



**Tongcheng Travel Holdings Limited**

**Stock Code: 0780**



# **Investor Presentation**

**August 2022**



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# Agenda

1

**2Q2022 and 1H2022 Review**

2

**Business Highlights and Updates**

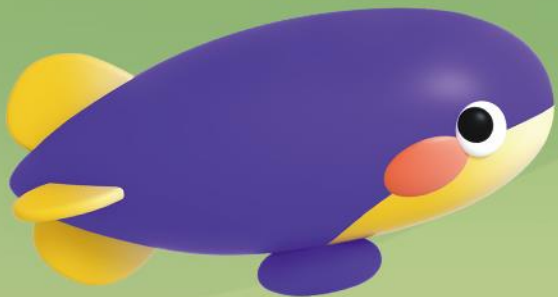
3

**Financial Highlights**



Section 1

## 2Q2022 and 1H2022 Review



# 2Q2022 and 1H2022 Review – Operating Metrics



2Q2022 MAU  
**197.6MM**

**(28.9%)**  
YoY Change



1H2022 MAU  
**221.2MM**

**(13.6%)**  
YoY Change



2Q2022 MPU  
**26.1MM**

**(21.9%)**  
YoY Change



1H2022 MPU  
**28.9MM**

**(4.9%)**  
YoY Change



2Q2022 GMV  
**RMB24.3Bn**

**(44.5%)**  
YoY Change



1H2022 GMV  
**RMB56.7Bn**

**(26.6%)**  
YoY Change



APU<sup>(1)</sup>  
**196.5MM**

**8.0%**  
YoY Change

## Notes

1. Twelve-month period ended June 30, 2022

# 2Q2022 and 1H2022 Review – Financial Metrics



2Q2022 Revenue  
**RMB 1.3Bn**

**(38.3%)**  
YoY Change



1H2022 Revenue  
**RMB 3.0Bn**

**(19.1%)**  
YoY Change



2Q2022 Adjusted EBITDA<sup>(1)</sup>  
**RMB 292.2MM**

**22.2%**  
Margin



1H2022 Adjusted EBITDA<sup>(1)</sup>  
**RMB 730.7MM**

**24.1%**  
Margin



2Q2022 Adjusted Net Profit<sup>(2)</sup>  
**RMB 112.0MM**

**8.5%**  
Margin



1H2022 Adjusted Net Profit<sup>(2)</sup>  
**RMB 357.0MM**

**11.8%**  
Margin

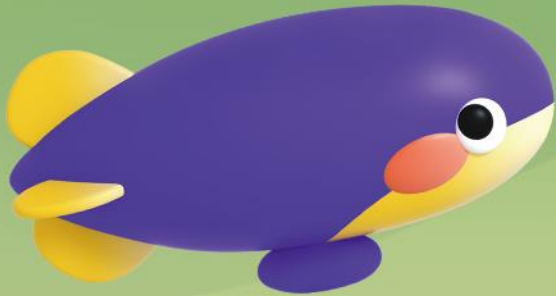
## Notes

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 loss/(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 acquisitions, foreign exchange loss/(gain), net losses/(gains) on investees, and others



Section 2

## Business Highlights and Updates



# Our Business and Strategic Highlights

*User Base*

**Resilient traffic with diversified sources**

*Lower-tier  
Cities*

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

*User  
Experience*

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

*User  
Engagement*

**Improved brand recognition through effective marketing campaigns**

*Data &  
Technology*

**Prominent innovator from OTA to ITA**

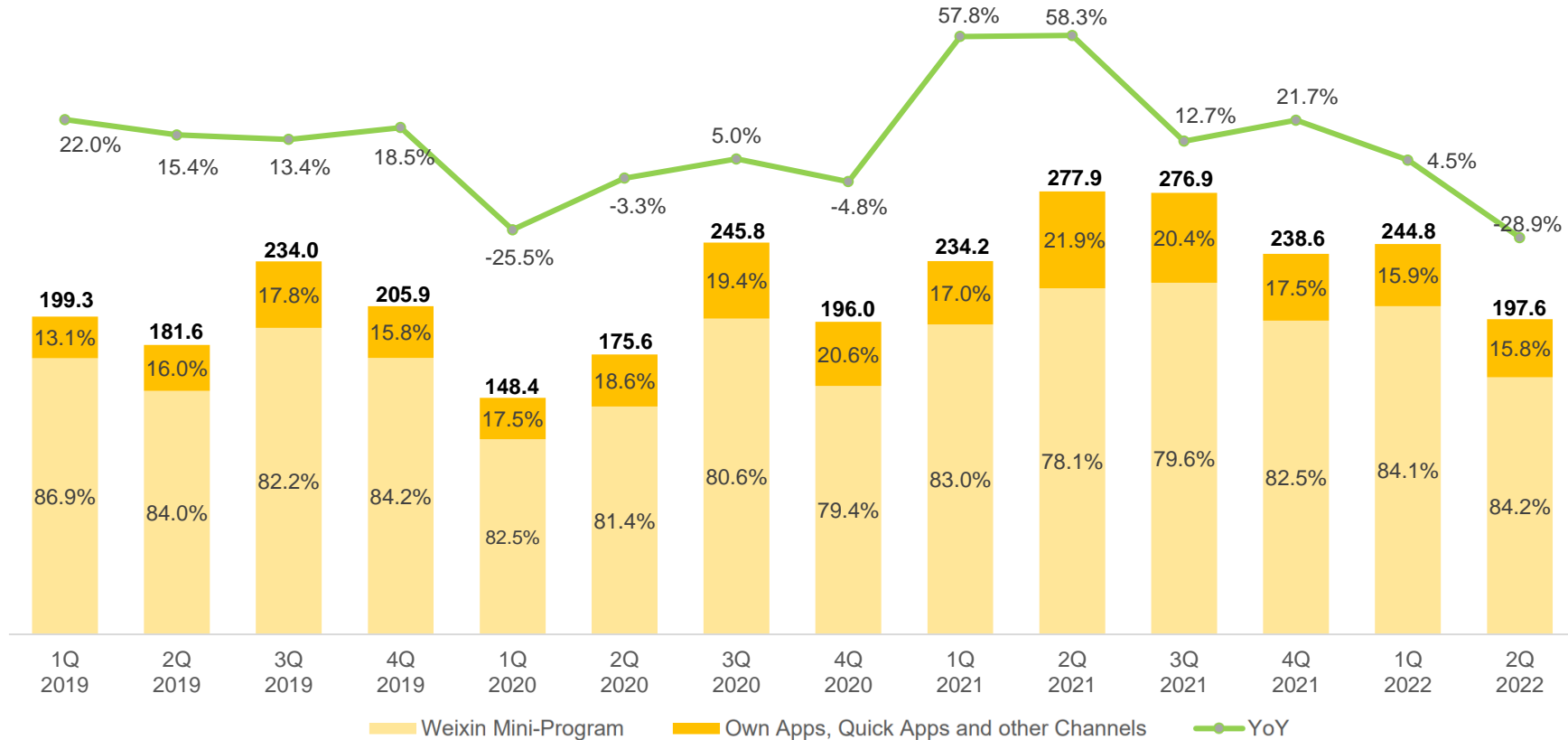


# 1

## Resilient Traffic with Diversified Sources

Average MAUs

MM

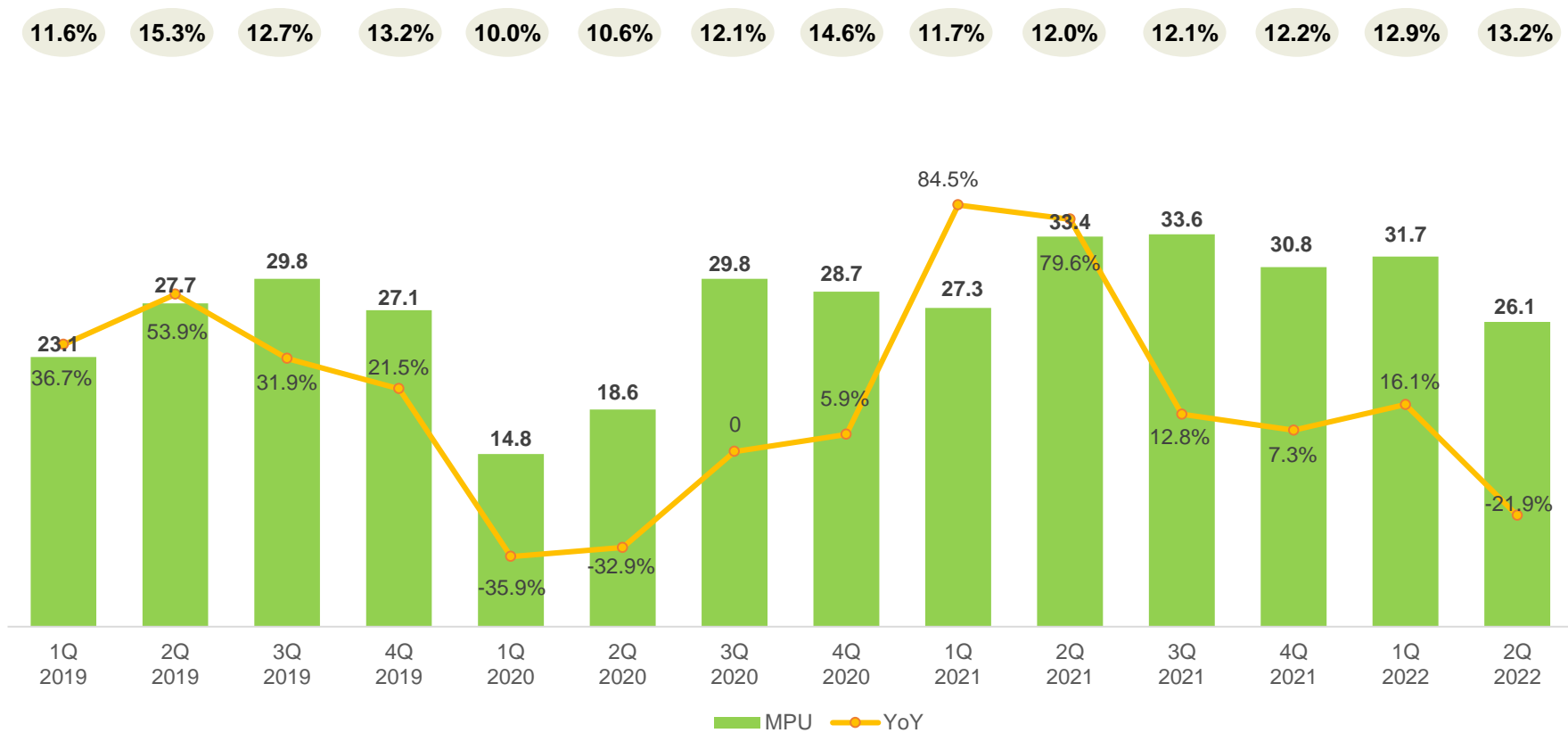


# 1

## Resilient Traffic with Diversified Sources

### Average MPUs

MM

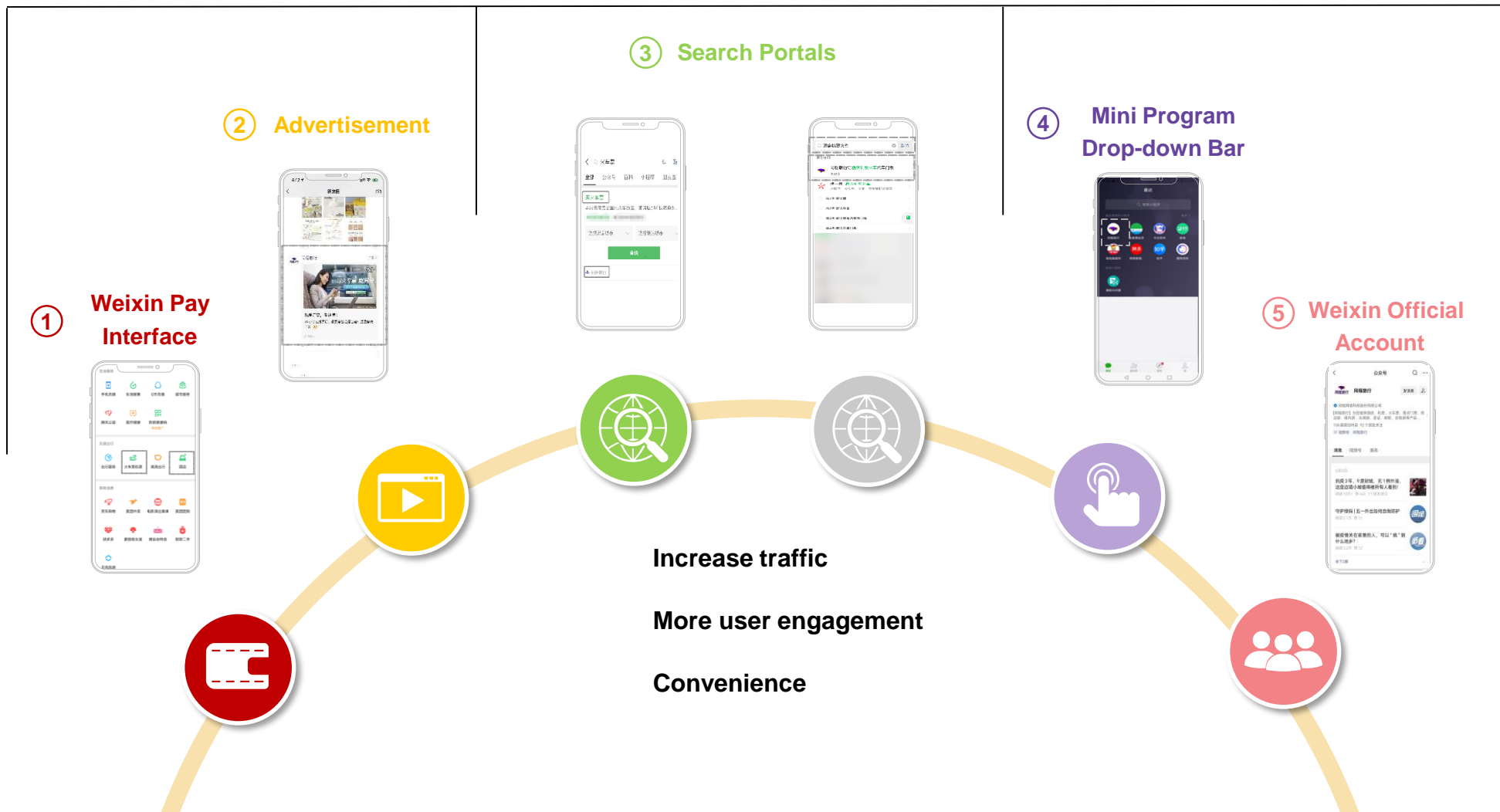


○ Paying ratio<sup>(1)</sup>

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

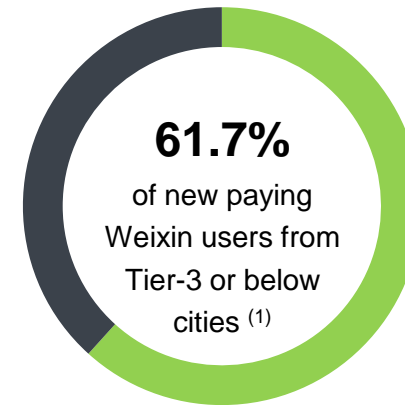
### "Campus Card" Program



Tailor-made benefit packages for students

## Solidified Market Position in Lower-tier Cities

### Attractive Demographic Feature of Our Users



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 June 30, 2022

# 3

## Enhanced User Satisfaction Through One-stop Shop Platform



✓ Capture More Revenue Opportunities

✓ Increase User Engagement and Stickiness

✓ Higher Spending Per User

✓ More Repeat Purchase

# 4 Improved Brand Recognition through Effective Marketing Campaigns

## Online Campaigns

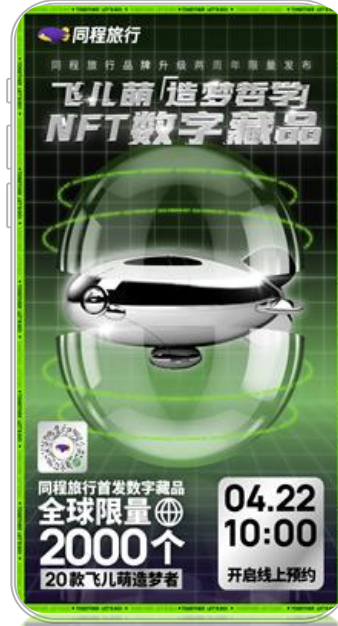


Promotional campaigns for summer travel



Blind box initiatives for car-hailing service

## Branding



NFT Collection of Firmon



Creative short-video contents



Promotions on the Tencent Video Platform



# 5 Prominent Innovator from OTA to ITA

## Intelligent Travel Assistant (ITA)

-  **“Huixing” system** provides users with intelligent transportation product combo booking system
-  **“Technology Solutions”** help airports with well-built big data capability to 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 small hotel chains 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

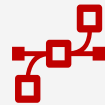
## “Huixing” Smart System



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



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



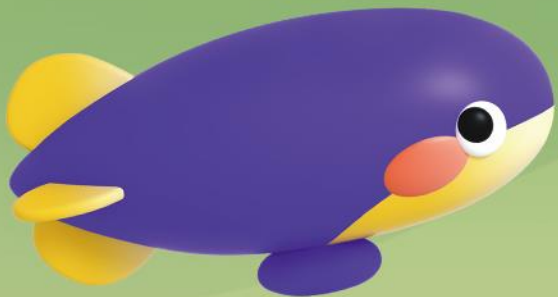
Provide a combination of train tickets that connect different legs of the trip when direct train tickets are unavailable. Users can change seats on the same train during their journey





Section 3

**Financial Highlights**

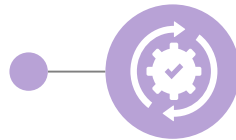


# Our Financial Highlights



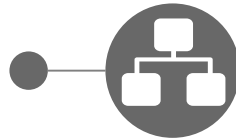
**Consistent Performance with Great Resilience**

**1**



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

**2**



**Balanced Revenue Mix and Flexible Cost Structure**

**3**



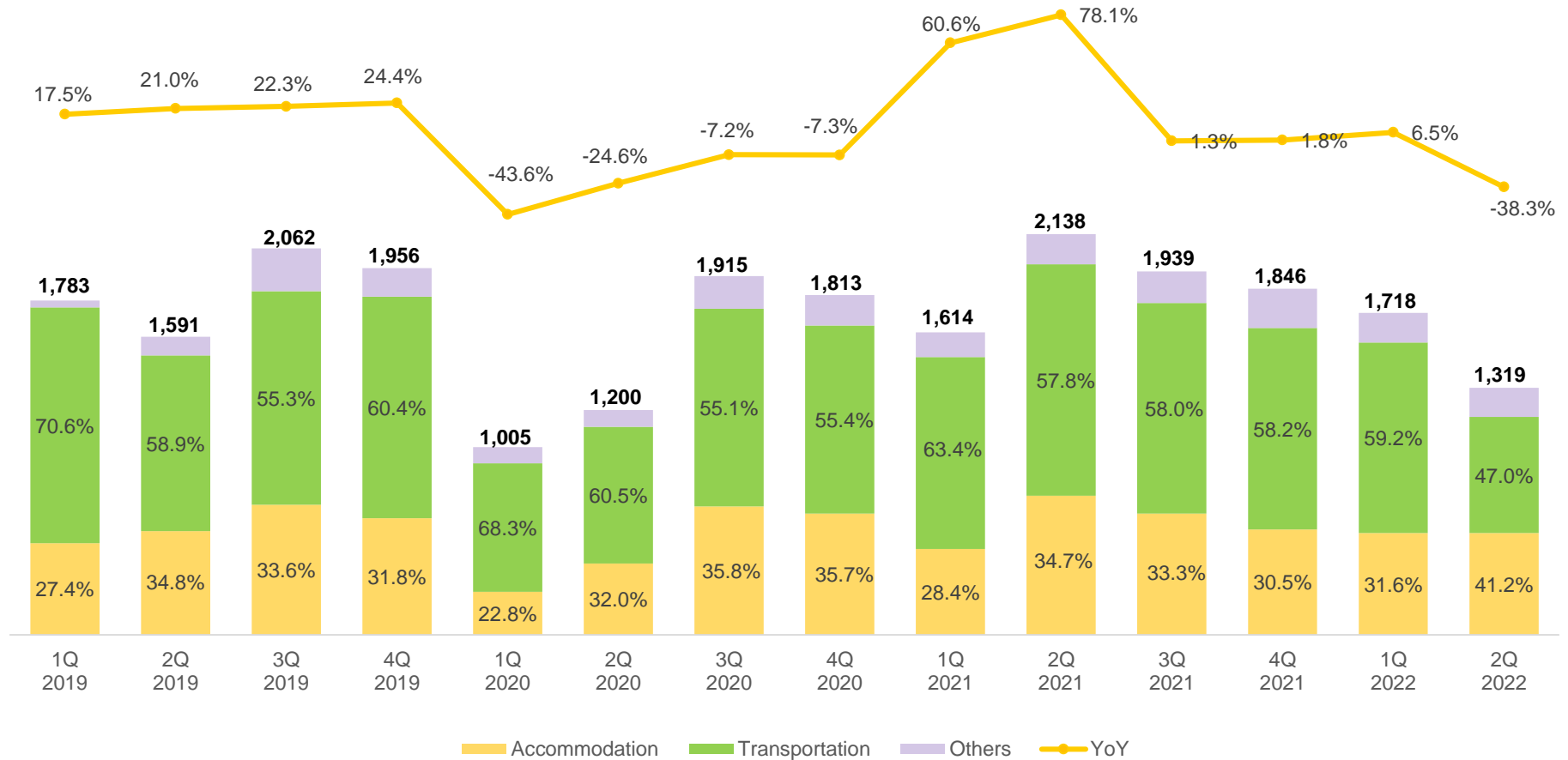
**Decent Profitability and Healthy Financial Position**

**4**

# Consistent Performance with Great Resilience

## Revenue

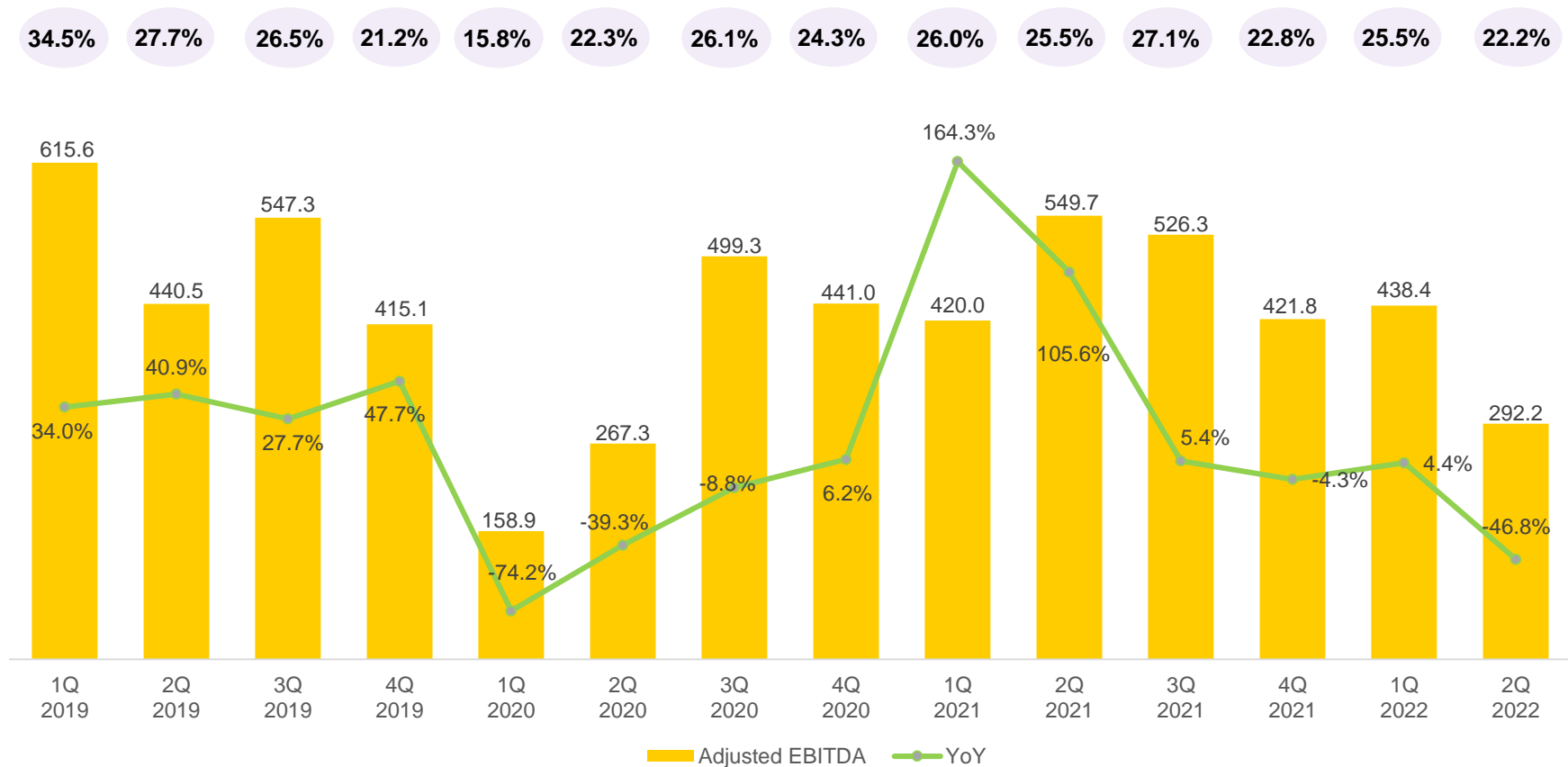
RMB MM



# Decent Profitability and Healthy Financial Position

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

RMB MM



Adjusted EBITDA Margin

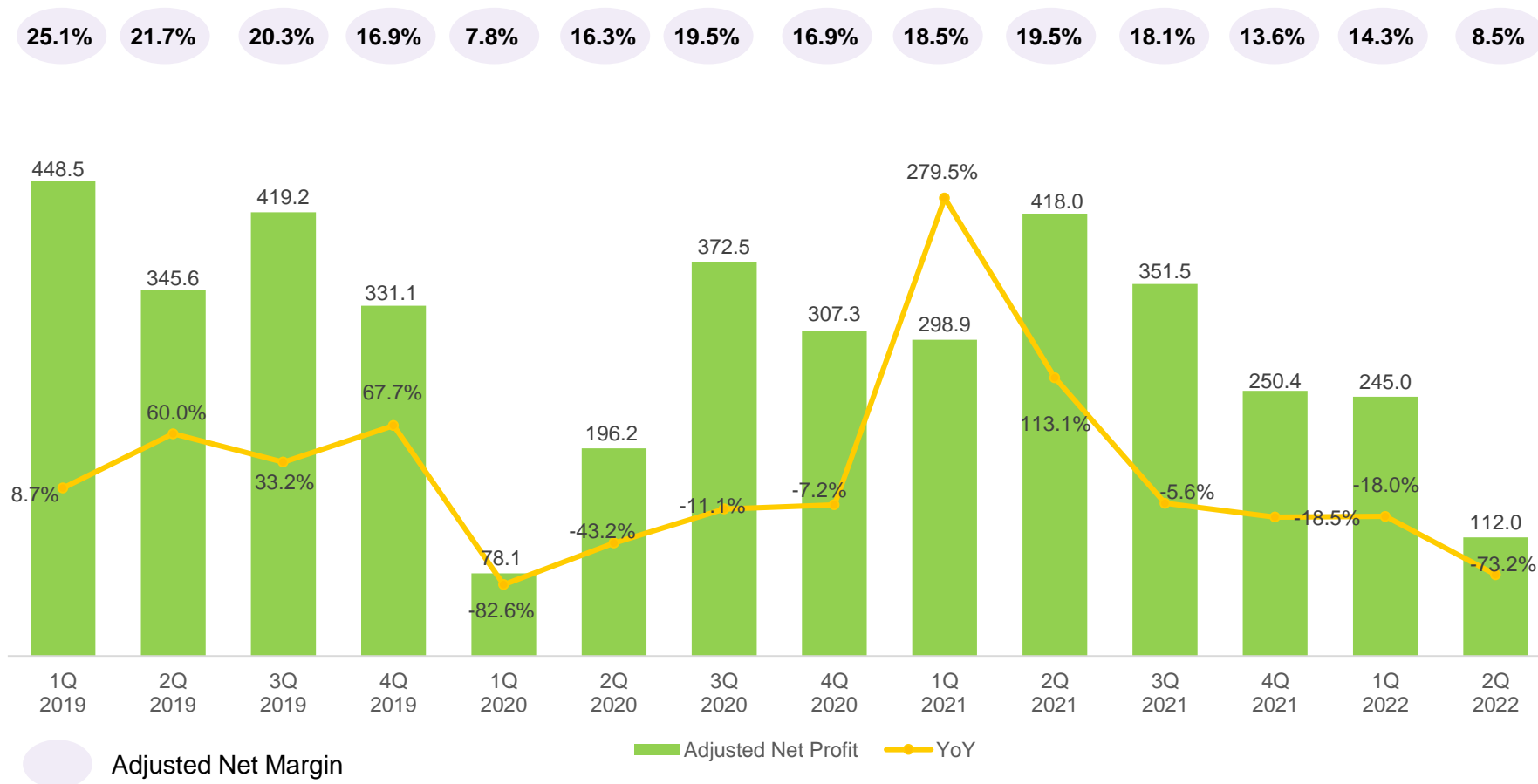
**Notes**

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# Decent Profitability and 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 loss/(gain), net losses/(gains) on investees, and others

# Fulfill Social Responsibilities



## Contributions to the society

- Joined hands with hotels in several cities to provide **outdoor workers with water and shade** to reduce the harm of extreme heat
- Initiated **a relief plan** to provide support to small and medium-sized hotels to help them alleviate pressures amid the uncertain market environment
- Cooperated with local governments in Guangzhou and Bijie to help migrant workers return home safely by providing **end-to-end pickup and drop-off services**
- Cooperated with Tencent and participated in a **charity activity to help to rebuild the village** that was suffered from the previous flooding disaster in Henan Province



## User caring undertakings

- 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



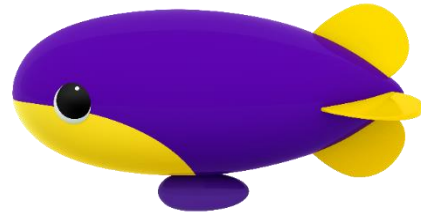
## Various initiatives to fight Coronavirus outbreak

- Provided **penalty-free change or cancellation** for all domestic orders on our platform during COVID outbreak
- Volunteered to utilize our **artificial intelligence automated calling system** to help circulate COVID prevention policy in Suzhou



## ESG practice to achieve sustainable development

- Set up **a board-level ESG committee** and **a corporate-level ESG and Data Security Committee** to seek sustainable development that benefits both the Company and the society
- Established **task forces** under the committee to further improve ESG initiatives and better fulfill corporate social responsibility

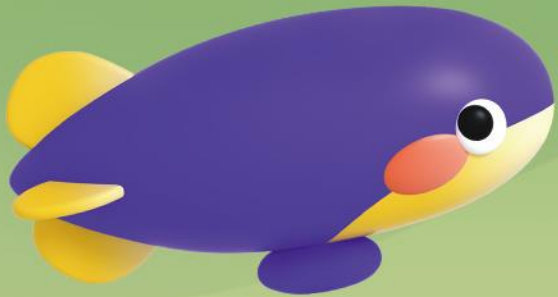


**Our Mission is to Make Travel**  
**Easier and More Joyful**

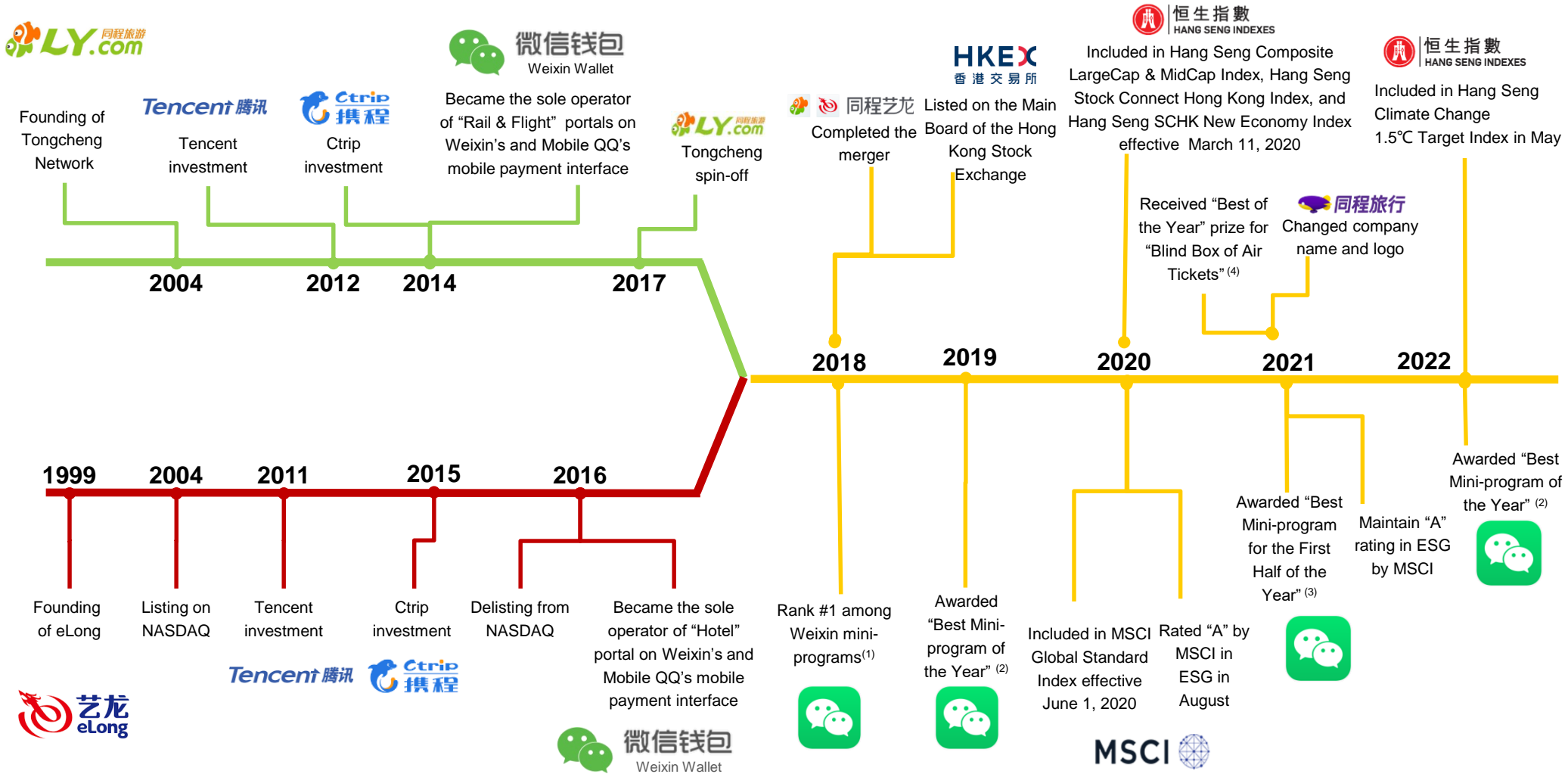




Appendix



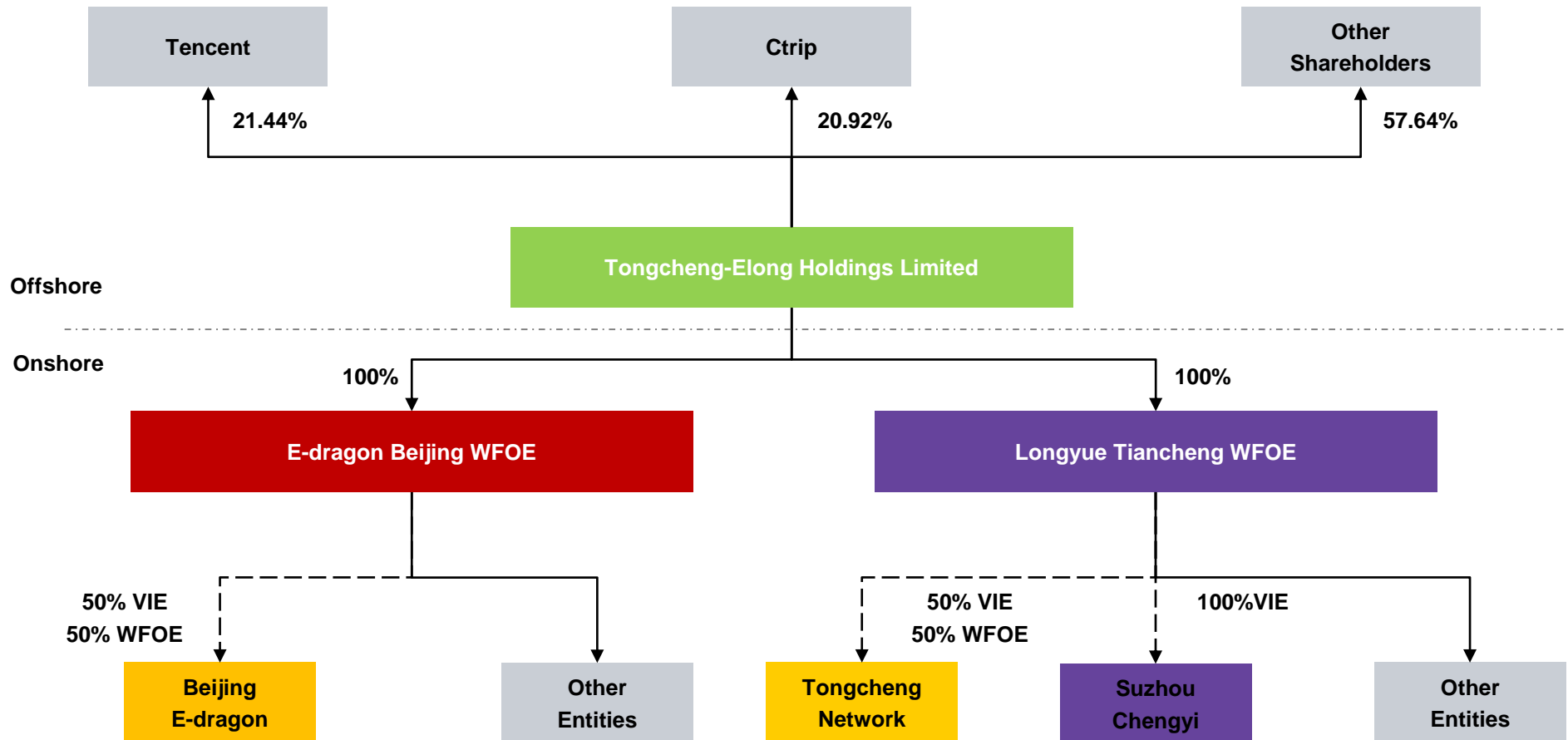
# Corporate Milestones



**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

# 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 June 30, 2022 base on information from Hong Kong Share Registrar