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## **Tongcheng Travel Holdings Limited**

**同程旅行控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0780)**

### **ANNOUNCEMENT OF THE RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2025**

The Board of the Company is pleased to announce the unaudited consolidated results of the Group for the three months ended March 31, 2025, together with comparative figures for the same period of 2024.

#### **FOR THE THREE MONTHS ENDED MARCH 31, 2025**

- Revenue increased by 13.2% year-to-year to RMB4,377.4 million in the first quarter of 2025 from RMB3,866.3 million in the first quarter of 2024.
- Adjusted EBITDA for the period increased by 41.3% year-to-year to RMB1,159.4 million in the first quarter of 2025 from RMB820.2 million in the first quarter of 2024. Adjusted EBITDA margin increased from 21.2% in the first quarter of 2024 to 26.5% in the first quarter of 2025.
- Adjusted net profit for the period increased by 41.1% year-to-year to RMB788.2 million in the first quarter of 2025 from RMB558.5 million in the first quarter of 2024. Adjusted net margin increased from 14.4% in the first quarter of 2024 to 18.0% in the first quarter of 2025.
- Average MPUs increased by 9.2% year-to-year from 42.6 million in the first quarter of 2024 to 46.5 million in the first quarter of 2025.
- APUs for the twelve months ended March 31, 2025 increased by 7.8% year-to-year from 229.3 million to 247.3 million.
- Twelve-month Accumulated Number of Travelers Served ended March 31, 2025 increased by 7.3% year-to-year from 1,826.7 million to 1,959.5 million.

## 1. Key Financial Metrics for the three months ended March 31, 2025

	Unaudited Three months ended March 31,		Year-to-year change
	2025	2024	
	<i>(in RMB'000)</i>		
Revenue	4,377,432	3,866,278	13.2%
Profit before income tax	805,062	452,330	78.0%
Profit for the period	678,501	400,256	69.5%
Adjusted EBITDA for the period	1,159,384	820,228	41.3%
Adjusted net profit for the period	788,168	558,488	41.1%
Revenue growth (year-to-year)	13.2%	49.5%	
Adjusted EBITDA margin	26.5%	21.2%	
Adjusted net margin	18.0%	14.4%	

Note:

Please refer to “Other Financial Information” below for the meaning of “adjusted EBITDA for the period” and “adjusted net profit for the period”.

## 2. Financial Information by Segment

	Unaudited Three months ended March 31,							
	2025				2024			
	(in RMB'000)							
	Core OTA	Tourism	Unallocated items	Total	Core OTA	Tourism	Unallocated items	Total
Accommodation reservation	1,189,642	-	-	1,189,642	964,683	-	-	964,683
Transportation ticketing	2,000,211	-	-	2,000,211	1,736,504	-	-	1,736,504
Others	602,577	585,002	-	1,187,579	502,157	662,934	-	1,165,091
<b>Total revenue</b>	<b>3,792,430</b>	<b>585,002</b>	<b>-</b>	<b>4,377,432</b>	<b>3,203,344</b>	<b>662,934</b>	<b>-</b>	<b>3,866,278</b>
Cost of revenue, operating expenses and unallocated items	(2,685,591)	(559,459)	(315,099)	(3,560,149)	(2,479,141)	(619,020)	(313,092)	(3,411,253)
<b>Operating profit/(loss)</b>	<b>1,106,839</b>	<b>25,543</b>	<b>(315,099)</b>	<b>817,283</b>	<b>724,203</b>	<b>43,914</b>	<b>(313,092)</b>	<b>455,025</b>

Note:

Unallocated items mainly include (i) share-based compensation expenses; (ii) depreciation of property, plant and equipment and right-of-use assets from acquisition; (iii) amortization of intangible assets from acquisition; (iv) fair value changes of financial investments at fair value through profit or loss; (v) other income; (vi) other gains, net; and (vii) certain corporate administrative expenses and other miscellaneous items. They are not allocated to individual segment.

### 3. Operating Metrics for the three months ended March 31, 2025

	Three months ended March 31,		Year-to-year change
	2025	2024	
Number of average MPUs (in million)	<b>46.5</b>	42.6	9.2%
APUs (in million)	<b>247.3</b>	229.3	7.8%
Twelve-month Accumulated Number of Travelers Served (in million)	<b>1,959.5</b>	1,826.7	7.3%

## BUSINESS REVIEW AND OUTLOOK

### *Results Highlights*

In the first quarter of 2025, China's travel market maintained steady growth, fueled by diversified travel demand and experiential travel pursuit. As a leading travel platform in China, we swiftly adapted to market dynamics and implemented effective strategies to meet evolving consumer needs and capture emerging growth opportunities. Thanks to our profound market insight and effective strategic execution, we once again achieved significant growth during the quarter, further strengthening our market position.

During the first quarter of 2025, we continued to deliver solid results. Our total revenue increased by 13.2% year-to-year to RMB4,377.4 million for the three months ended March 31, 2025, mainly attributable to our proactive approach to capture market opportunities. Our adjusted net profit increased by 41.1% to RMB788.2 million for the three months ended March 31, 2025, with adjusted net margin significantly improving to 18.0% year over year, benefitted from sustained revenue growth, optimized marketing strategies and enhanced operational efficiency.

### *Business Strategies and Review*

Through effective user acquisition and user engagement initiatives, we continued to expand our user base and drive improvements in user value. Our APUs for the twelve months ended March 31, 2025 once again recorded a historic high and reached 247.3 million with 7.8% year-to-year growth, while our twelve-month Accumulated Number of Travelers Served increased to 1,959.5 million with 7.3% year-to-year growth. For the first quarter of 2025, our average MPUs also increased by 9.2% year-to-year to 46.5 million, recording a new high. Leveraging efficient traffic acquisition strategies and exceptional operational capabilities, we continued to gain users in the mass market. As of March 31, 2025, over 87% of our registered users resided in non-first tier cities in China. Additionally, over 68% of our new paying users on the Weixin platform were from non-first tier cities in China for the three months ended March 31, 2025.

We not only diversified our traffic sources by exploring the potentials of various channels, but also focused on improving operational efficiency to enhance conversion. Under the stable cooperation with Tencent, Weixin ecosystem continued to serve as a vital traffic source for us. We remained focused on enhancing our operating efficiency within the ecosystem. Meanwhile, our proprietary APP also made notable progress, attracting a significant number of younger users through continuous product refinement and interactive marketing campaigns. During the first quarter of 2025, the DAUs of our standalone APP continued to exhibit strong growth momentum. Furthermore, we have stepped up the distribution of creative content on social media platforms to boost user engagement and user stickiness.

We are committed to improving user value by fostering long-term user loyalty on our platform. We upgraded our loyalty program with a stronger focus on attracting and retaining high-tier members. To improve user satisfaction and loyalty, we offer them a wide range of exclusive benefits, including free pick-up service, free cancellation, as well as access to VIP lounges and medical assistance. In addition, our members enjoy reciprocal memberships of several hotel groups, which further enriches users' experience. Meanwhile, our Black Whale membership program continued to explore travel scenarios at multi-fronts, including short-haul travel and seasonal outings, which led to the further expansion of the cumulative number of Black Whale members in the first quarter of 2025. Additionally, we launched a series of impactful and innovative marketing campaigns to strengthen engagement with the younger generation and enhance overall brand awareness among our targeted users.

As a one-stop shop travel platform, we provide users with a comprehensive array of travel-related products and services, and are committed to expanding our offerings to better meet the diverse needs of our users. As of March 31, 2025, our online platforms offered around 450,000 routes operated by more than 760 airlines and agencies, approximately 4.0 million hotel selections and alternative accommodation options, over 170,000 bus routes, over 800 ferry routes, and over 10,000 tourist attraction ticketing services.

During the first quarter of 2025, we registered solid growth for our core OTA business. For the three months ended March 31, 2025, our revenue from transportation ticketing services increased by 15.2% year-to-year from RMB1,736.5 million to RMB2,002.2 million, driven by ongoing enrichment of our value-added product and service offerings, as well as a stronger focus on the ROI of our marketing investments. Thanks to the effective execution of international expansion strategy and optimized efficiency of the user subsidies, our international air ticketing volume increased by more than 40% year-to-year. As for the train ticketing business, we remained concentrated on enhancing user experience by leveraging our algorithm-driven Huixing system, in an effort to better meet user demand. As such, we saw continuous improvement in monetization capability and healthy revenue growth in train ticketing business.

Our accommodation business also delivered impressive results in business volume and revenue. For the three months ended March 31, 2025, our revenue from the accommodation business increased by 23.3% year-to-year from RMB964.7 million to RMB1,189.6 million. On one hand, we continued to implement our cross-selling strategies by utilizing the vast traffic from the transportation business. On the other hand, we closely monitored evolving user demands and actively explored emerging accommodation reservation scenarios to capture new growth opportunities, such as entertainment and sport events. In addition, we further deepened cooperation with international hotel suppliers and expanded the coverage of our product and service offerings, aiming to strengthen price competitiveness as well as user engagement. Therefore, our international hotel room nights maintained strong growth momentum in the first quarter of 2025, with a year-over-year growth rate exceeding 50%.

Our other businesses once again demonstrated solid performance. For the three months ended March 31, 2025, our revenue from the other business achieved RMB602.6 million with a 20.0% year-to-year growth, driven by strong performance in the hotel management business and PMS business. As an essential part of our strategic expansion along the travel industry, our asset-light hotel management business maintained its geological expansion across China and further solidified its market position over the quarter. By the end of March 2025, the number of hotels in operation under the hotel management business platform of the Group has risen to over 2,500, with more than 1,400 in pipeline. On April 17, 2025, we announced the proposed acquisition of the acquire 100% equity in Wanda Hotel Management, a company that operates under an asset-light business model and specializes in the management of mid-to-high end hotels as well as hotel design and construction consultancy services. Upon the completion of the acquisition, we anticipate that the strategic integration of Wanda Hotel Management will substantially enhance our brand matrix, bringing valuable talents and expertise in operation of high end hotels. This will subsequently improve the profitability of our hotel management business and further strengthen our market presence and influence in China's hotel management sector.

In the first quarter of 2025, our revenue from tourism business achieved RMB585.0 million with a 11.8% year-to-year decline, caused by safety concerns about the Southeast Asian regions. We are committed to improving the operational efficiency of our tourism business and exploring demand across various scenarios.

We are dedicated to empowering industry partners and delivering exceptional experiences to our users with our profound internet expertise and advanced technologies. In the first quarter of 2025, we initiated a strategic collaboration with China United Airlines Co., Ltd. This partnership aims to fully leverage our advantages in membership marketing, technology and customer service to conduct joint marketing campaigns across online and offline channels. Additionally, we entered into a strategic cooperation with Wuhan Tianhe International Airport. By leveraging our big data capabilities, we will help the airport optimize its flight planning as well as enhancing its brand awareness. Besides, we will also deepen collaborations in areas such as marketing, connecting flights and membership programs.

As a technology-driven company, we strategically integrate emerging technologies to deliver seamless and comfortable travel experiences for our users. In late March 2025, we upgraded our proprietary tourism-specific large language model Chengxin and launched an AI agent DeepTrip, which integrates the reasoning capabilities of DeepSeek and the supply chain advantages of our OTA platform. DeepTrip can not only assist users in planning complex travel itineraries but also enables direct access to booking services on our platform, creating a seamless transaction loop. Moving forward, we aim to integrate DeepTrip into various booking scenarios to further increase the effectiveness of our cross-sale strategy. Besides, we have equipped our employees with a series of generative AI tools to further enhance internal efficiency. For coding tasks, generative AI has greatly reduced our workload. In customer service, we have utilized the reasoning capabilities of generative AI to address user requests more effectively and efficiently. Currently, generative AI handles a meaningful portion of online inquiries related to accommodation reservation, and will be applied to more scenarios in the coming quarters.

As a socially responsible enterprise, we are fully committed to implementing global best practices in ESG and have made significant progress in improving our ESG performance over the past years. We have been included in S&P Global's Sustainability Yearbook (China) for the third consecutive year, and have been awarded Industry Mover for our ESG achievements, demonstrating our successful integration of sustainability principles into all aspects of corporate operations. Looking ahead, we will advance our ESG practices benchmarking international standards unwaveringly, continue to promote sustainable development in the travel industry, and strive to create greater value for society and our stakeholders.

### *Business Outlook*

Since the beginning of 2025, China's domestic travel market has maintained its upward trajectory. As we enter the second quarter, we have observed that travel demands continue to surge, bringing enduring vitality into the travel industry.

We maintain an optimistic outlook on the growth of China's travel industry in 2025. The Chinese government has consistently regarded tourism as a key engine for national economic growth and has implemented supportive policies to facilitate the healthy growth of the industry. Additionally, consumer demands continue to diversify as travelers actively seek new destinations and experiences, demonstrating the untapped potential within China's travel market. With the steady resumption of international flight capacity, continuous simplification of visa policies, and robust demand for outbound travel, we remain confident in the growth prospects of the outbound travel market this year.

Looking ahead, we will continue to strengthen our core competitiveness and actively seize new market opportunities to achieve sustainable growth. For our core OTA business, while expanding our user base, we will prioritize enhancing user value by enriching our product offerings, improving user experience and enhancing user loyalty. Simultaneously, we will continue to advance our outbound travel business to bolster our global footprint. Furthermore, we will continuously develop our hotel management business to further strengthen our presence across the industry chain. Moreover, we will pursue strategic investment opportunities aligned with our long-term objectives to fuel future growth. Finally, we will place emphasis on corporate governance, environmental protection, and social responsibility in our operations to generate sustainable value for all stakeholders.



## MANAGEMENT DISCUSSION AND ANALYSIS

### First Quarter of 2025 compared to First Quarter of 2024

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Revenue	<b>4,377,432</b>	3,866,278
Cost of revenue	<b>(1,364,955)</b>	(1,351,484)
<b>Gross profit</b>	<b>3,012,477</b>	2,514,794
Service development expenses	<b>(495,120)</b>	(486,775)
Selling and marketing expenses	<b>(1,453,540)</b>	(1,368,203)
Administrative expenses	<b>(307,438)</b>	(265,303)
Net (provision for)/reversal of impairment loss on financial assets	<b>(8,844)</b>	6,431
Fair value changes on investments measured at fair value through profit or loss	<b>20,833</b>	39,174
Other income	<b>17,896</b>	14,344
Other gains – net	<b>31,019</b>	563
<b>Operating profit</b>	<b>817,283</b>	455,025
Finance income	<b>49,051</b>	47,775
Finance costs	<b>(73,758)</b>	(56,341)
Share of results of associates	<b>12,486</b>	5,871
<b>Profit before income tax</b>	<b>805,062</b>	452,330
Income tax expense	<b>(126,561)</b>	(52,074)
<b>Profit for the period</b>	<b>678,501</b>	400,256
<b>Profit attributable to:</b>		
Equity holders of the Company	<b>668,922</b>	396,634
Non-controlling interests	<b>9,579</b>	3,622
	<b>678,501</b>	400,256
Adjusted net profit for the period <sup>(a)</sup>	<b>788,168</b>	558,488

Note:

- (a) Please see “Other Financial Information – Non-IFRS Financial Measures” below for more information about “adjusted net profit for the period”.



## Revenue

Our revenue was generated from (i) the core OTA business, which mainly encompasses online accommodation reservations and transportation ticketing services; and (ii) the tourism business, which mainly includes offline travel agency operations. These two segments collectively represent the core sources of our financial performance.

	Unaudited		Year-to-year change
	Three months ended March 31, 2025 RMB'000	2024 RMB'000	
<b>Core OTA</b>			
Accommodation reservation services	1,189,642	964,683	23.3%
Transportation ticketing services	2,000,211	1,736,504	15.2%
Others	602,577	502,157	20.0%
	3,792,430	3,203,344	18.4%
<b>Tourism</b>	585,002	662,934	(11.8)%
<b>Total revenue</b>	<b>4,377,432</b>	<b>3,866,278</b>	<b>13.2%</b>

The total revenue increased by 13.2% from RMB3,866.3 million for the three months ended March 31, 2024 to RMB4,377.4 million for the three months ended March 31, 2025.

### Core OTA

The core OTA revenue was generated primarily from accommodation reservation services and transportation ticketing services, and was increased by 18.4% from RMB3,203.3 million for the three months ended March 31, 2024 to RMB3,792.4 million for the three months ended March 31, 2025.

Revenue from accommodation reservation services increased by 23.3% from RMB964.7 million for the three months ended March 31, 2024 to RMB1,189.6 million for the three months ended March 31, 2025. It was mainly due to the increased demand of accommodation reservation services.

Revenue from transportation ticketing services increased by 15.2% from RMB1,736.5 million for three months ended March 31, 2024 to RMB2,000.2 million for three months ended March 31, 2025. The increase was mainly due to the increase in demand in transportation ticketing services and ongoing enrichment of value-added products and services.

Revenue from others increased by 20.0% from RMB502.2 million for the three months ended March 31, 2024 to RMB602.6 million for three months ended March 31, 2025, which was mainly due to the increase in revenue from (i) hotel management services; (ii) advertising services; (iii) attraction ticketing services; (iv) ancillary value-added user services; and (v) corporate travel services.

## *Tourism*

Revenue from tourism decreased by 11.8% from RMB662.9 million for the three months ended March 31, 2024 to RMB585.0 million for the three months ended March 31, 2025. The decrease was mainly due to less revenue from outbound tours to Southeast Asian regions arising from safety concerns.

### ***Cost of revenue, operating expenses and unallocated items***

The following table sets forth a breakdown of our cost of revenue, operating expenses and unallocated items for the periods indicated:

	<b>Unaudited</b>			
	<b>Three months ended March 31,</b>			
	<b>2025</b>		<b>2024</b>	
	<b>RMB'000</b>		<b>RMB'000</b>	
Cost of revenue	<b>1,364,955</b>	<b>38.4%</b>	1,351,484	39.6%
Service development expenses	<b>495,120</b>	<b>13.9%</b>	486,775	14.3%
Selling and marketing expenses	<b>1,453,540</b>	<b>40.8%</b>	1,368,203	40.1%
Administrative expenses	<b>307,438</b>	<b>8.6%</b>	265,303	7.8%
Net provision for/(reversal of) impairment loss on financial assets	<b>8,844</b>	<b>0.3%</b>	(6,431)	(0.2)%
Fair value changes on investments measured at fair value through profit or loss	<b>(20,833)</b>	<b>(0.6)%</b>	(39,174)	(1.1)%
Other income	<b>(17,896)</b>	<b>(0.5)%</b>	(14,344)	(0.5)%
Other gains – net	<b>(31,019)</b>	<b>(0.9)%</b>	(563)	(0.0)%
<b>Total cost of revenue, operating expenses and unallocated items</b>	<b><u>3,560,149</u></b>	<b><u>100.0%</u></b>	<b><u>3,411,253</u></b>	<b><u>100.0%</u></b>

### *Cost of revenue*

Cost of revenue increased by 1.0% from RMB1,351.5 million for the three months ended March 31, 2024 to RMB1,365.0 million for the three months ended March 31, 2025. The increase was mainly due to (i) an increase in procurement cost resulting from increased cost of ancillary value-added user services; and (ii) an increase in employee benefit expense as the number of our services and TSP services employees was increased. It was partially offset by the decreases in (i) cost of travel products of tourism services; and (ii) order processing cost. Excluding share-based compensation charges, cost of revenue accounted for 31.1% of revenue for the three months ended March 31, 2025, which decreased from 34.8% for the same period of 2024.

### *Service development expenses*

Service development expenses increased by 1.7% from RMB486.8 million for the three months ended March 31, 2024 to RMB495.1 million for the three months ended March 31, 2025. The increase was mainly due to (i) increase in employee benefit expenses; and (ii) partially offset by the decrease in amortization expense of intangible assets. Excluding share-based compensation charges, service development expenses accounted for 11.0% of revenue for the three months ended March 31, 2025 compared with 11.9% for the same period of 2024.

### *Selling and marketing expenses*

Selling and marketing expenses increased by 6.2% from RMB1,368.2 million for the three months ended March 31, 2024 to RMB1,453.5 million for the three months ended March 31, 2025, which was mainly due to (i) the increase in advertising and promotion expenses; (ii) the increase in commission expenses; and (iii) the increase in amortization expenses of intangible assets. Excluding share-based compensation charges, selling and marketing expenses accounted for 33.0% of revenue for the three months ended March 31, 2025 compared with 35.0% for the same period of 2024.

### *Administrative expenses*

Administrative expenses increased by 15.9% from RMB265.3 million for the three months ended March 31, 2024 to RMB307.4 million for the three months ended March 31, 2025, which was mainly due to the increased employee benefit resulting from the increased number of administrative employees. Excluding share-based compensation charges, administrative expenses accounted for 5.8% of revenue for the three months ended March 31, 2025, compared with 5.1% for the three months ended March 31, 2024.

### *Net (provision for)/reversal of impairment loss on financial assets*

We recorded net provision for impairment loss on financial assets of RMB8.8 million for the three months ended March 31, 2025 and net reversal of impairment loss of RMB6.4 million for the three months ended March 31, 2024, which was mainly due to the increase of expected credit loss of trade and other receivables.

*Fair value changes on investments measured at fair value through profit or loss*

We recorded fair value gain on investments measured at fair value through profit or loss of RMB20.8 million for the three months ended March 31, 2025 along with the fair value gains on investments in certain public companies and wealth management products.

*Other income*

Other income increased by 24.8% from RMB14.3 million for the three months ended March 31, 2024 to RMB17.9 million for the three months ended March 31, 2025. The increase was primarily due to increase in government subsidies received.

*Other gains – net*

We recorded other gains of RMB31.0 million for the three months ended March 31, 2025 and RMB0.6 million for the three months ended March 31, 2024, respectively. The increase was mainly due to the net foreign exchange gains recognized in the first quarter of 2025 while a net foreign exchange loss was recognized in the same period in 2024.

*Income tax expense*

We recorded income tax expense of RMB126.6 million and RMB52.1 million for the three months ended March 31, 2025 and 2024, respectively. The increase was primarily due to the increase in taxable profit for the three months ended March 31, 2025.

*Profit attributable to equity holders of the Company*

As a result of the foregoing, profit attributable to equity holders of the Company increased to RMB668.9 million for the three months ended March 31, 2025 from RMB396.6 million for the three months ended March 31, 2024.

## **OTHER FINANCIAL INFORMATION**

### **Non-IFRS Financial Measures**

To supplement our consolidated results, which are presented in accordance with IFRS, we also use certain non-IFRS measures, namely adjusted EBITDA for the period and adjusted net profit for the period, as additional financial metrics. These non-IFRS financial measures are not required by or presented in accordance with IFRS.

Adjusted EBITDA for the period is defined as operating profit adjusted for (i) share-based compensation; (ii) amortization of intangible assets; (iii) depreciation of property, plant and equipment and right-of-use assets; (iv) foreign exchange (gains)/losses; (v) net gains on investees; and (vi) others, including acquisition-related cost and fair value change on derivatives. Adjusted net profit for the period is defined as profit for the period adjusted for (i) share-based compensation; (ii) the amortization of intangible assets from acquisition; (iii) foreign exchange (gains)/losses; (iv) net gains on investees; and (v) others, including acquisition-related cost and fair value change on derivatives and the depreciation of acquired property, plant and equipment and right-of-use assets in relation to business combination.

The above items are excluded from our adjusted EBITDA for the period and adjusted net profit for the period measures because these items are either non-cash in nature, or are not driven by core operations which render comparisons with prior periods and competitors less meaningful. We believe the adjusted EBITDA for the period and adjusted net profit for the period are useful measures for the analysts and investors as basis for evaluation of our future on-going operating performance as these measures allow more meaningful comparison of our performance and projected cash earnings with our historical results from prior periods and to the results of our competitors. Moreover, management uses these measures internally to evaluate the performance of our business as a whole. However, our presentation of such non-IFRS measures may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

**a. Reconciliation of adjusted EBITDA for the period from operating profit for the period**

The following table reconciles adjusted EBITDA for the period from operating profit for the period, its most directly comparable financial measure calculated and presented in accordance with IFRS for the three months ended March 31, 2025 and 2024:

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Operating profit for the period</b>	<b>817,283</b>	<b>455,025</b>
Add/(less):		
Share-based compensation, gross <sup>(a)</sup>	<b>75,179</b>	114,214
Amortization of intangible assets	<b>194,828</b>	176,678
Depreciation of property, plant and equipment, and right-of-use assets	<b>90,748</b>	81,491
Foreign exchange (gains)/losses <sup>(b)</sup>	<b>(7,715)</b>	17,673
Net gains on investees <sup>(c)</sup>	<b>(5,973)</b>	(23,044)
Others	<b>(4,966)</b>	(1,809)
<b>Adjusted EBITDA for the period</b>	<b><u>1,159,384</u></b>	<b><u>820,228</u></b>

Notes:

- (a) Represents expense related to equity-settled share-based payment transactions. This is a non-cash item and the value is determined by valuation techniques involving a few parameters out of the management's control such as macro economy index and retention rate of grantees.
- (b) Represents foreign exchange (gains)/losses which is a non-cash item, the result of macro-economic factors and can vary significantly from one period to the next.
- (c) Includes dividend income, fair value changes on equity investments, and gains on disposal of investees or subsidiaries.

**b. Reconciliation of adjusted net profit for the period from profit for the period**

The following table reconciles our adjusted net profit for the period from profit for the period, its most directly comparable financial measure calculated and presented in accordance with IFRS, for the three months ended March 31, 2025 and 2024:

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Profit for the period</b>	<b>678,501</b>	400,256
Add/(less):		
Share-based compensation, net <sup>(a)</sup>	<b>57,916</b>	87,816
Amortization of intangible assets from acquisition <sup>(b)</sup>	<b>65,101</b>	70,552
Foreign exchange (gains)/losses <sup>(c)</sup>	<b>(7,715)</b>	17,673
Net gains on investees <sup>(d)</sup>	<b>(5,973)</b>	(23,044)
Others	<b>338</b>	5,235
<b>Adjusted net profit for the period</b>	<b><u>788,168</u></b>	<b><u>558,488</u></b>

Notes:

- (a) Represents expense related to equity-settled share-based payment transactions, net of the tax effect of temporary difference arises between the share-based compensation recognized in profit or loss and the tax deduction to be obtained in the future.
- (b) Represents amortization of intangible assets in relation to business combinations.
- (c) Represents foreign exchange (gains)/losses, which is a non-cash item, the result of macro-economic factors and can vary from one period to the next.
- (d) Includes dividend income, fair value changes on equity investments, and gains on disposal of investees or subsidiaries.



**Share-based compensation included in cost of revenue and expense items as follows:**

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Cost of revenue	<b>1,980</b>	4,091
Service development expenses	<b>13,409</b>	27,971
Selling and marketing expenses	<b>7,055</b>	14,024
Administrative expenses	<b>52,735</b>	68,128
<b>Total share-based compensation, gross</b>	<b>75,179</b>	114,214
Tax effect of temporary difference	<b>(17,263)</b>	(26,398)
<b>Total share-based compensation, net</b>	<b>57,916</b>	87,816

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For the three months ended March 31, 2025

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Revenue	<b>4,377,432</b>	3,866,278
Cost of revenue	<b>(1,364,955)</b>	(1,351,484)
<b>Gross profit</b>	<b>3,012,477</b>	2,514,794
Service development expenses	<b>(495,120)</b>	(486,775)
Selling and marketing expenses	<b>(1,453,540)</b>	(1,368,203)
Administrative expenses	<b>(307,438)</b>	(265,303)
Net (provision for)/reversal of impairment loss on financial assets	<b>(8,844)</b>	6,431
Fair value changes on investments measured at fair value through profit or loss	<b>20,833</b>	39,174
Other income	<b>17,896</b>	14,344
Other gains – net	<b>31,019</b>	599
<b>Operating profit</b>	<b>817,283</b>	455,025
Finance income	<b>49,051</b>	47,775
Finance costs	<b>(73,758)</b>	(56,341)
Share of results of associates	<b>12,486</b>	5,871
<b>Profit before income tax</b>	<b>805,062</b>	452,330
Income tax expense	<b>(126,561)</b>	(52,074)
<b>Profit for the period</b>	<b>678,501</b>	400,256
<b>Profit attributable to:</b>		
– Equity holders of the Company	<b>668,922</b>	396,634
– Non-controlling interests	<b>9,579</b>	3,622
	<b>678,501</b>	400,256

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three months ended March 31, 2025

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Profit for the period</b>	<b>678,501</b>	<b>400,256</b>
<b>Other comprehensive (loss)/income</b>		
<i>Items that will not be reclassified to profit or loss</i>		
– Currency translation differences	<u>(1,655)</u>	<u>1,171</u>
<i>Items that may be subsequently reclassified to profit or loss</i>		
– Currency translation differences	<u>(5,641)</u>	<u>(1,801)</u>
<b>Other comprehensive loss for the period, net of tax</b>	<u>(7,296)</u>	<u>(630)</u>
<b>Total comprehensive income for the period</b>	<u><b>671,205</b></u>	<u><b>399,626</b></u>
<b>Total comprehensive income for the period attributable to:</b>		
– Equity holders of the Company	<b>661,626</b>	<b>396,004</b>
– Non-controlling interests	<u><b>9,579</b></u>	<u><b>3,622</b></u>
	<u><b>671,205</b></u>	<u><b>399,626</b></u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2025

	Unaudited As at March 31, 2025 RMB'000	Audited As at December 31, 2024 RMB'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,135,547	3,146,926
Right-of-use assets	912,505	909,400
Investments accounted for using the equity method	1,695,149	1,682,145
Investments measured at fair value through profit or loss	794,349	957,238
Investments measured at amortized cost	1,298,453	1,329,289
Intangible assets	10,625,664	10,814,078
Deferred income tax assets	248,262	213,444
Prepayment and other receivables	633,763	475,761
Other non-current assets	8,030	8,354
	<u>19,351,722</u>	<u>19,536,635</u>
<b>Current assets</b>		
Trade receivables	1,889,346	1,727,587
Prepayment and other receivables	6,059,665	5,450,137
Inventories	7,723	6,647
Derivative financial instruments	6,605	6,194
Short-term investments measured at amortized cost	826,483	160,639
Short-term investments measured at fair value through profit or loss	3,133,633	2,733,033
Restricted cash	80,370	136,361
Cash and cash equivalents	6,968,491	8,019,963
	<u>18,972,316</u>	<u>18,240,561</u>
<b>Total assets</b>	<u><u>38,324,038</u></u>	<u><u>37,777,196</u></u>
<b>EQUITY</b>		
<b>Capital and reserves attributable to equity holders of the Company</b>		
Share capital	8,033	8,022
Share premium	20,814,857	20,761,663
Treasury shares	(123)	(123)
Other reserves	(2,452,574)	(2,519,667)
Retained earnings	2,033,478	1,751,576
	<u>20,403,671</u>	<u>20,001,471</u>
<b>Non-controlling interests</b>	<u>970,577</u>	<u>960,836</u>
<b>Total equity</b>	<u><u>21,374,248</u></u>	<u><u>20,962,307</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As at March 31, 2025

	Unaudited As at March 31, 2025 <i>RMB'000</i>	Audited As at December 31, 2024 <i>RMB'000</i>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	2,769,935	2,794,457
Lease liabilities	797,127	680,485
Other payables	974,187	948,433
Contract liabilities	24,831	27,766
Deferred income tax liabilities	753,994	766,613
	<u>5,320,074</u>	<u>5,217,754</u>
<b>Current liabilities</b>		
Borrowings	1,161,790	1,359,289
Trade payables	4,855,534	4,467,130
Other payables and accruals	4,481,543	5,154,002
Dividend payable	386,817	–
Lease liabilities	251,487	174,191
Derivative financial instruments	1,284	–
Contract liabilities	273,071	274,307
Current income tax liabilities	218,190	168,216
	<u>11,629,716</u>	<u>11,597,135</u>
<b>Total liabilities</b>	<u><u>16,949,790</u></u>	<u><u>16,814,889</u></u>
<b>Total equity and liabilities</b>	<u><u>38,324,038</u></u>	<u><u>37,777,196</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three months ended March 31, 2025

	<b>Unaudited</b>	
	<b>Three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Net cash generated from operating activities	<b>373,281</b>	484,472
Net cash (used in)/generated from investing activities	<b>(1,115,370)</b>	1,235,615
Net cash (used in)/generated from financing activities	<b>(301,981)</b>	870,708
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,044,070)</b>	2,590,795
Cash and cash equivalents at beginning of the period	<b>8,019,963</b>	5,192,398
Effect of exchange rate changes on cash and cash equivalents	<b>(7,402)</b>	(2,409)
<b>Cash and cash equivalents at end of the period</b>	<b><u>6,968,491</u></b>	<b><u>7,780,784</u></b>

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Compliance with the Corporate Governance Code**

The Company has applied the principles and code provisions as set out in the Corporate Governance Code and has complied with the code provisions in the Corporate Governance Code for the three months ended March 31, 2025.

### **Purchase, Sale or Redemption of Listed Securities**

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the three months ended March 31, 2025.

### **Audit Committee**

The Audit Committee has three members comprising two independent non-executive Directors, being Mr. Yang Chia Hung (chairman of the Audit Committee) and Ms. Han Yuling, and one non-executive Director, being Mr. Xie Qing Hua, with terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and the Group, and discussed matters in relation to internal control and financial reporting with the management, including the review of the unaudited financial results of the Group for the three months ended March 31, 2025. The Audit Committee considers that the unaudited financial results for the three months ended March 31, 2025 are in compliance with the relevant accounting standards, rules and regulations, and appropriate disclosures have been duly made.

## **DEFINITION**

In this announcement, unless the context otherwise required, the following expressions shall have the following meaning:

“Accumulated Number of Travelers Served”	total number of users who used our products and services in the twelve-month period ended March 31, 2025
“AI”	artificial intelligence
“APP”	application program, the software program installed on a mobile phone
“APUs”	annual paying users
“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company
“China”	People's Republic of China



“Company”	Tongcheng Travel Holdings Limited (同程旅行控股有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on January 14, 2016
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“DAU”	daily active user
“Director(s)”	the director(s) of the Company
“ESG”	environmental, social and governance
“Group”, “we”, “us”, or “our”	the Company, its subsidiaries and Consolidated Affiliated Entities from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	IFRS Accounting Standards (comprising International Financial Reporting Standards and International Accounting Standards, as well as their amendments and interpretations) as issued from time to time by the International Accounting Standards Board
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“MPUs”	monthly paying users who make purchases on our platforms at least once during a calendar month
“OTA”	online travel agency
“PMS”	Property Management System
“Proposed Acquisition”	the proposed acquisition of the entire equity interest in Wanda Hotel Management from Wanda Hotel Development Company Limited, as disclosed in the announcement of the Company dated April 17, 2025
“RMB”	Renminbi, the lawful currency of China
“ROI”	Return on Investment
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tencent”	Tencent Holdings Limited, a company redomiciled to the Cayman Islands on February 27, 2004 as an exempted company under the laws of the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 700)
“TSP(s)”	travel service provider(s)
“Wanda Hotel Management”	Wanda Hotel Management (Hong Kong) Co. Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Wanda Hotel Development Company Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange (stock code: 00169)

## APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Company for their support and contribution to the Group.

By Order of the Board  
**Tongcheng Travel Holdings Limited**  
**Ma Heping**  
*Executive Director and Chief Executive Officer*

Hong Kong, May 23, 2025

As at the date of this announcement, the Board comprises the following:

***Executive Directors***

Wu Zhixiang (*Co-Chairman*)  
Ma Heping (*Chief Executive Officer*)

***Non-executive Directors***

Liang Jianzhang (*Co-Chairman*)  
Jiang Hao  
Xie Qing Hua  
Brent Richard Irvin

***Independent Non-executive Directors***

Yang Chia Hung  
Dai Xiaojing  
Han Yuling