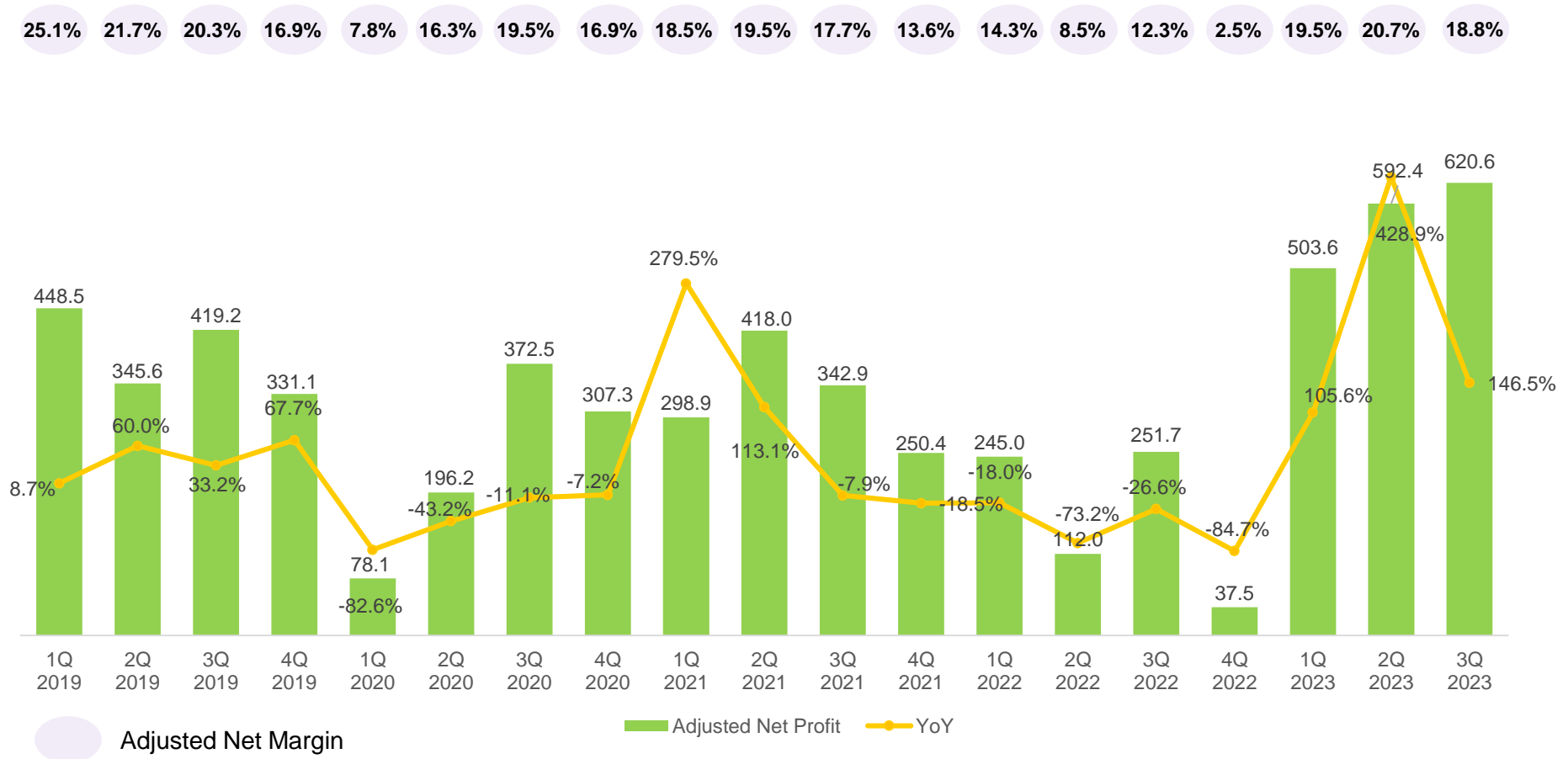
**Notes**

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)/loss, net (gains)/losses on investees, and others

# Remarkable Profitability with Healthy Financial Position

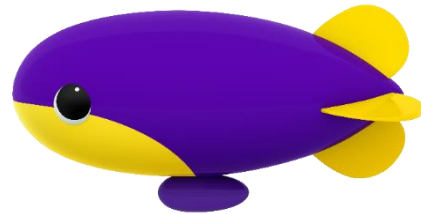
## Adjusted Net Profit<sup>(1)</sup>

RMB MM

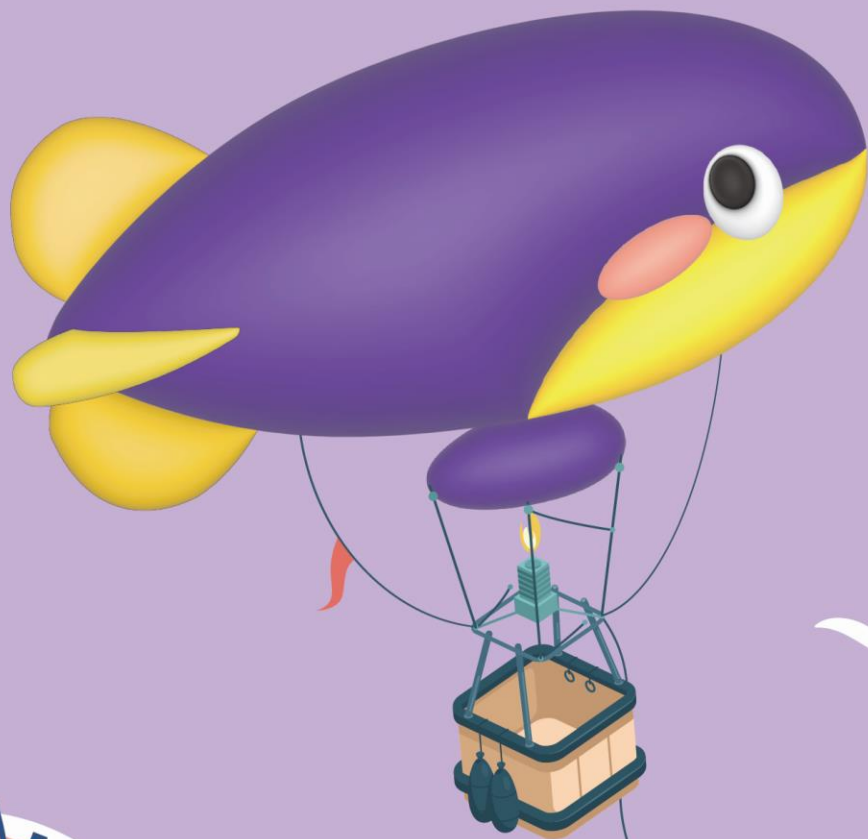


### Notes

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



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

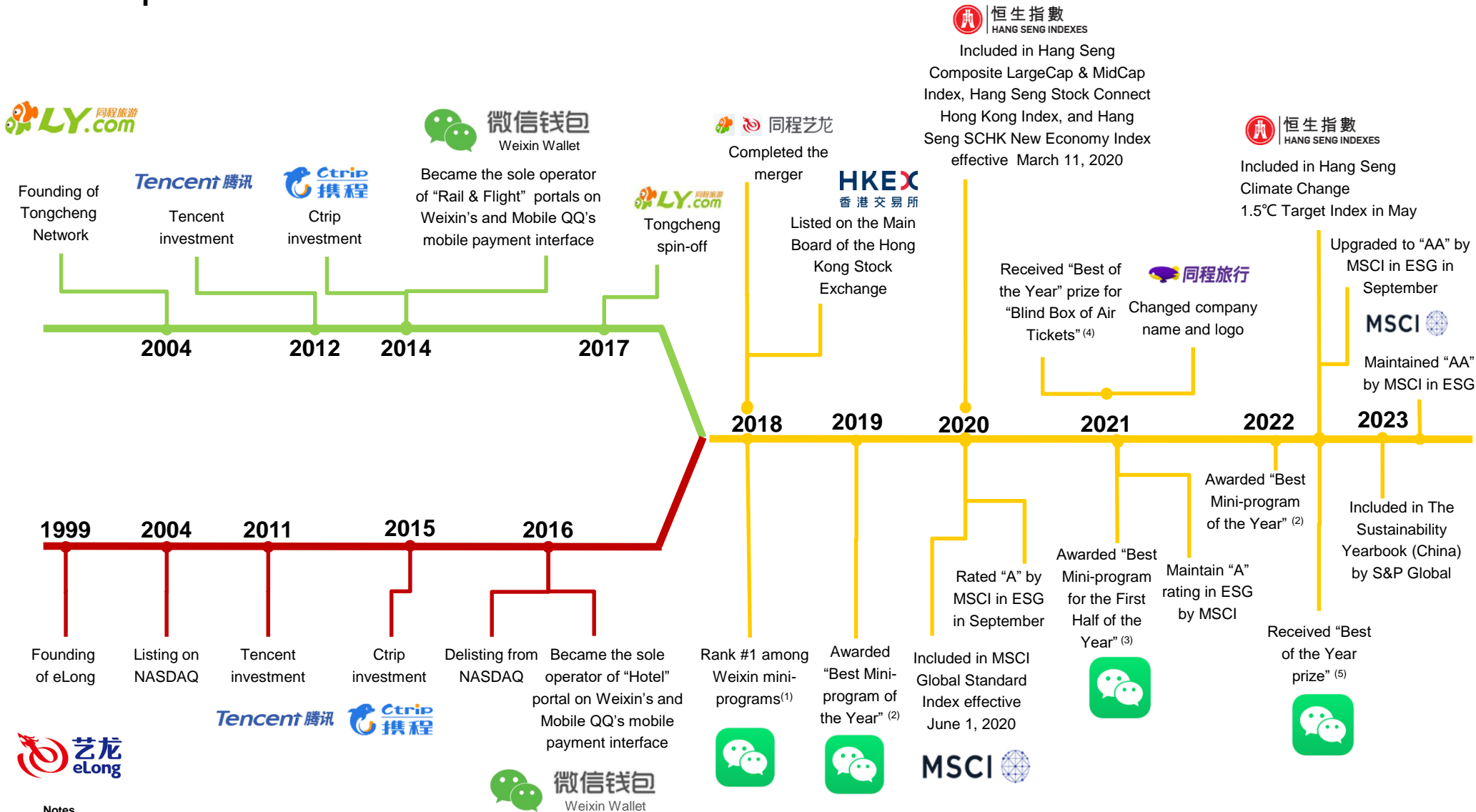


## Appendix





# 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