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**Meituan**

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)  
(Stock code: 3690)

## ANNOUNCEMENT OF THE RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2023

The Board of Directors (the “**Board**”) of Meituan 美团 (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company for the three months ended March 31, 2023.

In this announcement, “we”, “us” or “our” refers to the Company.

### KEY HIGHLIGHTS

#### Financial and Operating Metrics Summary

	Unaudited Three Months Ended				Year-over- year change
	March 31, 2023		March 31, 2022		
	Amount	As a	Amount	As a	
		percentage		percentage	
		of revenues		of revenues	
<i>(RMB in thousands, except for percentages)</i>					
Revenues	58,617,472	100.0%	46,268,754	100.0%	26.7%
Operating profit/(loss)	3,585,721	6.1%	(5,584,242)	(12.1%)	NA
Profit/(loss) for the period	3,358,491	5.7%	(5,702,566)	(12.3%)	NA
<b>Non-IFRS Measures<sup>1</sup>:</b>					
Adjusted EBITDA	6,262,060	10.7%	(1,840,771)	(4.0%)	NA
Adjusted net profit/(loss)	5,491,441	9.4%	(3,586,252)	(7.8%)	NA

	Three Months Ended		Year-over- year change
	March 31,	March 31,	
	2023	2022	
	(in millions, except for percentages)		
Number of On-demand Delivery transactions	4,267.4	3,712.4	14.9%

<sup>1</sup> See the section entitled “Reconciliation of Non-IFRS Measures to the Nearest IFRS Measures” for more information about the non-IFRS measures.

## Financial Information by Segment

Unaudited Three Months Ended March 31, 2023			
Core local commerce	New initiatives	Unallocated items <sup>2</sup>	Total
<i>(RMB in thousands)</i>			
<b>Revenues:</b>			
Delivery services	16,905,291	–	16,905,291
Commission	15,815,292	427,765	16,243,057
Online marketing services	7,746,614	36,203	7,782,817
Other services and sales (including interest revenue)	2,418,139	15,268,168	17,686,307
<b>Total revenues</b>	<b>42,885,336</b>	<b>15,732,136</b>	<b>58,617,472</b>
<b>Cost of revenues, operating expenses and unallocated items</b>	<b>(33,440,266)</b>	<b>(20,761,030)</b>	<b>(55,031,751)</b>
<b>Operating profit/(loss)</b>	<b>9,445,070</b>	<b>(5,028,894)</b>	<b>3,585,721</b>
Unaudited Three Months Ended March 31, 2022			
Core local commerce	New initiatives	Unallocated items	Total
<i>(RMB in thousands)</i>			
<b>Revenues:</b>			
Delivery services	14,233,209	–	14,233,209
Commission	11,948,724	350,159	12,298,883
Online marketing services	7,004,924	13,958	7,018,882
Other services and sales (including interest revenue)	992,729	11,725,051	12,717,780
<b>Total revenues</b>	<b>34,179,586</b>	<b>12,089,168</b>	<b>46,268,754</b>
<b>Cost of revenues, operating expenses and unallocated items</b>	<b>(29,474,445)</b>	<b>(20,542,452)</b>	<b>(51,852,996)</b>
<b>Operating (loss)/profit</b>	<b>4,705,141</b>	<b>(8,453,284)</b>	<b>(5,584,242)</b>

<sup>2</sup> Unallocated items mainly include (i) share-based compensation expenses, (ii) amortisation of intangible assets resulting from acquisitions, (iii) fair value changes of other financial investments at fair value through profit or loss, (iv) other gains, net and (v) certain corporate administrative expenses and other miscellaneous items. They are not allocated to individual segments.

	Year-over-year change			Total
	Core local commerce	New initiatives	Unallocated items	
	(Percentages %)			
<b>Revenues:</b>				
Delivery services	18.8	NA	NA	18.8
Commission	32.4	22.2	NA	32.1
Online marketing services	10.6	159.4	NA	10.9
Other services and sales (including interest revenue)	143.6	30.2	NA	39.1
<b>Total revenues</b>	25.5	30.1	NA	26.7
<b>Cost of revenues, operating expenses and unallocated items</b>	13.5	1.1	(54.8)	6.1
<b>Operating profit/(loss)</b>	100.7	(40.5)	(54.8)	NA

## **BUSINESS REVIEW AND OUTLOOK**

### **Company Financial Highlights**

During the first quarter of 2023, our revenues increased by 26.7% to RMB58.6 billion from RMB46.3 billion for the same period of 2022. Our Core local commerce segment achieved an operating profit of RMB9.4 billion for the first quarter of 2023, up by 100.7% from RMB4.7 billion for the same period of 2022. Meanwhile, the operating loss for our New initiatives segment continuously narrowed to RMB5.0 billion for the first quarter of 2023. Our profit for the period was RMB3.4 billion for the first quarter of 2023, turning from loss into profit on a year-over-year basis. Our adjusted EBITDA and adjusted net profit were RMB6.3 billion and RMB5.5 billion for this quarter respectively, reaching the highest level in our history. We also achieved operating cash inflow of RMB8.1 billion for the first quarter of 2023. We held cash and cash equivalents of RMB26.9 billion and short-term treasury investments of RMB84.5 billion as of March 31, 2023.

### **Company Business Highlights**

#### ***Core local commerce***

For the first quarter of 2023, segment revenue increased by 25.5% year over year to RMB42.9 billion, and operating profit increased by 100.7% year over year to RMB9.4 billion, with operating margin improving to 22.0%, compared to 13.8% in the same period of 2022. Number of On-demand Delivery transactions increased by 14.9% year over year.

Since the beginning of this year, the food delivery industry has continued to recover. We assisted new merchants in starting their businesses, and helped improve online operations of all merchants. Leveraging deeper consumer insights, we dynamically iterated our operational strategies and provided consumers with better products and services, which led to healthy growth in order volume. For instance, we swiftly adjusted our marketing strategies and user incentive schemes to capture the growing consumption demand. As a result, the number of Active Merchants and Transacting Users of the food delivery business experienced steady growth in the first quarter. Particularly, we expanded the high-quality merchant base on our platform, and the number of newly on-boarded KA and CKA merchants increased on a year-over-year basis. In addition, we piloted new marketing and promotional formats. In March, we launched a brand-new marketing event “Shen Qiang Shou” (“神搶手”) for merchants in Shenzhen. It is a promotional event that allows merchants to sell discounted high-quality products to consumers and integrates live streaming, short-form videos and other formats. In April, we upgraded our monthly marketing campaign “Shen Quan Jie” (“神券節”). During these promotional events, merchants could offer deep-discounted deals and create mega-hit products through flash sales, live streaming or short-form videos, which effectively help merchants enhance their growth potential in combination with our existing shelf-based business model. Meanwhile, we were able to explore traffic growth, and stimulate non-instant demand by addressing consumers’ coupon stockpiling needs through these live streaming events.

Meituan Instashopping continued its high growth trajectory. For the first quarter of 2023, order volume increased by around 35% year over year, driven by increases in both number of Transacting Users and transaction frequency. As we expanded product selections and leveraged marketing events, the consumer mindshare of “Everything Now” was further reinforced. During the holiday seasons in the first quarter, such as Chinese New Year, Valentine’s Day and Women’s Day, demand for on-demand delivery for gifts increased significantly on our platform. Annual Active Merchants increased by over 30% year over year in the first quarter of 2023, with non-food specialty stores, liquor and beverages, and flowers maintaining high growth. In addition, order mix from new supply formats increased notably, and we continued to expand its geographical coverage. We also strengthened consumer mindshare of consulting doctors and buying medicines on Meituan. During the Chinese New Year holiday, we provided more incentives as well as traffic to pharmacies that stayed open for business, and provided free online consultation services for people in certain regions. We also satisfied consumers’ medicine demand related to seasonal diseases, such as flu and allergies. Thus, order volume and user base also posted strong growth for the medicine category this quarter.

As offline consumption gradually recovered in the first quarter of 2023, GTV and revenue growths of our in-store business accelerated month by month. We captured the rising demand for group gatherings and holiday meals, and launched preset in-store menus, packaged deals, and more. We continued to expand our merchant selections across service categories, and enriched our marketing and content formats. In addition, we iterated our product operating strategy and optimised the service capability of our business development team. We also enhanced synergies across business lines, and provided merchants with more promotional channels. To further stimulate consumption during Labor Day (“勞動節”), we launched a comprehensive Meituan platform live streaming program that provides consumers with deep-discounted high-quality products, and incentivized participation from high-quality merchants. We also supported small and medium-sized merchants with online operations and helped them standardize service qualities. On the consumer side, we continued to strengthen our content capabilities and iterate short-form video formats. We introduced Special Deals (“特價團購”) to offer high-quality services at deep discounts for consumers, while allowing merchants to create and promote mega-hit products. Through these marketing events and campaigns, our consumer mindshare of finding the best deals on Meituan was further strengthened. In the future, we will continue to iterate our operations and diversify our product and service offerings, by leveraging our advantages in organizational capability, consumer mindshare, and merchant service, which ultimately will help accelerate online penetration for the in-store industry.

For the hotel and travel business, as consumption demand recovered, our room nights and GTV grew robustly in the first quarter of 2023. Specifically, room nights during the Chinese New Year holiday increased by over 40% compared to the same periods of 2022 and 2019. Room nights from local accommodations and short-distance travel scenarios also maintained high growth momentum after the Chinese New Year, and peaked for several consecutive weekends. Following the evolving consumption trends, we continued to enrich our product mix and leverage holiday promotions to enhance brand awareness. Moreover, we optimised our subsidy strategy and increased live streaming frequency. For high-star hotels, we enhanced our supply and pricing mechanism, improved the merchant information display on our platform, and deepened collaborations with high-star chain hotels. We also optimised our packaged deal products and broadened distribution channels. On the low-star front, we further improved our room renovation program, CRM tools and marketing solutions, to help merchants capture the industry recovery opportunity and satisfy diverse consumer needs. For alternative accommodations, we maintained industry leadership and continued to focus on user experience, supply optimisation, as well as operating efficiency improvement. We have strong confidence in the future growth of the hotel and travel industry in China, and we believe in our ability to meet demand from both consumers and merchants.

### ***New Initiatives***

For the first quarter of 2023, revenues from the New initiatives segment increased by 30.1% year over year to RMB15.7 billion. Operating loss for the segment decreased by 40.5% year over year to RMB5.0 billion, and operating margin improved sequentially to negative 32.0%.

Meituan Select maintained an industry-leading position and continuously improved operational efficiency. During the first quarter of 2023, we optimised our pricing and product management capabilities. We provided consumers with wider selections of value-for-money products and more convenience, through our nationwide next-day logistics and self-pickup network. The accumulative number of Transacting Users had reached 450 million by March-end. We actively promoted the circulation of agricultural products and helped farmers increase income. As a result, sales contribution from agricultural products surpassed 45% in the first quarter. We also established partnerships with local governments and suppliers in the products' places of origin, and expanded our efforts in the direct procurement of high-quality agricultural products. Through these measures, we are able to bring high-quality products directly from farms to consumers' dining tables. In addition, our engagement in rural areas helped create employment opportunities locally. For example, the number of pick-up stations in lower-tier markets has exceeded 1.3 million.

For Meituan Grocery, GTV increased by over 50% year over year in the first quarter of 2023. We continued to focus on cost control and efficiency improvement during the first quarter. We also accelerated our product circulation efficiency, and elevated consumer experience by providing better quality and more diverse product selections. In addition, we enhanced our cold-chain logistics and on-demand delivery service to strengthen consumer mindshare. Average order value and order frequency both increased compared to the same period of last year. We also improved our “Locally-sourced Selected Products” (“本地尖貨”) program, by deepening collaborations with local government and farmers, which not only diversified our platform’s supply but also helped farmers increase income. Furthermore, we established in-depth collaborations with brands, and launched joint-branding programs in selected categories to drive sales growth.

As the consumption market gradually recovered since the beginning of 2023, demand for local services also increased robustly. On the consumer side, we coped with consumer’s growing demand across goods and service categories, by leveraging our advantages in on-demand retail and local services. On the merchant front, we continued to enhance our operating solutions and marketing tools to help merchants seize the post-pandemic recovery opportunities, grow their business and improve operating efficiency. Going forward, we will continue to optimise our marketing strategies and formats to better satisfy merchants’ needs for promotions and help them increase revenue and profit. In addition, we will continue to implement the “Retail + Technology” corporate strategy, leverage technology to bring new advancements and growth opportunities, fulfill our mission that “We help people eat better, live better”, and create more value for all the participants in our ecosystem.

## MANAGEMENT DISCUSSION AND ANALYSIS

### The First Quarter of 2023 Compared to the First Quarter of 2022

The following table sets forth the comparative figures for the first quarter of 2023 and 2022:

	<b>Unaudited Three Months Ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<i>(RMB in thousands)</i>	
<b>Revenues</b>	<b>58,617,472</b>	46,268,754
Including: Interest revenue	<b>359,293</b>	223,293
Cost of revenues	<b>(38,800,047)</b>	(35,528,467)
<b>Gross profit</b>	<b>19,817,425</b>	10,740,287
Selling and marketing expenses	<b>(10,433,070)</b>	(9,105,728)
Research and development expenses	<b>(5,047,387)</b>	(4,879,033)
General and administrative expenses	<b>(1,994,953)</b>	(2,312,289)
Net provisions for impairment losses on financial and contract assets	<b>(255,347)</b>	(153,316)
Fair value changes of other financial investments at fair value through profit or loss	<b>164,029</b>	(802,894)
Other gains, net	<b>1,335,024</b>	928,731
<b>Operating profit/(loss)</b>	<b>3,585,721</b>	(5,584,242)
Finance income	<b>184,419</b>	110,359
Finance costs	<b>(353,479)</b>	(330,317)
Share of (losses)/profits of investments accounted for using the equity method	<b>(49,759)</b>	46,411
<b>Profit/(loss) before income tax</b>	<b>3,366,902</b>	(5,757,789)
Income tax (expenses)/credits	<b>(8,411)</b>	55,223
<b>Profit/(loss) for the period</b>	<b>3,358,491</b>	(5,702,566)
<b>Non-IFRS measures:</b>		
Adjusted EBITDA	<b>6,262,060</b>	(1,840,771)
Adjusted net profit/(loss)	<b>5,491,441</b>	(3,586,252)



## Revenues

Our revenues increased by 26.7% to RMB58.6 billion for the first quarter of 2023 from RMB46.3 billion for the same period of 2022. We achieved revenue growth in both reportable segments due to the recovery of local consumption.

The following table sets forth our revenues by segment and type for the first quarter of 2023 and 2022:

	Unaudited Three Months Ended March 31, 2023		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
<b>Revenues</b>			
Delivery services	16,905,291	–	16,905,291
Commission	15,815,292	427,765	16,243,057
Online marketing services	7,746,614	36,203	7,782,817
Other services and sales (including interest revenue)	2,418,139	15,268,168	17,686,307
<b>Total</b>	<b>42,885,336</b>	<b>15,732,136</b>	<b>58,617,472</b>
	Unaudited Three Months Ended March 31, 2022		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
<b>Revenues</b>			
Delivery services	14,233,209	–	14,233,209
Commission	11,948,724	350,159	12,298,883
Online marketing services	7,004,924	13,958	7,018,882
Other services and sales (including interest revenue)	992,729	11,725,051	12,717,780
<b>Total</b>	<b>34,179,586</b>	<b>12,089,168</b>	<b>46,268,754</b>

Our revenues from the Core local commerce segment increased by 25.5% to RMB42.9 billion for the first quarter of 2023 from RMB34.2 billion for the same period of 2022. For our food delivery and Meituan Instashopping businesses, the growth in revenue on a year-over-year basis was mainly driven by the increases in both the number of transactions and the average order value, as well as the optimised Transacting User incentives strategy. For our in-store, hotel and travel businesses, the revenue growth was mainly driven by the strong GTV growth as a result of consumption recovery, partially offset by the decrease in monetisation rate due to the change in revenue mix.

Our revenues from the New initiatives segment increased by 30.1% to RMB15.7 billion for the first quarter of 2023 from RMB12.1 billion for the same period of 2022, mainly due to the expansion of our goods retail businesses.

### ***Costs and Expenses***

The following table sets forth a breakdown of our costs and expenses by function for the periods indicated:

Unaudited Three Months Ended			
March 31, 2023		March 31, 2022	
Amount	As a percentage of revenues	Amount	As a percentage of revenues
<i>(RMB in thousands, except for percentages)</i>			

#### **Costs and Expenses:**

Cost of revenues	<b>38,800,047</b>	<b>66.2%</b>	35,528,467	76.8%
Selling and marketing expenses	<b>10,433,070</b>	<b>17.8%</b>	9,105,728	19.7%
Research and development expenses	<b>5,047,387</b>	<b>8.6%</b>	4,879,033	10.5%
General and administrative expenses	<b>1,994,953</b>	<b>3.4%</b>	2,312,289	5.0%

#### ***Cost of Revenues***

Our cost of revenues increased by 9.2% to RMB38.8 billion for the first quarter of 2023 from RMB35.5 billion for the same period of 2022, and decreased by 10.6 percentage points to 66.2% from 76.8% as a percentage of revenues on a year-over-year basis. The increase in amount was primarily attributable to an increase in delivery related costs which was in line with the increase in the number of transactions of food delivery and Meituan Instashopping businesses, as well as in cost of inventories sold resulting from the expansion of our goods retail businesses. The decrease in cost of revenues as a percentage of revenues was mainly due to abundant courier supply for our food delivery and Meituan Instashopping businesses, as well as the improved gross margin of our goods retail businesses.

#### ***Selling and Marketing Expenses***

Our selling and marketing expenses increased by 14.6% to RMB10.4 billion for the first quarter of 2023 from RMB9.1 billion for the same period of 2022, which was primarily attributable to the increased Transacting User incentives due to the consumption recovery, evolving business circumstances and business development. As a percentage of revenues, selling and marketing expenses decreased by 1.9 percentage points to 17.8% from 19.7% on a year-over-year basis, primarily because of improved operating leverage.

#### ***Research and Development Expenses***

Our research and development expenses increased by 3.5% to RMB5.0 billion for the first quarter of 2023 from RMB4.9 billion for the same period of 2022, which was primarily attributable to the increased employee benefits expenses. As a percentage of revenues, research and development expenses decreased by 1.9 percentage points to 8.6% from 10.5% on a year-over-year basis, primarily due to improved operating leverage.

### *General and Administrative Expenses*

Our general and administrative expenses decreased to RMB2.0 billion for the first quarter of 2023 from RMB2.3 billion for the same period of 2022, and decreased by 1.6 percentage points to 3.4% from 5.0% as a percentage of revenues on a year-over-year basis. Both the decreases in amount and as a percentage of revenues were mainly attributable to improved operating leverage.

### *Net Provisions for Impairment Losses on Financial and Contract Assets*

Our net provisions for impairment losses on financial and contract assets increased to net provisions of RMB255.3 million for the first quarter of 2023 from net provisions of RMB153.3 million for the same period of 2022, which reflected the change in expected credit losses for financial assets.

### *Fair Value Changes of Other Financial Investments at Fair Value Through Profit or Loss*

Our fair value changes of other financial investments at fair value through profit or loss changed to a gain of RMB164.0 million for the first quarter of 2023 from a loss of RMB802.9 million for the same period of 2022, which was mainly driven by the fluctuation in the fair value of our investment portfolios.

### *Other Gains, Net*

Our other gains, net for the first quarter of 2023 was RMB1.3 billion, compared to RMB928.7 million for the same period of 2022. The change was primarily attributable to the increased fair value changes and gains from treasury investments.

### *Operating Profit/(Loss)*

As a result of the foregoing, our operating profit and operating margin for the first quarter of 2023 was RMB3.6 billion and 6.1% respectively, compared to operating loss and operating margin of RMB5.6 billion and negative 12.1% for the same period of 2022.

Operating profit/(loss) and operating margin by segment are set forth in the table below.

	Unaudited Three Months Ended			
	March 31, 2023		March 31, 2022	
	Amount	As a percentage of revenues	Amount	As a percentage of revenues
<i>(RMB in thousands, except for percentages)</i>				
Core local commerce	9,445,070	22.0%	4,705,141	13.8%
New initiatives	(5,028,894)	(32.0%)	(8,453,284)	(69.9%)
Unallocated items	(830,455)	NA	(1,836,099)	NA
<b>Total operating profit/(loss)</b>	<b>3,585,721</b>	<b>6.1%</b>	<b>(5,584,242)</b>	<b>(12.1%)</b>

Our operating profit from the Core local commerce segment increased to RMB9.4 billion for the first quarter of 2023 from RMB4.7 billion for the same period of 2022, and the operating margin increased by 8.2 percentage points to 22.0% from 13.8% on a year-over-year basis. The increases in operating profit and operating margin were mainly attributable to the positive impact from the recovery of local consumption on our Core local commerce segment, and the abundant courier supply for our food delivery and Meituan Instashopping businesses.

Our operating loss from the New initiatives segment decreased to RMB5.0 billion for the first quarter of 2023 from RMB8.5 billion for the same period of 2022, and the operating margin for this segment improved by 37.9 percentage points to negative 32.0% from negative 69.9% on a year-over-year basis. Both the improvements in operating loss and operating margin were primarily attributable to our efforts in improving operating efficiency, particularly in our goods retail businesses.

#### ***Share of (Losses)/Profits of Investments Accounted for Using the Equity Method***

Our share of (losses)/profits of investments accounted for using the equity method changed to a loss of RMB49.8 million for the first quarter of 2023 from a profit of RMB46.4 million for the same period of 2022, which was primarily resulted from the fluctuation of the financial results of our investees.

#### ***Profit/(Loss) for the Period***

As a result of the foregoing, we had a profit of RMB3.4 billion for the first quarter of 2023, compared to a loss of RMB5.7 billion for the same period of 2022.

## The First Quarter of 2023 Compared to the Fourth Quarter of 2022

The following table sets forth the comparative figures for the first quarter of 2023 and the fourth quarter of 2022:

	<b>Unaudited Three Months Ended</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>
	<i>(RMB in thousands)</i>	
<b>Revenues</b>	<b>58,617,472</b>	60,128,939
Including: Interest revenue	<b>359,293</b>	409,525
Cost of revenues	<b>(38,800,047)</b>	(43,195,543)
<b>Gross profit</b>	<b>19,817,425</b>	16,933,396
Selling and marketing expenses	<b>(10,433,070)</b>	(10,766,926)
Research and development expenses	<b>(5,047,387)</b>	(5,242,928)
General and administrative expenses	<b>(1,994,953)</b>	(2,450,697)
Net (provisions for)/reversals of impairment losses on financial and contract assets	<b>(255,347)</b>	19,168
Fair value changes of other financial investments at fair value through profit or loss	<b>164,029</b>	187,942
Other gains, net	<b>1,335,024</b>	588,455
<b>Operating profit/(loss)</b>	<b>3,585,721</b>	(731,590)
Finance income	<b>184,419</b>	147,391
Finance costs	<b>(353,479)</b>	(405,168)
Share of losses of investments accounted for using the equity method	<b>(49,759)</b>	(95,873)
<b>Profit/(loss) before income tax</b>	<b>3,366,902</b>	(1,085,240)
Income tax (expenses)/credits	<b>(8,411)</b>	1,699
<b>Profit/(loss) for the period</b>	<b>3,358,491</b>	(1,083,541)
<b>Non-IFRS measures:</b>		
Adjusted EBITDA	<b>6,262,060</b>	2,960,883
Adjusted net profit	<b>5,491,441</b>	829,145

## Revenues

Our revenues decreased by 2.5% to RMB58.6 billion for the first quarter of 2023 from RMB60.1 billion for the fourth quarter of 2022. The decrease was primarily attributable to the seasonality impact, partially offset by the positive impact of the recovery of local consumption.

The following table sets forth our revenues by segment and type for the first quarter of 2023 and the fourth quarter of 2022:

	Unaudited Three Months Ended March 31, 2023		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
<b>Revenues</b>			
Delivery services	16,905,291	–	16,905,291
Commission	15,815,292	427,765	16,243,057
Online marketing services	7,746,614	36,203	7,782,817
Other services and sales (including interest revenue)	2,418,139	15,268,168	17,686,307
<b>Total</b>	<b>42,885,336</b>	<b>15,732,136</b>	<b>58,617,472</b>
	Unaudited Three Months Ended December 31, 2022		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
<b>Revenues</b>			
Delivery services	19,772,732	–	19,772,732
Commission	14,636,518	297,341	14,933,859
Online marketing services	7,744,751	24,841	7,769,592
Other services and sales (including interest revenue)	1,318,663	16,334,093	17,652,756
<b>Total</b>	<b>43,472,664</b>	<b>16,656,275</b>	<b>60,128,939</b>

Our revenues from the Core local commerce segment decreased by 1.4% to RMB42.9 billion for the first quarter of 2023 from RMB43.5 billion for the fourth quarter of 2022. The decrease was primarily attributable to the seasonality impact of our food delivery and Meituan Instashopping businesses, partially offset by the positive impact of the recovery of local consumption, especially the strong GTV growth from our in-store, hotel and travel businesses.

Our revenues from the New initiatives segment decreased by 5.5% to RMB15.7 billion for the first quarter of 2023 from RMB16.7 billion for the fourth quarter of 2022, mainly due to the seasonality impact of our goods retail businesses.

## ***Costs and Expenses***

The following table sets forth a breakdown of our costs and expenses by function for the periods indicated:

	Unaudited Three Months Ended			
	March 31, 2023		December 31, 2022	
	Amount	As a percentage of revenues	Amount	As a percentage of revenues
<i>(RMB in thousands, except for percentages)</i>				
<b>Costs and Expenses:</b>				
Cost of revenues	<b>38,800,047</b>	<b>66.2%</b>	43,195,543	71.8%
Selling and marketing expenses	<b>10,433,070</b>	<b>17.8%</b>	10,766,926	17.9%
Research and development expenses	<b>5,047,387</b>	<b>8.6%</b>	5,242,928	8.7%
General and administrative expenses	<b>1,994,953</b>	<b>3.4%</b>	2,450,697	4.1%

### ***Cost of Revenues***

Our cost of revenues decreased by 10.2% to RMB38.8 billion for the first quarter of 2023 from RMB43.2 billion for the fourth quarter of 2022, and decreased by 5.6 percentage points to 66.2% from 71.8% as a percentage of revenues. The decrease in amount was primarily attributable to decreased delivery related costs resulted from the seasonal decrease in the number of transactions of our food delivery and Meituan Instashopping businesses, and also the decrease in cost of our goods retail businesses due to seasonality. The decrease in cost of revenues as a percentage of revenues was mainly due to abundant courier supply of our food delivery and Meituan Instashopping businesses, as well as the improved gross margin of our goods retail businesses.

### ***Selling and Marketing Expenses***

Our selling and marketing expenses decreased to RMB10.4 billion for the first quarter of 2023 from RMB10.8 billion for the fourth quarter of 2022, which was primarily attributable to the decreased promotion and advertising expenses as a result of seasonality, partially offset by the increase in Transacting User incentives of our in-store, hotel and travel businesses due to the consumption recovery and evolving business circumstances. As a percentage of revenues, selling and marketing expenses was 17.8% for the first quarter of 2023, remaining flat on a quarter-over-quarter basis.

### ***Research and Development Expenses***

Our research and development expenses decreased to RMB5.0 billion for the first quarter of 2023 from RMB5.2 billion for the fourth quarter of 2022, which was primarily driven by the decrease in employee benefits expenses. As a percentage of revenues, research and development expenses was 8.6% for the first quarter of 2023, remaining flat on a quarter-over-quarter basis.



### *General and Administrative Expenses*

Our general and administrative expenses decreased to RMB2.0 billion for the first quarter of 2023 from RMB2.5 billion for the fourth quarter of 2022, and decreased by 0.7 percentage points to 3.4% from 4.1% as a percentage of revenues on a quarter-over-quarter basis. Both the decreases in amount and as a percentage of revenues were primarily attributable to improved operating leverage.

### *Net (Provisions for)/Reversals of Impairment Losses on Financial and Contract Assets*

Our net (provisions for)/reversals of impairment losses on financial and contract assets were net provisions of RMB255.3 million for the first quarter of 2023, compared to net reversals of RMB19.2 million for the fourth quarter of 2022, which reflected the change in expected credit losses for financial assets.

### *Fair Value Changes of Other Financial Investments at Fair Value Through Profit or Loss*

Our fair value changes of other financial investments at fair value through profit or loss changed to a gain of RMB164.0 million for the first quarter of 2023 from a gain of RMB187.9 million for the fourth quarter of 2022, which was mainly driven by the fluctuation in the fair value of our investment portfolios.

### *Other Gains, Net*

Our other gains, net for the first quarter of 2023 was RMB1.3 billion, compared to RMB588.5 million for the fourth quarter of 2022. The change was primarily attributable to the increased fair value changes and gains from treasury investments and the fluctuation of foreign exchange gains/(losses) on a quarter-over-quarter basis.

### *Operating Profit/(Loss)*

As a result of the foregoing, our operating profit and operating margin for the first quarter of 2023 was RMB3.6 billion and 6.1% respectively, compared to operating loss and operating margin of RMB731.6 million and negative 1.2% for the fourth quarter of 2022.

Operating profit/(loss) and operating margin by segment are set forth in the table below.

	Unaudited Three Months Ended			
	March 31, 2023		December 31, 2022	
	Amount	As a percentage of revenues	Amount	As a percentage of revenues
<i>(RMB in thousands, except for percentages)</i>				
Core local commerce	9,445,070	22.0%	7,215,242	16.6%
New initiatives	(5,028,894)	(32.0%)	(6,365,020)	(38.2%)
Unallocated items	(830,455)	NA	(1,581,812)	NA
<b>Total operating profit/(loss)</b>	<b>3,585,721</b>	<b>6.1%</b>	<b>(731,590)</b>	<b>(1.2%)</b>



Our operating profit from the Core local commerce segment increased to RMB9.4 billion for the first quarter of 2023 from RMB7.2 billion for the fourth quarter of 2022. The operating margin for this segment increased by 5.4 percentage points to 22.0% from 16.6% on a quarter-over-quarter basis. The increases in operating profit and operating margin were mainly attributable to the positive impact of the recovery of local consumption and the abundant courier supply of our food delivery and Meituan Instashopping businesses.

Our operating loss from the New initiatives segment decreased to RMB5.0 billion for the first quarter of 2023 from RMB6.4 billion for the fourth quarter of 2022, and our operating margin for this segment improved by 6.2 percentage points to negative 32.0% from negative 38.2% on a quarter-over-quarter basis. Both the improvements in operating loss and operating margin were mainly attributable to our efforts in improving operating efficiency in our goods retail businesses and other new initiatives.

### ***Share of Losses of Investments Accounted for Using the Equity Method***

Our share of losses of investments accounted for using the equity method decreased to RMB49.8 million for the first quarter of 2023 from RMB95.9 million for the fourth quarter of 2022, which was primarily resulted from the fluctuation of the financial results of our investees.

### ***Profit/(Loss) for the Period***

As a result of the foregoing, we had a profit of RMB3.4 billion for the first quarter of 2023, compared to a loss of RMB1.1 billion for the fourth quarter of 2022.

### ***Reconciliation of Non-IFRS Measures to the Nearest IFRS Measures***

To supplement our consolidated results which are prepared and presented in accordance with IFRS, we also use adjusted EBITDA and adjusted net profit/(loss) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance such as certain non-cash or one-off items and certain impact of investment transactions. The use of these non-IFRS measures has limitations as an analytical tool, and one should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, these non-IFRS measures may be defined differently from similar terms used by other companies.

Adjusted EBITDA represents profit/(loss) for the period adjusted for (i) fair value changes of other financial investments at fair value through profit or loss, other gains, net, finance income, finance costs, share of profits/(losses) of investments accounted for using the equity method and income tax credits/(expenses); and (ii) certain non-cash or one-off items, consisting of share-based compensation expense, amortisation of intangible assets, depreciation on property, plant and equipment, and certain impairment and expense reversal/(provision).

Adjusted net profit/(loss) represents profit/(loss) for the period adjusted for (i) certain non-cash or one-off items, consisting of share-based compensation expense, amortisation of intangible assets resulting from acquisitions, and certain impairment and expense reversal/(provision); (ii) net gains/(losses) from certain investments; and (iii) related income tax effects.

The following tables set forth the reconciliations of our non-IFRS financial measures for the first quarter of 2023 and 2022 and the fourth quarter of 2022, to the nearest measures prepared in accordance with IFRS.

	<b>Unaudited Three Months Ended</b>		
	<b>March 31, 2023</b>	March 31, 2022	December 31, 2022
	<i>(RMB in thousands)</i>		
Profit/(loss) for the period	<b>3,358,491</b>	(5,702,566)	(1,083,541)
Adjusted for:			
Share-based compensation expenses	<b>1,936,848</b>	1,618,334	2,321,115
Net (gains)/losses from investments <sup>(Note (i))</sup>	<b>(113,490)</b>	575,657	(390,604)
Impairment and expense provision/(reversal)	<b>183,868</b>	–	(238,687)
Amortisation of intangible assets			
resulting from acquisitions	<b>117,779</b>	117,680	117,779
Tax effects on non-IFRS adjustments	<b>7,945</b>	(195,357)	103,083
<b>Adjusted net profit/(loss)</b>	<b>5,491,441</b>	(3,586,252)	829,145
Adjusted for:			
Income tax expenses/(credits), except for tax effects on non-IFRS adjustments	<b>466</b>	140,134	(104,782)
Share of (profits)/losses of investments accounted for using the equity method not adjusted for adjusted net profit/(loss)	<b>(2,431)</b>	26,926	150,781
Finance income	<b>(184,419)</b>	(110,359)	(147,391)
Finance costs	<b>353,479</b>	330,317	405,168
Other gains, net not adjusted for adjusted net profit/(loss)	<b>(1,333,373)</b>	(774,831)	(539,832)
Amortisation of software and others	<b>13,846</b>	14,354	16,038
Depreciation on property, plant and equipment	<b>1,923,051</b>	2,118,940	2,351,756
<b>Adjusted EBITDA</b>	<b>6,262,060</b>	(1,840,771)	2,960,883

Note (i) Mainly include fair value changes related to certain investments, gains or losses on disposal of investees or subsidiaries, dilution gains and certain share of profits or losses of investments accounted for using the equity method.

## Liquidity and Capital Resources

Historically, our demand for cash was principally funded by capital contribution from Shareholders and financing through issuance and sale of equity and debt securities. We held cash and cash equivalents of RMB26.9 billion and short-term treasury investments of RMB84.5 billion as of March 31, 2023.

The following table sets forth our cash flows for the period indicated:

	<b>Unaudited Three Months Ended March 31, 2023</b>
	<i>(RMB in thousands)</i>
Net cash flows generated from operating activities	<b>8,050,085</b>
Net cash flows used in investing activities	<b>(790,839)</b>
Net cash flows used in financing activities	<b>(566,042)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,693,204</b>
Cash and cash equivalents at the beginning of the period	<b>20,158,606</b>
Exchange gains on cash and cash equivalents	<b>10,802</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>26,862,612</b>

#### ***Net Cash Flows Generated from Operating Activities***

Net cash flows generated from operating activities represents the cash generated from our operations minus the income tax paid. Cash generated from our operations primarily consisted of our profit for the period, as adjusted by non-cash or one-off items and changes in working capital.

For the first quarter of 2023, net cash flows generated from operating activities was RMB8.1 billion, which was primarily attributable to our profit before income tax, as adjusted by (i) depreciation and amortisation, share-based compensation expenses and fair value changes and gains related to treasury investments and other investments, and (ii) the changes in working capital, which primarily consisted of increase in certain current liabilities driven by business recovery.

#### ***Net Cash Flows Used in Investing Activities***

For the first quarter of 2023, net cash flows used in investing activities was RMB790.8 million, which was mainly attributable to the net cash flows used in purchase of property, plant and equipment and some other investments.

#### ***Net Cash Flows Used in Financing Activities***

For the first quarter of 2023, net cash flows used in financing activities was RMB566.0 million, which was mainly attributable to the payments of lease liabilities.

#### ***Gearing ratio***

As of March 31, 2023, our gearing ratio, calculated as total borrowings and notes payable divided by total equity attributable to equity holders of the Company, was approximately 39%.

## FINANCIAL INFORMATION

### CONSOLIDATED INCOME STATEMENT

	Unaudited Three Months Ended		
	March 31, 2023	March 31, 2022	December 31, 2022
	<i>(RMB in thousands)</i>		
<b>Revenues</b>	<b>58,617,472</b>	46,268,754	60,128,939
Including: Interest revenue	<b>359,293</b>	223,293	409,525
Cost of revenues	<b>(38,800,047)</b>	(35,528,467)	(43,195,543)
<b>Gross profit</b>	<b>19,817,425</b>	10,740,287	16,933,396
Selling and marketing expenses	<b>(10,433,070)</b>	(9,105,728)	(10,766,926)
Research and development expenses	<b>(5,047,387)</b>	(4,879,033)	(5,242,928)
General and administrative expenses	<b>(1,994,953)</b>	(2,312,289)	(2,450,697)
Net (provisions for)/reversals of impairment losses on financial and contract assets	<b>(255,347)</b>	(153,316)	19,168
Fair value changes of other financial investments at fair value through profit or loss	<b>164,029</b>	(802,894)	187,942
Other gains, net	<b>1,335,024</b>	928,731	588,455
<b>Operating Profit/(loss)</b>	<b>3,585,721</b>	(5,584,242)	(731,590)
Finance income	<b>184,419</b>	110,359	147,391
Finance costs	<b>(353,479)</b>	(330,317)	(405,168)
Share of (losses)/profits of investments accounted for using the equity method	<b>(49,759)</b>	46,411	(95,873)
<b>Profit/(loss) before income tax</b>	<b>3,366,902</b>	(5,757,789)	(1,085,240)
Income tax (expenses)/credits	<b>(8,411)</b>	55,223	1,699
<b>Profit/(loss) for the period</b>	<b>3,358,491</b>	(5,702,566)	(1,083,541)
<b>Profit/(loss) for the period attributable to:</b>			
Equity holders of the Company	<b>3,358,233</b>	(5,702,489)	(1,083,544)
Non-controlling interests	<b>258</b>	(77)	3
	<b>3,358,491</b>	(5,702,566)	(1,083,541)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As of March 31, 2023	Audited As of December 31, 2022
	<i>(RMB in thousands)</i>	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,719,181	22,201,259
Intangible assets	30,527,547	30,642,975
Deferred tax assets	1,591,974	1,497,106
Long-term treasury investments	15,187,605	8,114,058
Other financial investments at fair value through profit or loss	15,828,004	15,073,013
Investments accounted for using the equity method	16,502,491	16,582,381
Other financial investments at fair value through other comprehensive income	2,754,954	2,321,865
Prepayments, deposits and other assets	5,283,018	4,903,068
	<u>109,394,774</u>	<u>101,335,725</u>
<b>Current assets</b>		
Inventories	1,034,947	1,162,765
Trade receivables	2,304,572	2,052,731
Prepayments, deposits and other assets	12,639,896	13,292,494
Short-term treasury investments	84,537,817	91,873,270
Restricted cash	13,240,142	14,605,601
Cash and cash equivalents	26,862,612	20,158,606
	<u>140,619,986</u>	<u>143,145,467</u>
<b>Total assets</b>	<u><u>250,014,760</u></u>	<u><u>244,481,192</u></u>
<b>EQUITY</b>		
Share capital	418	415
Share premium	317,278,495	316,743,344
Shares held for shares award scheme	(3)	—
Other reserves	3,028,178	1,484,187
Accumulated losses	(186,108,103)	(189,466,336)
<b>Equity attributable to equity holders of the Company</b>	<u>134,198,985</u>	<u>128,761,610</u>
<b>Non-controlling interests</b>	<u>(55,635)</u>	<u>(55,893)</u>
<b>Total equity</b>	<u><u>134,143,350</u></u>	<u><u>128,705,717</u></u>

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

	Unaudited As of March 31, 2023	Audited As of December 31, 2022
	<i>(RMB in thousands)</i>	
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	858,529	846,103
Financial liabilities at fair value through profit or loss	130,960	100,000
Borrowings	1,625,178	1,548,967
Notes payable	33,262,808	33,607,372
Lease liabilities	3,066,967	3,203,163
Other non-current liabilities	29,663	39,773
	<u>38,974,105</u>	<u>39,345,378</u>
<b>Current liabilities</b>		
Trade payables	15,238,051	17,379,302
Payables to merchants	13,295,238	12,432,342
Advances from transacting users	5,566,058	5,081,178
Other payables and accruals	17,765,624	16,655,307
Borrowings	17,638,409	17,562,145
Deferred revenues	5,207,504	5,053,375
Lease liabilities	2,077,899	2,165,978
Income tax liabilities	108,522	100,470
	<u>76,897,305</u>	<u>76,430,097</u>
<b>Total liabilities</b>	<u><u>115,871,410</u></u>	<u><u>115,775,475</u></u>
<b>Total equity and liabilities</b>	<u><u>250,014,760</u></u>	<u><u>244,481,192</u></u>

## **OTHER INFORMATION**

### **Purchase, Sale or Redemption of the Company's Listed Securities**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the three months ended March 31, 2023.

### **Audit Committee**

The Audit Committee has reviewed the Company's unaudited interim financial information for the three months ended March 31, 2023. It meets regularly with the management, the external auditor and the internal audit personnel to discuss the accounting principles and practices adopted by the Company and internal control and financial reporting matters.

### **Basis of Preparation and Presentation**

The accounting policies used in preparation of the unaudited quarterly financial information are consistent with those adopted in preparing the Company's annual audited financial statements for the year ended December 31, 2022 (the "**2022 Financial Statements**"), except for the estimation of income tax and the adoption of new and amended standards as set out in the 2022 Financial Statements.

The unaudited quarterly financial information for the three months ended March 31, 2023 does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's 2022 Financial Statements, which have been prepared in accordance with the IFRS.

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

The Company is committed to maintaining and promoting stringent corporate governance standards. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders.

The Company has adopted the principles and code provisions of the CG Code as set out in Appendix 14 to the Listing Rules as the basis of the Company's corporate governance practices.

Save for code provision C.2.1, the Company has complied with all the code provisions as set out in the CG Code where applicable during the three months ended March 31, 2023. Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have separate chairman and chief executive officer and Mr. Wang Xing currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Company and enables more effective and efficient overall strategic planning for the Company. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider segregating the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time by taking into account the circumstances of the Company as a whole.



## Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he has complied with the required standards as set out in the Model Code during the three months ended March 31, 2023.

## Events after the Reporting Period

There were no significant events that might affect the Company since March 31, 2023.

## APPRECIATION

On behalf of the Board, I would like to express our sincere gratitude to our consumers, merchants and partners for their trust in our platform, our couriers for their reliable and efficient services, our entire staff and management team for their outstanding contributions, and our Shareholders for their continuous support.

By Order of the Board  
**Meituan**  
**Wang Xing**  
*Chairman*

Hong Kong, May 25, 2023

*As at the date of this announcement, the board of Directors comprises Mr. Wang Xing and Mr. Mu Rongjun as executive Directors, Mr. Wang Huiwen and Mr. Neil Nanpeng Shen as non-executive Directors, and Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry as independent non-executive Directors.*

*The Company’s shareholders and potential investors should note that the information in this announcement is based on the management accounts of the Company which have not been audited or reviewed by the Company’s Auditor. This announcement contains forward-looking statements relating to the business outlook, estimates of financial performance, forecast business plans and growth strategies of the Company. These forward-looking statements are based on information currently available to the Company and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realised in future. Underlying these forward-looking statements are a large number of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this announcement should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements.*



## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

Term	Definition
“Articles” or “Articles of Association”	the articles of association of the Company adopted on August 30, 2018 with effect from Listing, as amended from time to time
“Audit Committee”	the audit committee of the Company
“Auditor”	PricewaterhouseCoopers, the external auditor of the Company
“Board”	the Board of Directors
“CG Code”	the corporate governance code as set out in Appendix 14 to the Listing Rules
“Class A Shares”	Class A shares of the share capital of the Company with a par value of US\$0.00001 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company’s general meeting, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Shares”	Class B ordinary shares of the share capital of the Company with a par value of US\$0.00001 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meeting
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company,” “our Company,” “the Company”	Meituan (美团) (formerly known as Meituan Dianping (美团点评)), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 25, 2015, or Meituan (美团) and its subsidiaries and Consolidated Affiliated Entities, as the case may be
“Consolidated Affiliated Entities”	the entities we control through the Contractual Arrangements, namely, the Onshore Holdcos and their respective subsidiaries (each a “ <b>Consolidated Affiliated Entity</b> ”)
“Director(s)”	the director(s) of the Company
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board

“Listing”	the listing of the Class B Shares on the Main Board of the Stock Exchange
“Listing Date”	September 20, 2018, on which the Class B Shares are listed and on which dealings in the Class B Shares are first permitted to take place on the Stock Exchange
“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
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Reserved Matters”	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Articles of Association, being (i) any amendment to the memorandum of association of the Company and the Articles, including the variation of the rights attached to any class of shares, (ii) the appointment, election or removal of any independent non-executive Director, (iii) the appointment or removal of the Company’s auditors, and (iv) the voluntary liquidation or winding-up of the Company
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“Share(s)”	the Class A Shares and Class B Shares in the share capital of the Company, as the context so requires
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“United States,” “U.S.” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	U.S. dollar, the lawful currency of the United States
“%”	per cent

## GLOSSARY

“Active Merchant”	a merchant that meets any of the following conditions in a given period: (i) completed at least one transaction on our platform, (ii) purchased any online marketing services from us, (iii) processed offline payment at least once through our integrated payment systems, or (iv) generated any order through our ERP systems
“Gross Transaction Volume” or “GTV”	the value of paid transactions of products and services on our platform by consumers, regardless of whether the consumers are subsequently refunded. This includes delivery charges and VAT, but excludes any payment-only transactions, such as QR code scan payments and point-of-sale payments
“Number of On-demand Delivery transactions”	include number of transactions from food delivery and Meituan Instashopping businesses
“Transacting User”	a user account that paid for transactions of products and services on our platform in a given period, regardless of whether the account is subsequently refunded
“transaction”	the number of transactions is generally recognized based on the number of payments made; whereas (i) with respect to our in-store business, one transaction is recognized if a user purchases multiple vouchers with a single payment; (ii) with respect to our hotel-booking business, one transaction is recognized if a user books multiple room nights with a single payment; (iii) with respect to our attraction, movie, air and train ticketing businesses, one transaction is recognized if a user purchases multiple tickets with a single payment; (iv) with respect to our bike-sharing business, if a user uses monthly pass, then one transaction is recognized only when the user purchases or claims the monthly pass, and subsequent rides are not recognized as transactions; if a user does not use monthly pass, then one transaction is recognized for every ride