



# 同程艺龙

Tongcheng-Elong Holdings Limited

Stock Code: 0780



## Investor Presentation

November 2020

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# Agenda

1

**3Q2020 Review**

2

**Business Highlights and Updates**

3

**Financial Highlights**



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Section 1  
3Q2020 Review

# 3Q2020 Review

## Financial Metrics



Revenue

**RMB 1.9Bn**

**(7.2%)**

YoY Change



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

**RMB 499.3MM**

**26.1%**

Margin



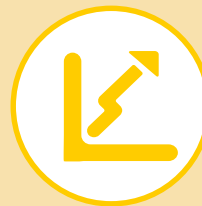
Adjusted Net Profit<sup>(2)</sup>

**RMB 372.5MM**

**19.5%**

Margin

## Operational Metrics



MAU

**245.8MM**



**Record High**

**5.0%**

YoY Change



MPU

**29.8MM**

**Fully recovered**



GMV

**RMB39.7Bn**

**(16.6%)**

YoY Change

### Notes

1. Calculated as operating profit adding back share-based compensation, amortization of intangible assets, depreciation of property, plant, and equipment, and right-of-use assets
2. Calculated as profit for the period adding back share-based compensation, amortization of intangible assets from acquisitions



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Section 2

## Business Highlights and Updates

# Our Business and Strategic Highlights

*User Base*

**Continuously improving traffic with diversified sources**

*Lower-tier  
Cities*

**Solidified position in lower-tier cities**

*User  
Experience*

**Enhance user experience on one-stop shop platform**

*User  
Engagement*

**Strengthen user engagement through multiple channels**

*Data &  
Technology*

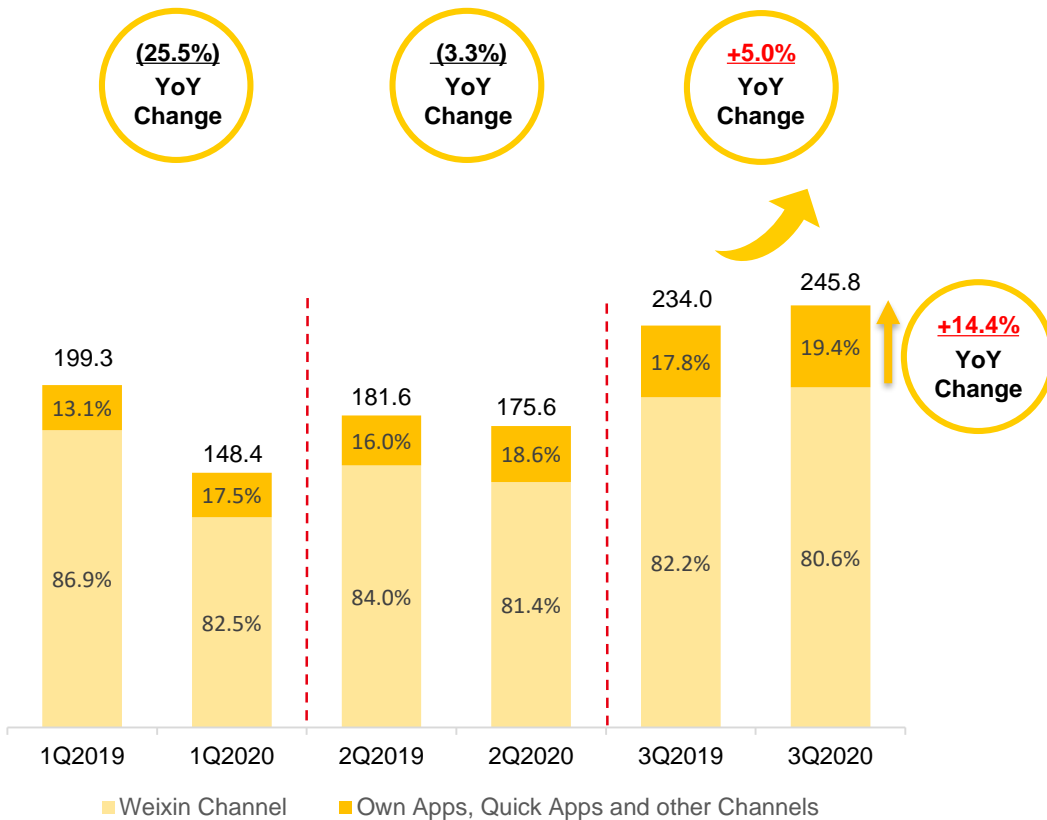
**Embrace new technology to transform from OTA to ITA**

# 1

## Continuously Improving Traffic with Diversified Sources

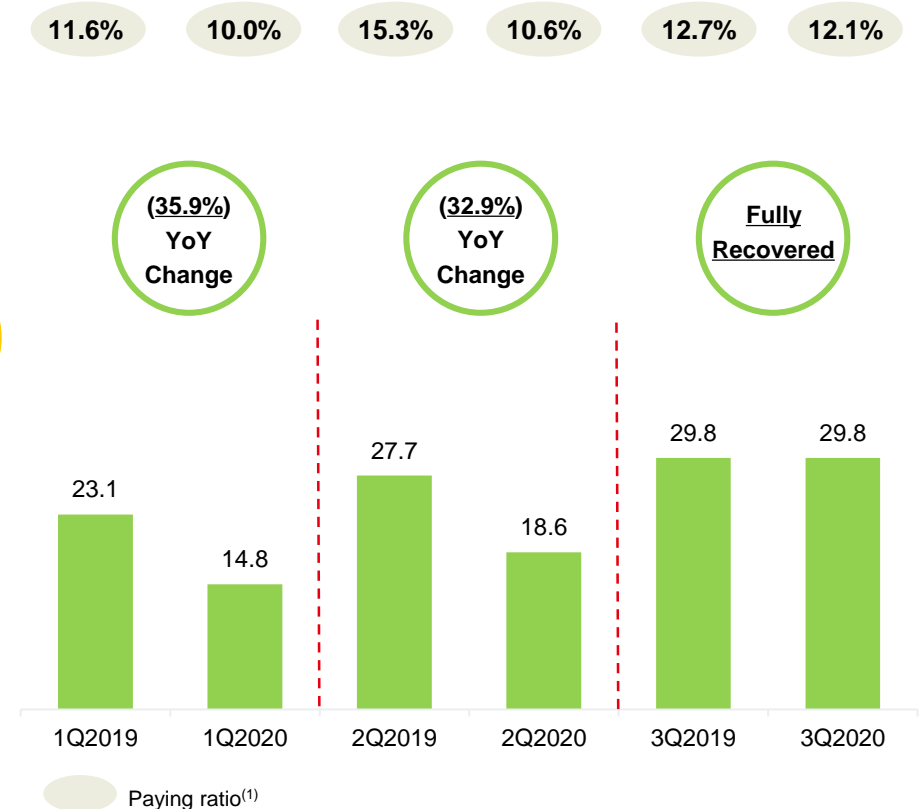
### Average MAU

MM



### Average MPU

MM



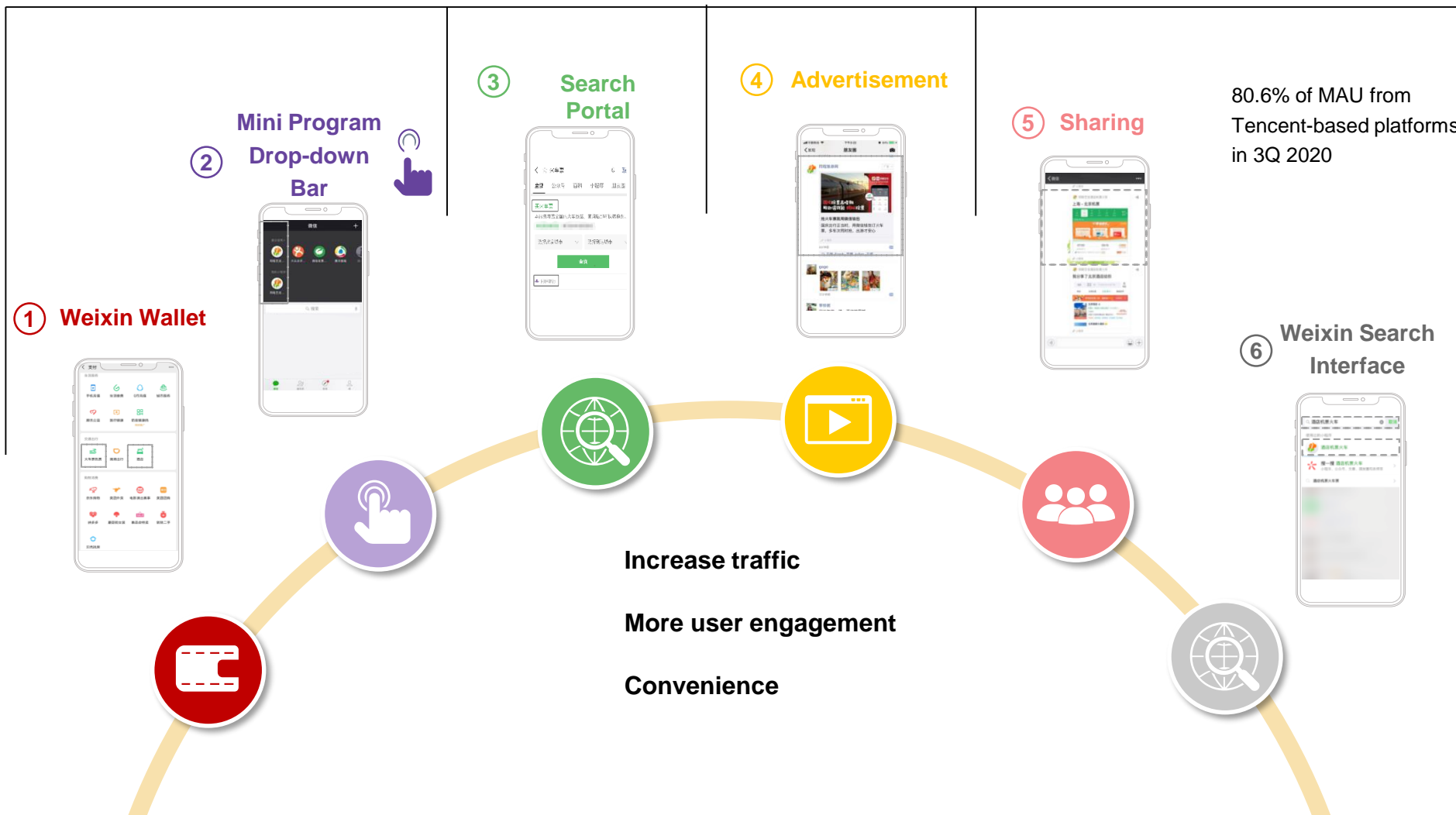
#### Notes

1. Calculated as MPUs divided by MAUs.



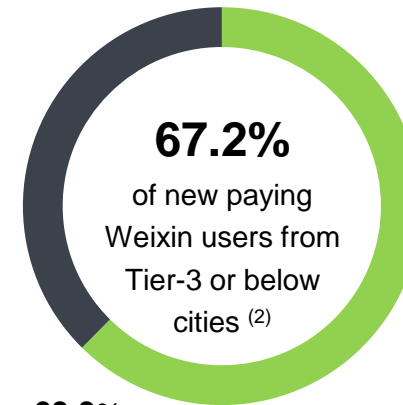
# 1 Multi-Dimensional Cooperation within Weixin

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



## 2 Solidified Position in Lower-tier Cities

### Attractive Demographic Feature of Our Users



**63.3%**  
3Q2019



The **great migration to internet** under COVID-19 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 change



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

#### Notes

1. As of September 30, 2020
2. For the three months ended September 30, 2020

# 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

# 4

## Strengthen User Engagement through Multiple Channels

Offline Traffic Acquisition

Marketing Campaign with Tencent Online Game Platform

Cooperation with Handset Vendors

Cooperation with TSP



User acquisition at hotels, bus stations, and tourist attractions

Promotional package for game players

Travel benefits for vendor users

Mini-program development for Xi'an airport

# Embrace New Technology to Transform from OTA to ITA

## Intelligent Travel Assistant (ITA)



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



**“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



**“Property Management System”** help individual hotels efficiently organize, schedule and manage their daily operations



**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



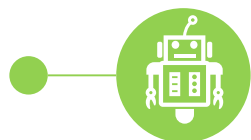
**Highly-efficient Operations and Prominent Profitability** 1



**Accelerated Recovery  
With Enhanced Cross-sell Capability** 2



**Flexible Cost Structure  
and Streamlined Operations** 3

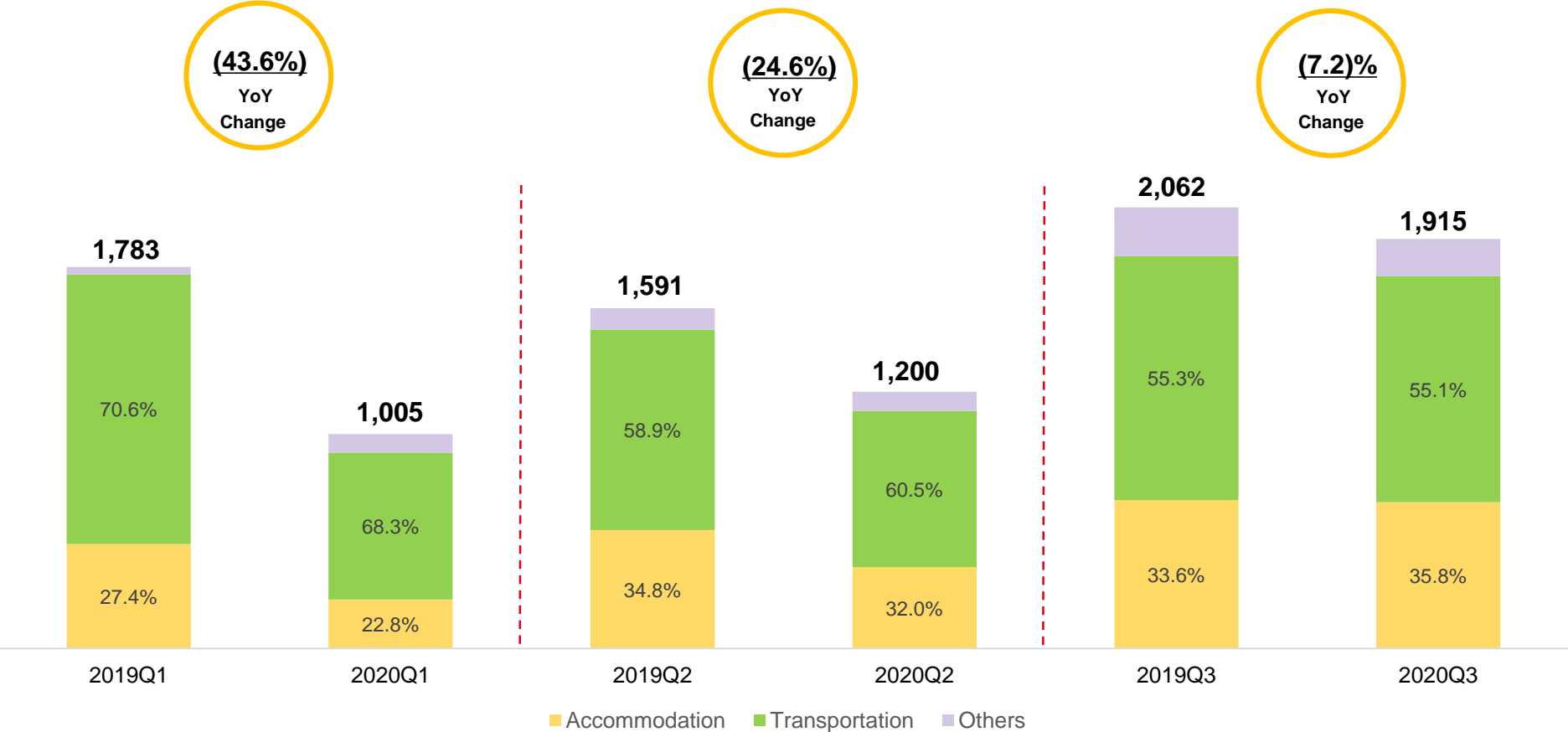


**Remarkable Operating Leverage from Technology and  
Synergy** 4

# Accelerated Recovery with Enhanced Cross-sell Capability

## Revenue

RMB MM

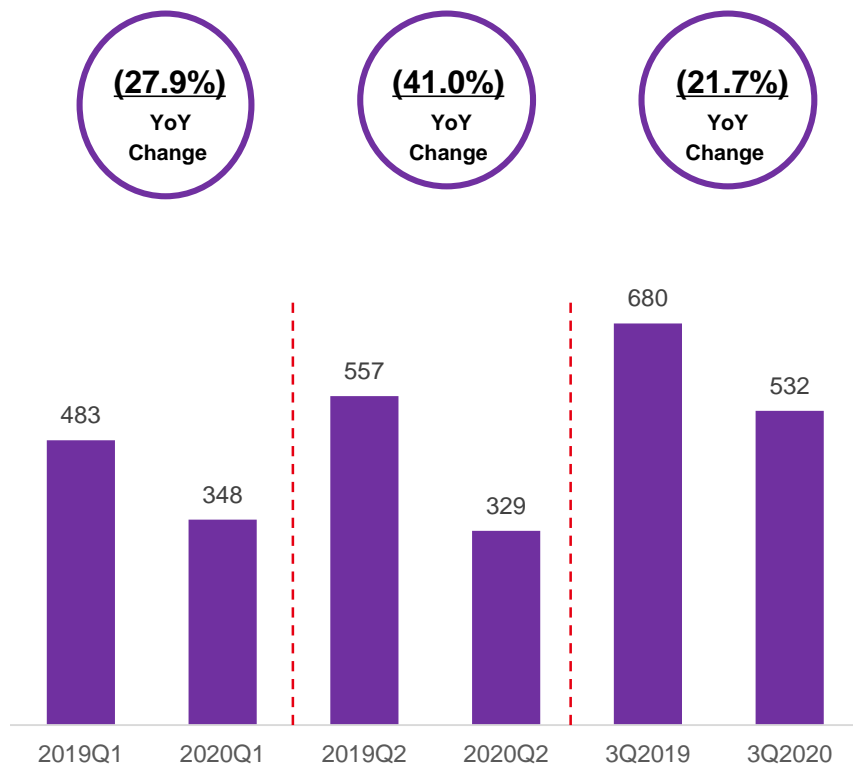




# Flexible Cost Structure and Streamlined Operations

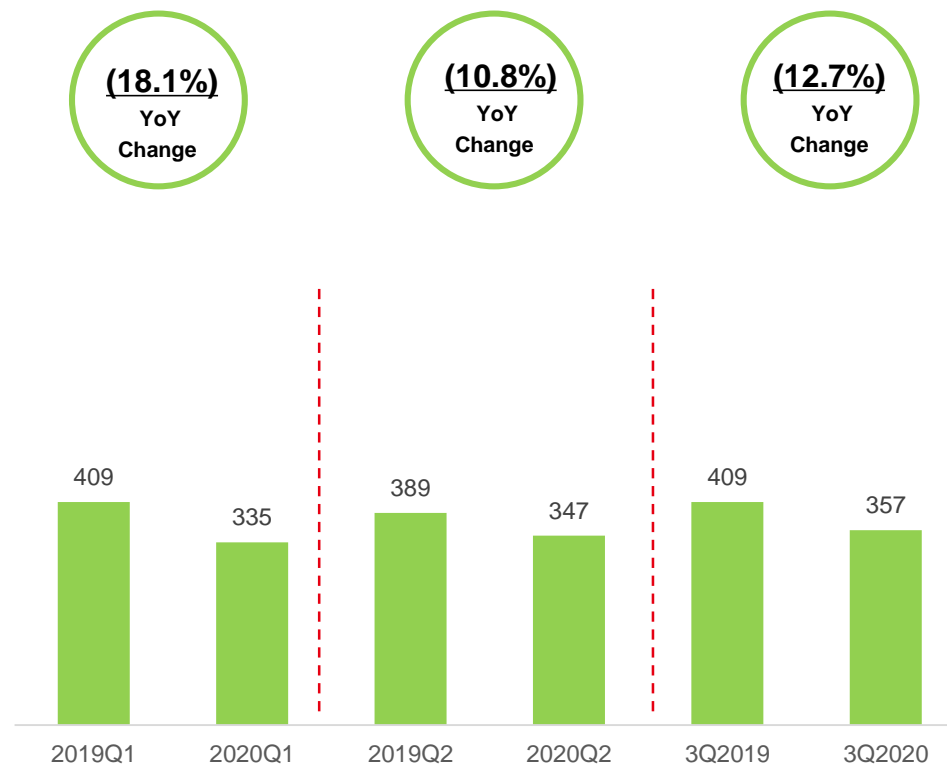
## Cost of Revenue <sup>(1)</sup>

RMB MM



## Service Development and Administrative Expenses <sup>(1)</sup>

RMB MM



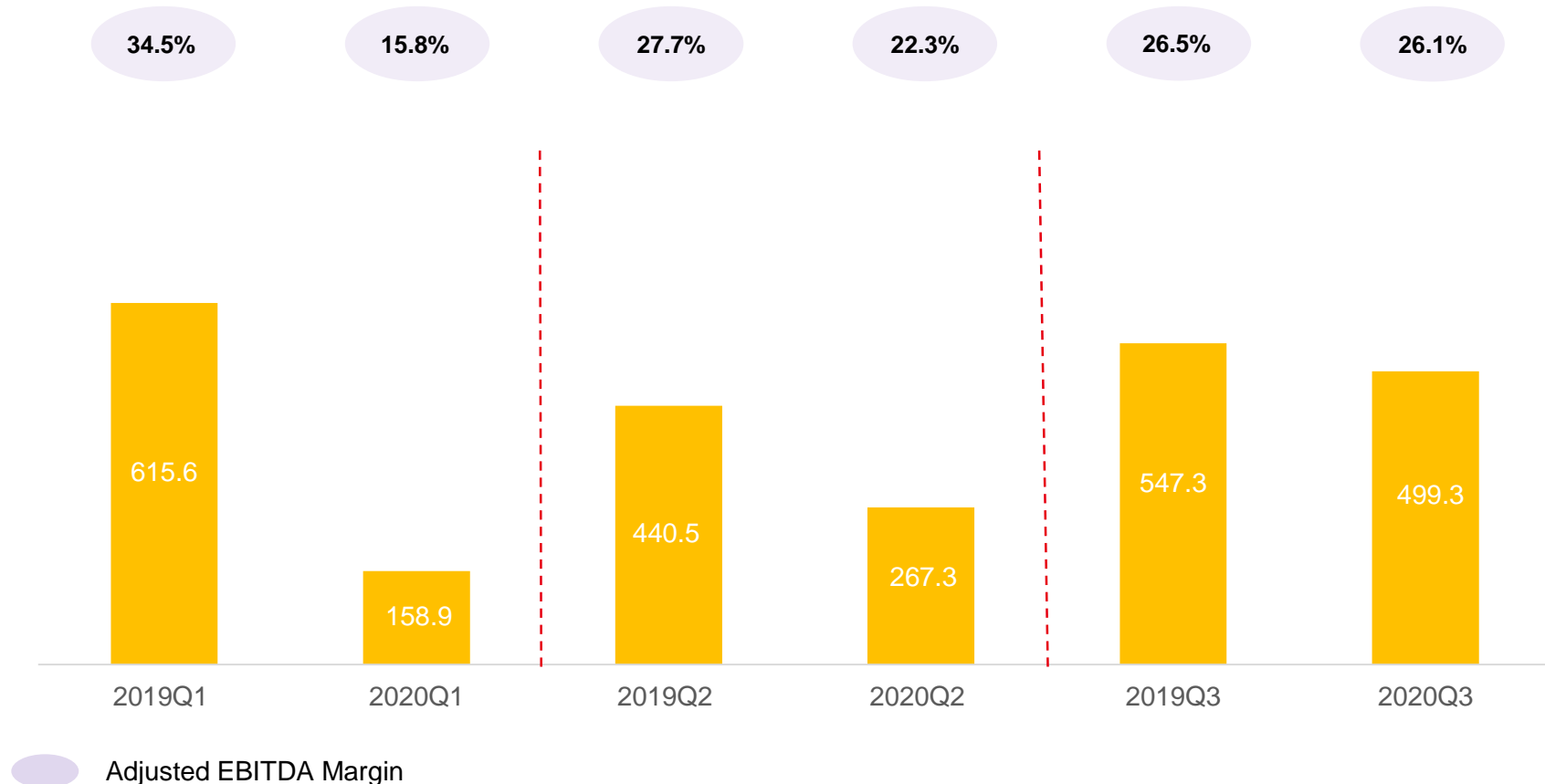
### Notes

1. Excluded the impact of share-based compensation

# Margin Fully Recovered and Maintain Leading Profitability in Q3

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

RMB MM



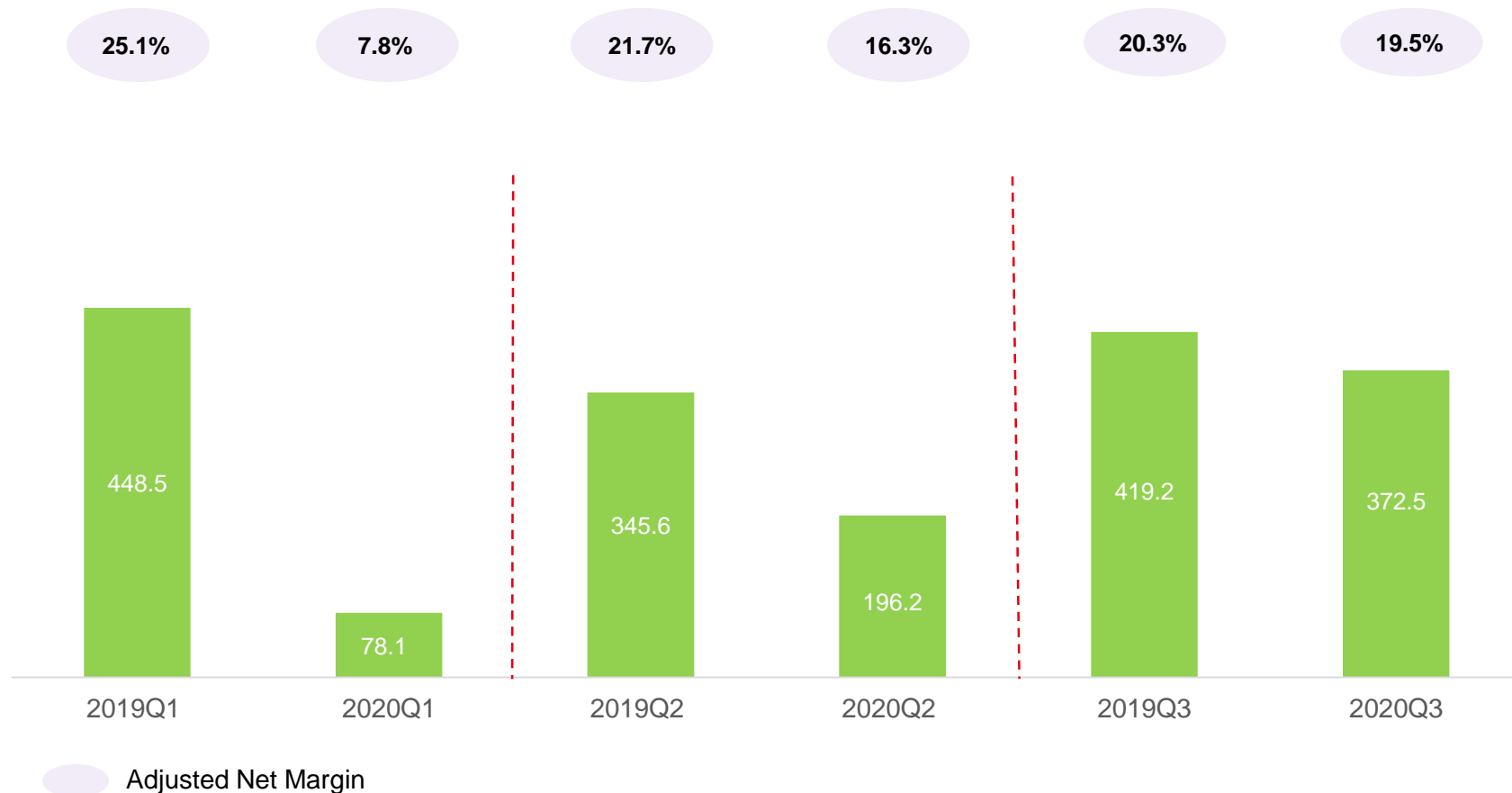
### Notes

1. Calculated as operating profit adding back share-based compensation, amortization of intangible assets, depreciation of property, plant, and equipment, and right-of-use assets

# Margin Fully Recovered and Maintain Leading Profitability in Q3

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

RMB MM

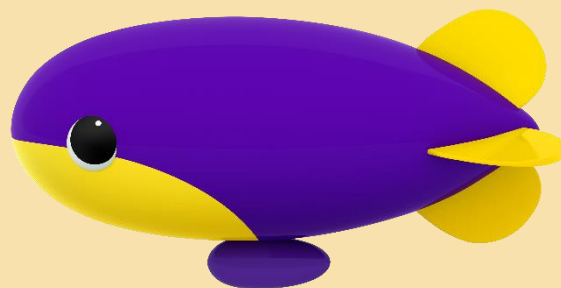


### Notes

1. Calculated as profit for the period adding back share-based compensation, amortization of intangible assets from acquisitions

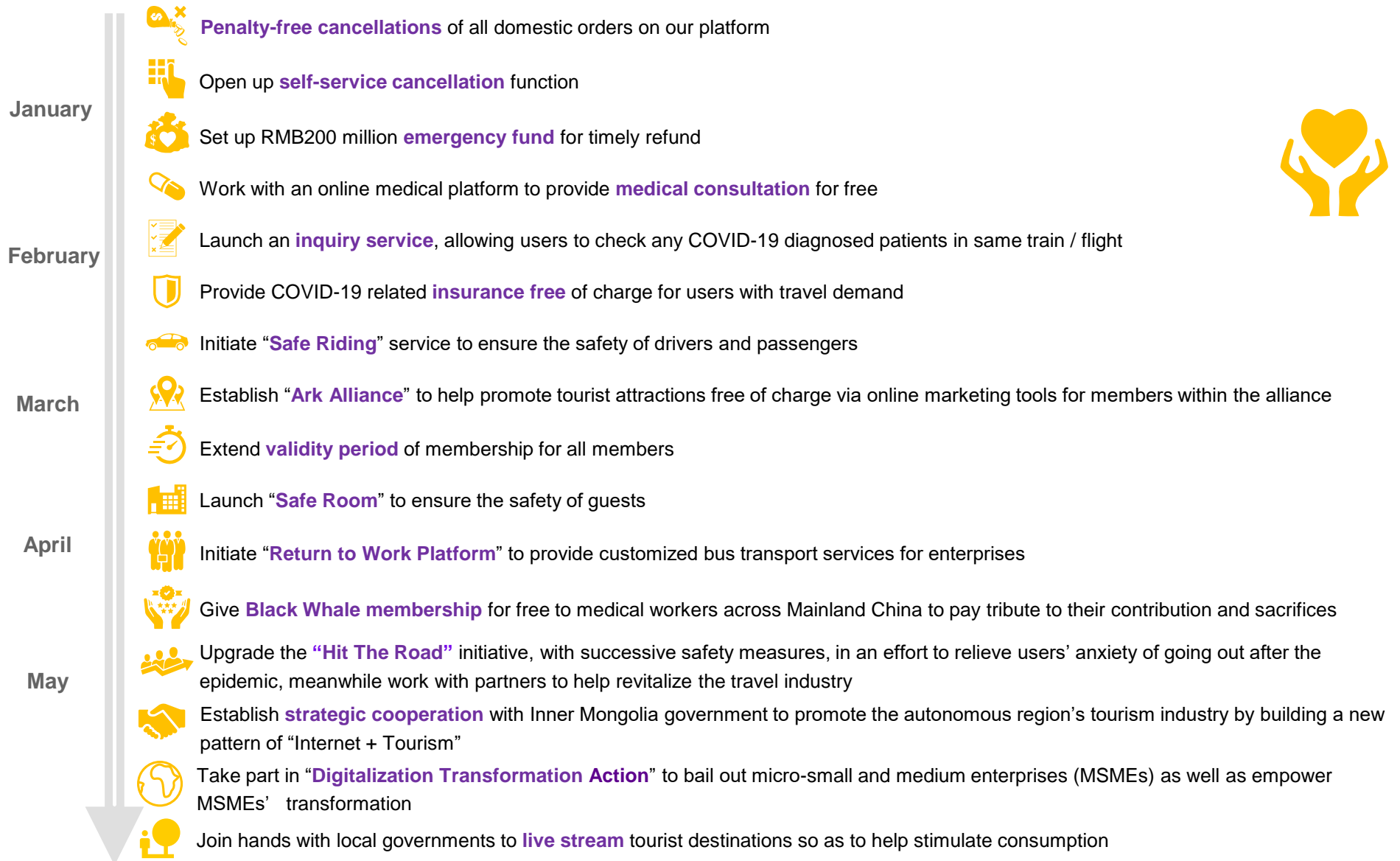


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**Our Mission is to Make Travel**  
**Easier and More Joyful**

# Initiatives to Fight Coronavirus Outbreak



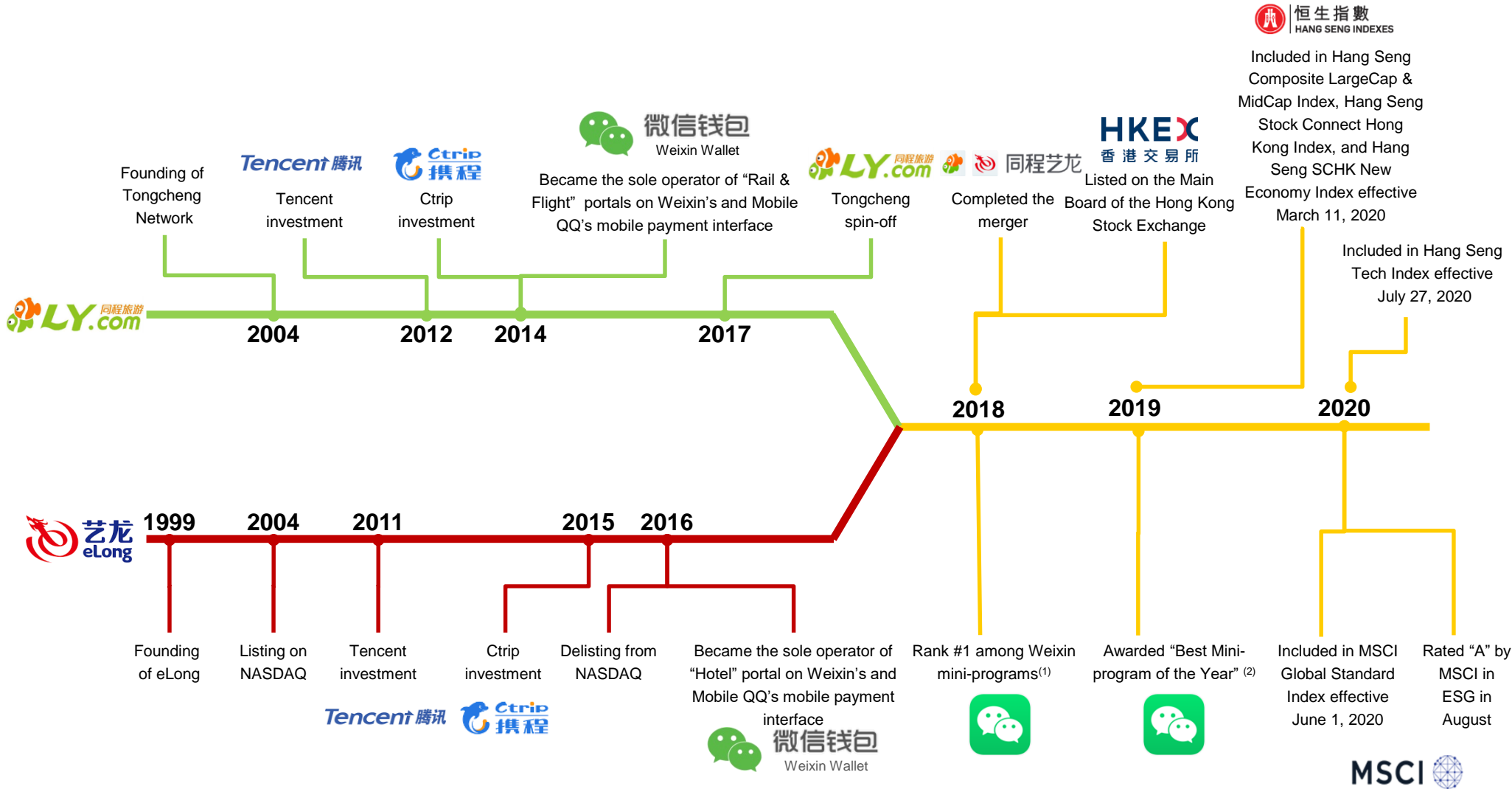


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Appendix

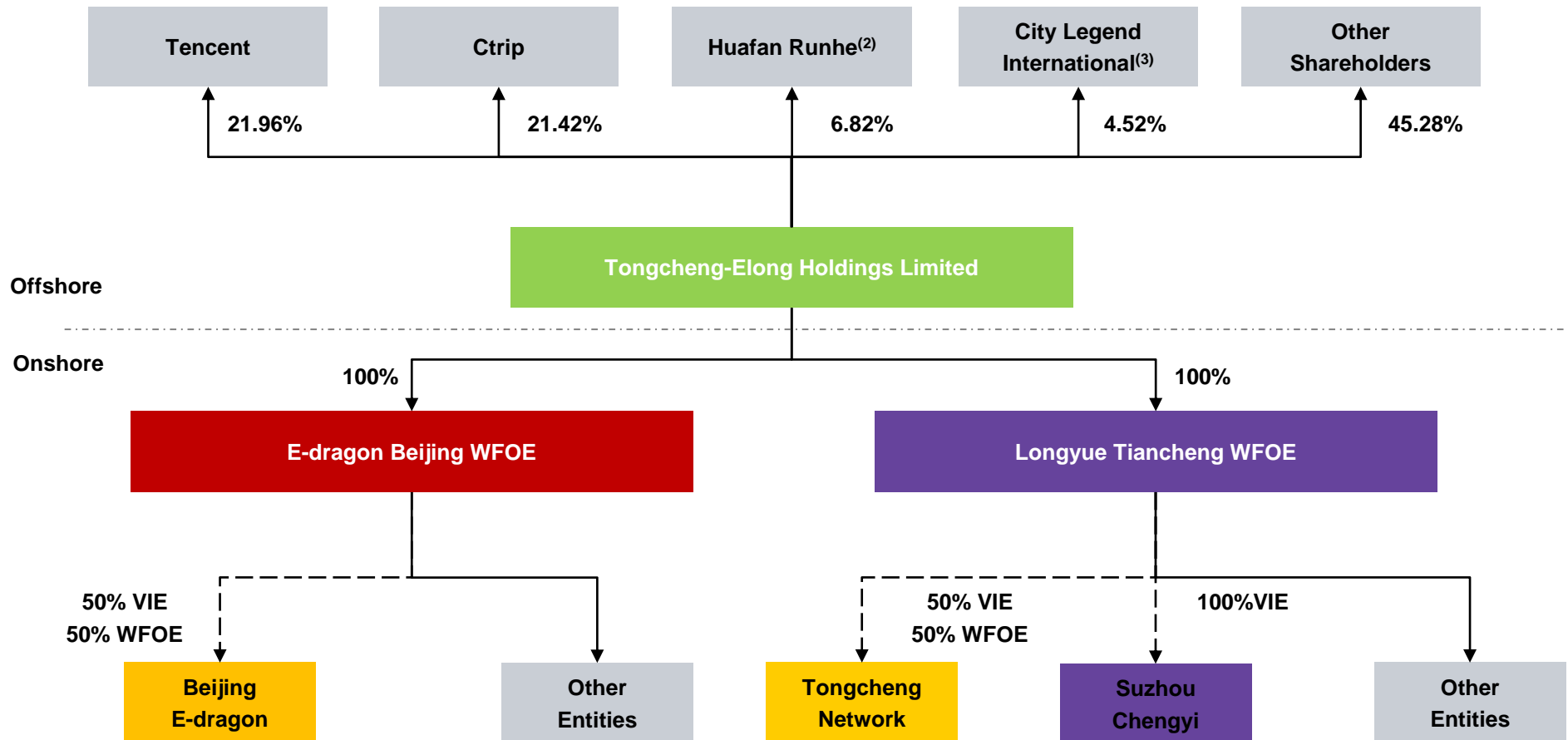
# Corporate Milestones



**Notes**

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

# 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 October 23, 2020 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



# Online Travel Market in China is Rapidly Evolving



Source: iResearch

Notes

1. In terms of user base, according to iResearch