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(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
Stock Codes: 3690 (HKD counter) and 83690 (RMB counter)

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

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, 2025.

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

HIGHLIGHTS

Financial Summary

	Unaudited Three Months Ended				Year-over -year change
	March 31, 2025		March 31, 2024		
		As a		As a	
	Amount	percentage of revenues	Amount	percentage of revenues	
	(RMB in thousands, except for percentages)				
Revenues	86,557,126	100.0%	73,275,884	100.0%	18.1%
Operating profit	10,566,110	12.2%	5,209,392	7.1%	102.8%
Profit for the period	10,056,880	11.6%	5,368,979	7.3%	87.3%
Non-IFRS Accounting Standards measures ¹ :					
Adjusted EBITDA	12,301,686	14.2%	8,070,343	11.0%	52.4%
Adjusted net profit	10,948,504	12.6%	7,488,394	10.2%	46.2%

¹ See the section entitled “Reconciliation of Non-IFRS Accounting Standards Measures to the Nearest IFRS Accounting Standards Measures” for more information about the non-IFRS Accounting Standards measures.

Financial Information by Segment

Unaudited Three Months Ended March 31, 2025				
	Core local commerce	New initiatives	Unallocated items ²	Total
	<i>(RMB in thousands)</i>			
Revenues:				
Delivery services	25,722,683	–	–	25,722,683
Commission	24,051,420	1,155,584	–	25,207,004
Online marketing services	11,862,473	84,548	–	11,947,021
Other services and sales (including interest revenue)	2,688,138	20,992,280	–	23,680,418
Total revenues	64,324,714	22,232,412	–	86,557,126
Cost of revenues, operating expenses and unallocated items	(50,833,234)	(24,505,679)	(652,103)	(75,991,016)
Operating profit/(loss)	13,491,480	(2,273,267)	(652,103)	10,566,110

Unaudited Three Months Ended March 31, 2024				
	Core local commerce	New initiatives	Unallocated items	Total
	<i>(RMB in thousands)</i>			
Revenues:				
Delivery services	21,065,057	–	–	21,065,057
Commission	20,034,039	623,234	–	20,657,273
Online marketing services	10,307,416	83,482	–	10,390,898
Other services and sales (including interest revenue)	3,219,195	17,943,461	–	21,162,656
Total revenues	54,625,707	18,650,177	–	73,275,884
Cost of revenues, operating expenses and unallocated items	(44,926,860)	(21,407,076)	(1,732,556)	(68,066,492)
Operating profit/(loss)	9,698,847	(2,756,899)	(1,732,556)	5,209,392

² 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) certain items in other gains/(losses), net, and (v) certain corporate administrative expenses and other items. They are not allocated to individual segments.

	Year-over-year change			Total
	Core local commerce	New initiatives	Unallocated items	
	(Percentages %)			
Revenues:				
Delivery services	22.1	NA	NA	22.1
Commission	20.1	85.4	NA	22.0
Online marketing services	15.1	1.3	NA	15.0
Other services and sales (including interest revenue)	(16.5)	17.0	NA	11.9
Total revenues	17.8	19.2	NA	18.1
Cost of revenues, operating expenses and unallocated items	13.1	14.5	(62.4)	11.6
Operating profit/(loss)	39.1	(17.5)	(62.4)	102.8

BUSINESS REVIEW AND OUTLOOK

Company Financial Highlights

During the first quarter of 2025, our revenues increased by 18.1% to RMB86.6 billion from RMB73.3 billion for the same period of 2024. Our Core local commerce segment achieved an operating profit of RMB13.5 billion for the first quarter of this year, which increased by 39.1% from RMB9.7 billion for the same period of last year. Meanwhile, the operating loss for our New initiatives segment narrowed to RMB2.3 billion from RMB2.8 billion for the same period of last year. Our adjusted EBITDA and adjusted net profit for this period both increased year over year to RMB12.3 billion and RMB10.9 billion, respectively. We also achieved an operating cash inflow of RMB10.1 billion for the first quarter of this year. We held cash and cash equivalents of RMB115.0 billion and short-term treasury investments of RMB65.4 billion as of March 31, 2025.

Company Business Highlights

Core Local Commerce

For the first quarter of 2025, segment revenue increased by 17.8% year over year to RMB64.3 billion. Operating profit increased by 39.1% year over year to RMB13.5 billion, and operating margin improved by 3.2 percentage points year over year to 21.0%.

During the first quarter of 2025, our food delivery business maintained healthy growth. Through refined operational strategies, we further enhanced user stickiness and elevated purchase frequency, especially among medium- to high-frequency users. On the supply side, we continued to iterate Pin Hao Fan (“拼好飯”) and Shen Qiang Shou (“神搶手”) to address the varied consumer demand in value-for-money products for different price-bands. Additionally, we continued to help restaurant merchants explore new growth opportunities within the evolving business landscape. Through our innovative Branded Satellite Stores (“品牌衛星店”), we enabled chain restaurants to expand geographically with a more cost-effective structure. We also iterated other offline store formats to customize growth strategies and operational solutions for chain restaurant merchants. To help small- and medium-sized merchants on our platform acquire customers and drive business growth, we implemented a comprehensive suite of supportive measures, including traffic support, free digital tools and online services. Food safety and quality remain central to our food delivery business. We launched the Bright Kitchen (“明廚亮灶”) program to enhance food safety transparency, and introduced other measures to help high-quality supplies gain more exposure on our platform. We also provided subsidies to merchants for hardware procurement and installation to facilitate the participation in the Bright Kitchen program. We have announced to invest RMB100 billion over the next three years to fuel the industry’s high-quality growth. Going forward, we will continue to support merchants in achieving business growth and navigating industry cycles while offering consumers a diverse range of high-quality products.

Couriers are an indispensable part of our ecosystem. We have consistently increased our efforts to protect couriers' rights and interests and improve their working conditions. Since July 2022, we have provided over RMB1.5 billion in occupational injury insurance for all the couriers in seven pilot provinces. This year, we plan to expand the occupational injury insurance to more provinces and aim for nationwide implementation by the end of next year. In April, we launched a new pension pilot program for couriers, which will be gradually rolled out nationwide. We also provide talent development programs and career advancement opportunities for couriers. We have enabled couriers to progress into management roles within our delivery network, provided internal job transfer opportunities on our platform, and sponsored their enrollment in universities for further education. Beyond work-related support, we provide assistance in living and healthcare for couriers and their families, including RMB100 million in critical illness aid, dedicated medical assistance funds for couriers' children, and educational support for couriers' children. We will continue to solicit feedback from couriers and enhance their benefits, ensuring that their hard work is properly recognized and rewarded.

In the first quarter of 2025, Meituan Instashopping maintained robust growth trajectory, winning increasing consumer recognition and showcasing the immense potential of on-demand retail. Several consumption categories posted remarkable growth, including beverages, snacks, 3C products, home appliances, beauty and personal care, and other non-food categories. On Valentine's Day, daily order volume nearly doubled year over year, with flowers, small appliances, jewelry, and beauty products emerging as favorites among younger consumers. On the supply front, we continued to make progress on Meituan InstaMart (“美团閃電倉”). Both the number of Meituan InstaMart and their order contribution continued to increase, especially in the lower-tier markets. In response to the surging popularity of on-demand retail, we officially launched our on-demand retail brand, “Meituan Instashopping”, in April. Consumers can access the Instashopping page directly from the Meituan App's homepage and enjoy reliable 30-minute delivery of a diverse range of products. We aim to provide consumers with more high-quality products in the most convenient manner possible. We will also support more merchants across all categories in expanding their presence in Meituan InstaMart. We are committed to helping merchants grow their business, enhance online operations, and seize the incremental opportunities from industry transformation and supply chain upgrades.

Our in-store business has proactively expanded product categories and service offerings to meet the varied consumer demand in the new market environment. For example, in line with the evolving consumption trend, we introduced platform guarantees for prepaid services for certain categories to restore consumer confidence and enhance consumption flexibility. Initiatives such as Safe Learning (“安心學”) and Safe Training (“安心練”) allow consumers to place orders, redeem services in installments, and request refunds with ease on our platform. We also leveraged efficient, user-friendly online tools and diverse marketing programs to help merchants extend their customer reach with improving conversion rates, enabling them capitalize on digital transformation and drive business growth. Beyond traditional offline merchants, our platform has also partnered with independent artisans. Through a comprehensive suite of services, we help these artisans build their online personal brands, streamline their collaborations with merchants, and expand their customer reach. As a result, consumers can now easily access a wider array of high-quality, value-for-money, and unique services on our platform. In addition, our business has maintained strong growth momentum in lower-tier markets, characterized by an expanded in-store product selection, accelerated transaction volume growth, and improved operational efficiency.

In hotel and travel, we proactively responded to the evolving consumption trends and emerging market opportunities. We strengthened our operational capabilities, deepened merchant partnerships, improved our service quality, and expanded value-for-money offerings. Since we launched Meituan Membership (“美团會員”), we have enhanced the benefits available to members in the hotel and travel vertical. These include room upgrades, complimentary breakfasts, and late check-out options. These enhancements have effectively strengthened our brand presence in the hotel and travel domain and driven increased cross-selling.

Following organizational integration, our medical and health business has deepened its presence in the industry supply chain, enhanced cross-selling across various services, and provided consumers with comprehensive solutions. During the peak flu season, we collaborated directly with pharmaceutical companies to ensure adequate supply of medications. While solidifying our competitive advantages and consumer mindshare in on-demand medicine delivery, we expanded our product offerings to include chronic disease medications and medical equipment, effectively increasing user purchase frequency. By extending our partnerships with medical aesthetics providers, dental clinics, ophthalmology clinics, specialty clinics, and traditional Chinese medicine hospitals, we managed to cross-sell more medical and healthcare services to our on-demand medicine delivery user base. Looking ahead, we remain committed to continuously innovating our products and services, aiming to fully meet consumers’ demand for one-stop medical and healthcare solutions.

In late March, we launched the Meituan Membership program (“美团會員”), which encompasses all our business categories and covers every aspect of consumers’ daily lives. It features Shen Quan (“神券”) as a universal benefit, with different additional benefits for different membership tier. The program encourages members to progress through higher membership tiers with more transactions on our platform, unlocking more membership benefits. Currently, the membership benefits mainly cover on-demand delivery, hotel, travel, and other local service categories, with plans to expand further to more categories. We intend to introduce tier-specific privileges as well to elevate the membership experience even more. Through the new “Meituan Membership” program, we aim to increase transaction frequency, improve cross-sell efficiency, and solidify the consumer mindshare in Meituan as the top choice for consumers seeking local stores and deals across all categories and scenarios.

New Initiatives

For the first quarter of 2025, revenues from the New initiatives segment increased by 19.2% year over year to RMB22.2 billion. Operating loss for the segment narrowed by 17.5% year over year to RMB2.3 billion, and operating margin improved by 4.6 percentage points year over year to negative 10.2%.

For the grocery retail as well as software and hardware services, we made further refinements to our operations, achieving notable year-over-year efficiency enhancements. Moreover, through our grocery retail businesses including Xiaoxiang Supermarket and Meituan Select, we have initiated comprehensive support for export enterprises. This support encompasses marketing efforts, channel expansion strategies and brand collaborations, all aimed at facilitating the distribution of high-quality export products in the domestic market. Our overseas business also achieved remarkable breakthroughs. Keeta has showcased its product capabilities and technological advantages in Saudi Arabia, providing consumers with an enhanced experience in both transactions and deliveries. We have already received positive feedback from local consumers, enabling us to rapidly emerge as one of the preferred food delivery platforms in the region.

For the remainder of 2025, our commitment to cultivate a thriving ecosystem remains unwavering. We will expand our support measures for the merchants, improving the online business environment and helping merchants innovate new supply models. For the couriers, we will try our best to provide a more comprehensive set of safeguards for their rights and enhanced benefits, alongside efforts to promote social recognition of their contributions. For consumers, we are dedicated to providing more extensive services, products, and membership benefits, especially for our long-term loyal customers. By leveraging AI technologies, we will continuously refine the user experience and boost merchant operational efficiency. Moreover, we will actively align with national strategies focused on invigorating consumption and expanding domestic demand. We aim to promote consumption growth and industry transformation, thereby making meaningful contributions to the overall economic development.

MANAGEMENT DISCUSSION AND ANALYSIS

The First Quarter of 2025 Compared to the First Quarter of 2024

The following table sets forth the comparative figures for the first quarter of 2025 and 2024:

	Unaudited Three Months Ended	
	March 31, 2025	March 31, 2024
	<i>(RMB in thousands)</i>	
Revenues	86,557,126	73,275,884
Including: Interest revenue	371,518	487,572
Cost of revenues	(54,143,437)	(47,579,144)
Gross profit	32,413,689	25,696,740
Selling and marketing expenses	(15,550,016)	(13,888,302)
Research and development expenses	(5,772,030)	(5,000,153)
General and administrative expenses	(2,627,017)	(2,298,323)
Net provisions for impairment losses on financial and contract assets	(121,474)	(175,386)
Fair value changes of other financial investments at fair value through profit or loss	804,820	(517,116)
Other gains, net	1,418,138	1,391,932
Operating profit	10,566,110	5,209,392
Finance income	491,358	279,755
Finance costs	(475,120)	(321,863)
Share of profits of investments accounted for using the equity method	18,453	314,197
Profit before income tax	10,600,801	5,481,481
Income tax expenses	(543,921)	(112,502)
Profit for the period	10,056,880	5,368,979
Non-IFRS Accounting Standards measures:		
Adjusted EBITDA	12,301,686	8,070,343
Adjusted net profit	10,948,504	7,488,394

Revenues

Our revenues increased by 18.1% to RMB86.6 billion for the first quarter of 2025 from RMB73.3 billion for the same period of 2024. We achieved revenue growth in both reportable segments.

The following table sets forth our revenues by segment and type for the first quarter of 2025 and 2024:

	Unaudited Three Months Ended March 31, 2025		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
Revenues			
Delivery services	25,722,683	–	25,722,683
Commission	24,051,420	1,155,584	25,207,004
Online marketing services	11,862,473	84,548	11,947,021
Other services and sales (including interest revenue)	2,688,138	20,992,280	23,680,418
Total	64,324,714	22,232,412	86,557,126
	Unaudited Three Months Ended March 31, 2024		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
Revenues			
Delivery services	21,065,057	–	21,065,057
Commission	20,034,039	623,234	20,657,273
Online marketing services	10,307,416	83,482	10,390,898
Other services and sales (including interest revenue)	3,219,195	17,943,461	21,162,656
Total	54,625,707	18,650,177	73,275,884

Our revenues from the Core local commerce segment increased by 17.8% to RMB64.3 billion for the first quarter of 2025 from RMB54.6 billion for the same period of 2024. The revenue growth in delivery services was mainly due to the increased Number of On-demand Delivery transactions and the decreased incentives deducted from delivery services revenue as a result of the national rollout of membership program. The revenue growth in commission was mainly driven by the increased GTV. The revenue growth in online marketing services was mainly attributable to the increased number of online marketing Active Merchants.

Our revenues from the New initiatives segment increased by 19.2% to RMB22.2 billion for the first quarter of 2025 from RMB18.7 billion for the same period of 2024, mainly due to the revenue growth in our grocery retail businesses and the development of our overseas business.

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, 2025		March 31, 2024	
	As a percentage of revenues		As a percentage of revenues
Amount	Amount	Amount	Amount
<i>(RMB in thousands, except for percentages)</i>			

Costs and Expenses:

Cost of revenues	54,143,437	62.6%	47,579,144	64.9%
Selling and marketing expenses	15,550,016	18.0%	13,888,302	19.0%
Research and development expenses	5,772,030	6.7%	5,000,153	6.8%
General and administrative expenses	2,627,017	3.0%	2,298,323	3.1%

Cost of Revenues

Our cost of revenues increased by 13.8% to RMB54.1 billion for the first quarter of 2025 from RMB47.6 billion for the same period of 2024, and decreased by 2.3 percentage points to 62.6% from 64.9% as a percentage of revenues on a year-over-year basis. The increase in amount was primarily driven by the increases in cost of revenues of our on-demand delivery business and grocery retail businesses, as well as the increased costs related to overseas business. The decrease in cost of revenues as a percentage of revenues was mainly due to our efforts in improving operating leverage and the improved gross margin of our grocery retail businesses, partially offset by the increased costs related to overseas business.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 12.0% to RMB15.6 billion for the first quarter of 2025 from RMB13.9 billion for the same period of 2024, which was mainly due to the increases in expenses related to promotion, advertising and user incentives as business scale further increased. The percentage of revenues decreased by 1.0 percentage points to 18.0% from 19.0% on a year-over-year basis, mainly due to the improved operating leverage and marketing efficiency.

Research and Development Expenses

Our research and development expenses increased by 15.4% to RMB5.8 billion for the first quarter of 2025 from RMB5.0 billion for the same period of 2024, which was primarily attributable to the increased investments at corporate level for AI. The percentage of revenues was 6.7% for the first quarter of 2025, remaining stable on a year-over-year basis.

General and Administrative Expenses

Our general and administrative expenses increased by 14.3% to RMB2.6 billion for the first quarter of 2025 from RMB2.3 billion for the same period of 2024, which was primarily driven by the increases in employee benefits expenses and tax surcharge expenses as a result of growth in business scale. The percentage of revenues was 3.0% for the first quarter of 2025, remaining stable on a year-over-year basis.

Net Provisions for Impairment Losses on Financial and Contract Assets

Our net provisions for impairment losses on financial and contract assets decreased to RMB121.5 million for the first quarter of 2025 from RMB175.4 million for the same period of 2024, which reflected the changes 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 RMB804.8 million for the first quarter of 2025 from a loss of RMB517.1 million for the same period of 2024, which was driven by the fluctuation in the fair value of our investment portfolios.

Other Gains, Net

Our other gains, net was RMB1.4 billion in the first quarter of 2025, which remained stable on a year-over-year basis.

Operating Profit

As a result of the foregoing, our operating profit and operating margin for the first quarter of 2025 was RMB10.6 billion and 12.2% respectively, compared to operating profit of RMB5.2 billion and operating margin of 7.1% for the same period of 2024.

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

	Unaudited Three Months Ended			
	March 31, 2025		March 31, 2024	
	As a		As a	
	Amount	percentage of revenues	Amount	percentage of revenues
<i>(RMB in thousands, except for percentages)</i>				
Core local commerce	13,491,480	21.0%	9,698,847	17.8%
New initiatives	(2,273,267)	(10.2%)	(2,756,899)	(14.8%)
Unallocated items	(652,103)	NA	(1,732,556)	NA
Including: Share-based compensation expenses	(1,707,846)	NA	(1,851,012)	NA
Total operating profit	10,566,110	12.2%	5,209,392	7.1%

Our operating profit from the Core local commerce segment increased to RMB13.5 billion for the first quarter of 2025 from RMB9.7 billion for the same period of 2024 and the operating margin increased by 3.2 percentage points to 21.0% from 17.8% on a year-over-year basis. The increase in operating profit was mainly attributable to both the revenue growth, and the increased operating margin resulting from our efforts in improving operating efficiency.

Our operating loss from the New initiatives segment narrowed to RMB2.3 billion for the first quarter of 2025 from RMB2.8 billion for the same period of 2024, and the operating margin for this segment improved by 4.6 percentage points to negative 10.2% from negative 14.8% on a year-over-year basis. The improvements in both operating loss and operating margin were primarily attributable to our efforts in improving operating efficiency and marketing efficiency in our grocery retail businesses, partially offset by the increased costs related to overseas business.

Our operating loss from the unallocated items decreased to RMB652.1 million for the first quarter of 2025 from RMB1.7 billion for the same period of 2024, which was primarily due to the fluctuation in the fair value of our investment portfolios, partially offset by the increased investments at corporate level for AI and others.

Share of Profits of Investments Accounted for Using the Equity Method

Our share of profits of investments accounted for using the equity method decreased to RMB18.5 million for the first quarter of 2025 from RMB314.2 million for the same period of 2024, as a result of the fluctuation in financial results of our investees.

Income Tax Expenses

Our income tax expenses increased to RMB543.9 million for the first quarter of 2025 from RMB112.5 million for the same period of 2024, which was primarily attributable to the profit growth from some of our entities.

Profit for the Period

As a result of the foregoing, we recorded a profit of RMB10.1 billion for the first quarter of 2025, compared to a profit of RMB5.4 billion for the same period of 2024.

The First Quarter of 2025 Compared to the Fourth Quarter of 2024

The following table sets forth the comparative figures for the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three Months Ended	
	March 31, 2025	December 31, 2024
	<i>(RMB in thousands)</i>	
Revenues	86,557,126	88,487,296
Including: Interest revenue	371,518	394,119
Cost of revenues	(54,143,437)	(55,043,149)
Gross profit	32,413,689	33,444,147
Selling and marketing expenses	(15,550,016)	(17,301,322)
Research and development expenses	(5,772,030)	(5,420,285)
General and administrative expenses	(2,627,017)	(2,938,189)
Net provisions for impairment losses on financial and contract assets	(121,474)	(170,390)
Fair value changes of other financial investments at fair value through profit or loss	804,820	12,835
Other gains/(losses), net	1,418,138	(933,297)
Operating profit	10,566,110	6,693,499
Finance income	491,358	354,470
Finance costs	(475,120)	(468,151)
Share of profits of investments accounted for using the equity method	18,453	316,482
Profit before income tax	10,600,801	6,896,300
Income tax expenses	(543,921)	(674,249)
Profit for the period	10,056,880	6,222,051
Non-IFRS Accounting Standards measures:		
Adjusted EBITDA	12,301,686	11,522,592
Adjusted net profit	10,948,504	9,848,538

Revenues

Our revenues decreased by 2.2% to RMB86.6 billion for the first quarter of 2025 from RMB88.5 billion for the fourth quarter of 2024, which was primarily due to seasonality.

The following table sets forth our revenues by segment and type for the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three Months Ended March 31, 2025		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
Revenues			
Delivery services	25,722,683	–	25,722,683
Commission	24,051,420	1,155,584	25,207,004
Online marketing services	11,862,473	84,548	11,947,021
Other services and sales (including interest revenue)	2,688,138	20,992,280	23,680,418
Total	64,324,714	22,232,412	86,557,126
	Unaudited Three Months Ended December 31, 2024		
	Core local commerce	New initiatives	Total
	<i>(RMB in thousands)</i>		
Revenues			
Delivery services	26,194,820	–	26,194,820
Commission	24,066,077	902,420	24,968,497
Online marketing services	12,842,276	108,230	12,950,506
Other services and sales (including interest revenue)	2,463,659	21,909,814	24,373,473
Total	65,566,832	22,920,464	88,487,296

Our revenues from the Core local commerce segment decreased by 1.9% to RMB64.3 billion for the first quarter of 2025 from RMB65.6 billion for the fourth quarter of 2024, which was primarily due to the decline in the Number of On-demand Delivery transactions and the reduced marketing spending by merchants during the Spring Festival holiday season.

Our revenues from the New initiatives segment decreased by 3.0% to RMB22.2 billion for the first quarter of 2025 from RMB22.9 billion for the fourth quarter of 2024, mainly due to the seasonality of our certain new initiatives, partially offset by the revenue growth in our overseas business.

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, 2025		December 31, 2024	
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	54,143,437	62.6%	55,043,149	62.2%
Selling and marketing expenses	15,550,016	18.0%	17,301,322	19.6%
Research and development expenses	5,772,030	6.7%	5,420,285	6.1%
General and administrative expenses	2,627,017	3.0%	2,938,189	3.3%

Cost of Revenues

Our cost of revenues decreased by 1.6% to RMB54.1 billion for the first quarter of 2025 from RMB55.0 billion for the fourth quarter of 2024, and the percentage of revenues was 62.6% which remained stable on a quarter-over-quarter basis. The decrease in amount was in line with our revenue decrease due to seasonality, partially offset by the increased costs related to overseas business.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 10.1% to RMB15.6 billion for the first quarter of 2025 from RMB17.3 billion for the fourth quarter of 2024, and decreased by 1.6 percentage points to 18.0% from 19.6% as a percentage of revenues on a quarter-over-quarter basis. Both the decreases in amount and the percentage of revenues were primarily attributable to the decreases in expenses related to promotion, advertising and user incentives, resulting from seasonality.

Research and Development Expenses

Our research and development expenses increased by 6.5% to RMB5.8 billion for the first quarter of 2025 from RMB5.4 billion for the fourth quarter of 2024, and increased by 0.6 percentage points to 6.7% from 6.1% as a percentage of revenues on a quarter-over-quarter basis. Both the increases in amount and the percentage of revenues were primarily attributable to the increased investments at corporate level for AI.

General and Administrative Expenses

Our general and administrative expenses decreased by 10.6% to RMB2.6 billion for the first quarter of 2025 from RMB2.9 billion for the fourth quarter of 2024, primarily due to the reduced tax and surcharges resulting predominantly from seasonal revenues declines. The percentage of revenues was 3.0%, remaining stable on a quarter-over-quarter basis.

Net Provisions for Impairment Losses on Financial and Contract Assets

Our net provisions for impairment losses on financial and contract assets decreased to RMB121.5 million for the first quarter of 2025 from RMB170.4 million for the fourth quarter of 2024, which reflected the changes 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 increased to a gain of RMB804.8 million for the first quarter of 2025 from a gain of RMB12.8 million for the fourth quarter of 2024, which was driven by the fluctuation in the fair value of our investment portfolios.

Other Gains/(Losses), Net

Our other gains/(losses), net changed to a gain of RMB1.4 billion for the first quarter of 2025 from a loss of RMB933.3 million for the fourth quarter of 2024, which was primarily due to the fluctuation in unrealised foreign exchange gains/(losses) from intercompany balances.

Operating Profit

As a result of the foregoing, our operating profit and operating margin for the first quarter of 2025 was RMB10.6 billion and 12.2% respectively, compared to operating profit of RMB6.7 billion and operating margin of 7.6% for the fourth quarter of 2024.

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

	Unaudited Three Months Ended			
	March 31, 2025		December 31, 2024	
	As a		As a	
	Amount	percentage of revenues	Amount	percentage of revenues
<i>(RMB in thousands, except for percentages)</i>				
Core local commerce	13,491,480	21.0%	12,900,327	19.7%
New initiatives	(2,273,267)	(10.2%)	(2,176,014)	(9.5%)
Unallocated items	(652,103)	NA	(4,030,814)	NA
Including: Share-based compensation expenses	(1,707,846)	NA	(1,772,332)	NA
Total operating profit	10,566,110	12.2%	6,693,499	7.6%

Our operating profit from the Core local commerce segment increased to RMB13.5 billion for the first quarter of 2025 from RMB12.9 billion for the fourth quarter of 2024. The operating margin for this segment increased by 1.3 percentage points to 21.0% from 19.7% on a quarter-over-quarter basis. The increases in operating profit and operating margin were mainly attributable to the lower Transacting User incentives and less promotion and advertising expenses, partially offset by the higher courier incentives due to seasonality.

Our operating loss from the New initiatives segment was RMB2.3 billion for the first quarter of 2025, remaining stable on a quarter-over-quarter basis. The operating margin for this segment was negative 10.2% for the first quarter of 2025, representing a 0.7 percentage points decline from negative 9.5% for the fourth quarter of 2024. The higher operating loss ratio was primarily due to the increased costs related to overseas business and the adverse seasonality for certain new initiatives.

Our operating loss from the unallocated items decreased to RMB652.1 million for the first quarter of 2025 from RMB4.0 billion for the fourth quarter of 2024, which was primarily due to the fluctuations in unrealised foreign exchange gains/(losses) from intercompany balances and in fair value of our investment portfolios.

Share of Profits of Investments Accounted for Using the Equity Method

Our share of profits of investments accounted for using the equity method decreased to RMB18.5 million for the first quarter of 2025 from RMB316.5 million for the fourth quarter of 2024, as a result of the fluctuation in financial results of our investees.

Income Tax Expenses

Our income tax expenses decreased to RMB543.9 million for the first quarter of 2025 from RMB674.2 million for the fourth quarter of 2024, which was primarily attributable to the recognition of deferred tax assets based on the taxable income forecast of certain entities.

Profit for the Period

As a result of the foregoing, we recorded a profit of RMB10.1 billion for the first quarter of 2025, compared to a profit of RMB6.2 billion for the fourth quarter of 2024.

Reconciliation of Non-IFRS Accounting Standards Measures to the Nearest IFRS Accounting Standards Measures

To supplement our consolidated results which are prepared and presented in accordance with IFRS Accounting Standards, we also use adjusted EBITDA and adjusted net profit as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS Accounting Standards 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 investment transactions. The use of these non-IFRS Accounting Standards 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 Accounting Standards. In addition, these non-IFRS Accounting Standards 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, certain items in other gains/(losses), 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 expenses, amortisation of intangible assets, depreciation of property, plant and equipment, and certain impairment and expense reversal/(provision).

Adjusted net profit represents profit/(loss) for the period adjusted for (i) certain non-cash or one-off items, consisting of share-based compensation expenses, foreign exchange gains/(losses) from intercompany balances, 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 table sets forth the reconciliations of our non-IFRS Accounting Standards measures for the three months ended March 31, 2025 and 2024, and the three months ended December 31, 2024 to the nearest measures prepared in accordance with IFRS Accounting Standards.

	Unaudited Three Months Ended		
	March 31, 2025	March 31, 2024	December 31, 2024
	<i>(RMB in thousands)</i>		
Profit for the period	10,056,880	5,368,979	6,222,051
Adjusted for:			
Share-based compensation expenses	1,707,846	1,851,012	1,772,332
Foreign exchange (gains)/losses from intercompany balances	(265,904)	–	1,668,043
Net (gains)/losses from investments ^{(Note (i))}	(777,438)	359,322	78,069
Impairment and expense provision	–	–	73,327
Amortisation of intangible assets resulting from acquisitions	45,187	42,840	42,605
Tax effects ^{(Note (ii))}	181,933	(133,759)	(7,889)
Adjusted net profit	10,948,504	7,488,394	9,848,538
Adjusted for:			
Income tax expenses not adjusted for adjusted net profit	361,988	246,261	682,138
Share of profits of investments accounted for using the equity method not adjusted for adjusted net profit	(30,765)	(143,376)	(311,725)
Finance income	(491,358)	(279,755)	(354,470)
Finance costs	475,120	321,863	468,151
Certain items in other gains, net	(1,145,115)	(1,404,959)	(1,046,580)
Amortisation of software and others	14,047	14,384	18,124
Depreciation of property, plant and equipment	2,169,265	1,827,531	2,218,416
Adjusted EBITDA	12,301,686	8,070,343	11,522,592

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

Note (ii) Tax effects primarily comprise tax effects relating to share-based compensation expenses, foreign exchange gains/(losses) from intercompany balances, net gains/(losses) from investments, impairment and expense reversal/(provision), and amortisation of intangible assets resulting from acquisitions.

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 RMB115.0 billion and short-term treasury investments of RMB65.4 billion as of March 31, 2025.

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

	Unaudited Three Months Ended March 31, 2025
	<i>(RMB in thousands)</i>
Net cash flows generated from operating activities	10,131,128
Net cash flows generated from investing activities	34,751,320
Net cash flows used in financing activities	(506,469)
Net increase in cash and cash equivalents	44,375,979
Cash and cash equivalents at the beginning of the period	70,834,097
Exchange losses on cash and cash equivalents	(194,616)
Cash and cash equivalents at the end of the period	115,015,460

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 before income tax, as adjusted by non-cash items and changes in working capital.

For the first quarter of 2025, net cash flows generated from operating activities was RMB10.1 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 decreases in certain current liabilities driven by seasonality.

Net Cash Flows Generated from Investing Activities

For the first quarter of 2025, net cash flows generated from investing activities was RMB34.8 billion, which was principally derived from net cash inflows from treasury investments, partially offset by capital expenditures and some other investments.

Net Cash Flows Used in Financing Activities

For the first quarter of 2025, net cash flows used in financing activities was RMB506.5 million, which was mainly attributable to the payments of lease liabilities.

Gearing Ratio

As of March 31, 2025, our gearing ratio, calculated as total borrowings and notes payable divided by total equity attributable to equity holders of the Company, was approximately 30%.

FINANCIAL INFORMATION

CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited Three Months Ended		
	March 31, 2025	March 31, 2024	December 31, 2024
	<i>(RMB in thousands)</i>		
Revenues	86,557,126	73,275,884	88,487,296
Including: Interest revenue	371,518	487,572	394,119
Cost of revenues	(54,143,437)	(47,579,144)	(55,043,149)
Gross profit	32,413,689	25,696,740	33,444,147
Selling and marketing expenses	(15,550,016)	(13,888,302)	(17,301,322)
Research and development expenses	(5,772,030)	(5,000,153)	(5,420,285)
General and administrative expenses	(2,627,017)	(2,298,323)	(2,938,189)
Net provisions for impairment losses on financial and contract assets	(121,474)	(175,386)	(170,390)
Fair value changes of other financial investments at fair value through profit or loss	804,820	(517,116)	12,835
Other gains/(losses), net	1,418,138	1,391,932	(933,297)
Operating profit	10,566,110	5,209,392	6,693,499
Finance income	491,358	279,755	354,470
Finance costs	(475,120)	(321,863)	(468,151)
Share of profits of investments accounted for using the equity method	18,453	314,197	316,482
Profit before income tax	10,600,801	5,481,481	6,896,300
Income tax expenses	(543,921)	(112,502)	(674,249)
Profit for the period	10,056,880	5,368,979	6,222,051
Profit for the period attributable to:			
Equity holders of the Company	10,056,827	5,368,538	6,222,021
Non-controlling interests	53	441	30
	10,056,880	5,368,979	6,222,051

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As of March 31, 2025	Audited As of December 31, 2024
	<i>(RMB in thousands)</i>	
ASSETS		
Non-current assets		
Property, plant and equipment	32,134,464	30,238,782
Intangible assets	30,360,784	30,230,342
Deferred tax assets	2,212,422	1,925,046
Long-term treasury investments	3,387,779	7,528,508
Other financial investments at fair value through profit or loss	18,889,253	17,776,330
Investments accounted for using the equity method	19,752,315	19,800,129
Other financial investments at fair value through other comprehensive income	3,355,432	3,732,341
Prepayments, deposits and other assets	3,198,399	3,388,578
	<u>113,290,848</u>	<u>114,620,056</u>
Current assets		
Inventories	1,901,133	1,734,124
Trade receivables	2,898,096	2,653,046
Prepayments, deposits and other assets	18,159,606	17,554,813
Short-term treasury investments	65,367,503	97,409,161
Restricted cash	17,299,328	19,549,620
Cash and cash equivalents	115,015,460	70,834,097
	<u>220,641,126</u>	<u>209,734,861</u>
Total assets	<u><u>333,931,974</u></u>	<u><u>324,354,917</u></u>
EQUITY		
Share capital	409	404
Share premium	312,430,051	308,861,196
Shares held for shares award scheme	(2)	—
Other reserves	1,509,315	3,603,145
Accumulated losses	(129,744,958)	(139,801,785)
Equity attributable to equity holders of the Company	184,194,815	172,662,960
Non-controlling interests	(58,829)	(58,882)
Total equity	<u><u>184,135,986</u></u>	<u><u>172,604,078</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Unaudited As of March 31, 2025	Audited As of December 31, 2024
	<i>(RMB in thousands)</i>	
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	1,575,347	1,480,825
Borrowings	1,456,088	1,175,045
Notes payable	37,803,914	38,009,069
Lease liabilities	3,301,246	3,134,776
Other non-current liabilities	55,637	15,484
	44,192,232	43,815,199
Current liabilities		
Trade payables	25,372,957	25,193,149
Payables to merchants	24,794,040	25,131,850
Advances from transacting users	10,122,022	11,147,206
Other payables and accruals	19,927,729	21,340,998
Borrowings	1,322	1,079
Notes payable	16,806,301	16,567,532
Deferred revenues	5,669,262	5,724,688
Lease liabilities	2,686,634	2,622,066
Income tax liabilities	223,489	207,072
	105,603,756	107,935,640
Total liabilities	149,795,988	151,750,839
Total equity and liabilities	333,931,974	324,354,917

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities or Sale of Treasury Shares

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (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 reviewed the Company's unaudited interim condensed financial information for the three months ended March 31, 2025. It meets regularly with the management, the 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 interim financial information are consistent with those adopted in preparing the Company's annual audited financial statements for the year ended December 31, 2024 (the "**2024 Financial Statements**"), except for the estimation of income tax and the adoption of new and amended standards as set out in the 2024 Financial Statements.

The unaudited interim financial information for the three months ended March 31, 2025 does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the 2024 Financial Statements, which have been prepared in accordance with the IFRS Accounting standards.

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 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, 2025. 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 as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, the Directors have respectively confirmed their compliance with the required standards as set out in the Model Code during the three months ended March 31, 2025.

Events after the Reporting Period

References are made to the announcements of the Company dated April 20, 2021, April 27, 2021, April 28, 2021 and April 29, 2025. An aggregate principal amount of US\$1,461,300,000 of the zero coupon convertible bonds due 2027 (the “**2027 Bonds**”) has been redeemed by the Company on April 27, 2025 pursuant to the terms and conditions of the 2027 Bonds.

Save as disclosed above, there were no other significant events that might affect the Company since March 31, 2025 and up to the date of this announcement.

By Order of the Board
Meituan
Wang Xing
Chairman

Hong Kong, May 26, 2025

As at the date of this announcement, the Board comprises Mr. Wang Xing and Mr. Mu Rongjun as executive Directors; and Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong, Dr. Shum Heung Yeung Harry and Ms. Yang Marjorie Mun Tak as independent non-executive Directors.

The 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 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 eighth amended and restated articles of association of the Company adopted by special resolution passed on June 14, 2024
“Audit Committee”	the audit committee of the Board
“Auditor”	PricewaterhouseCoopers, the external auditor of the Company
“Board”	the Board of Directors
“CG Code”	the corporate governance code as set out in Appendix C1 to the Listing Rules
“Class A Shares”	Class A ordinary 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), 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 contractual arrangements
“Director(s)”	the director(s) of the Company
“IFRS Accounting Standards”	International Financial Reporting Standards, 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
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“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 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 enterprise resource planning (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 value-added tax (VAT), but excludes any payment-only transactions, such as QR code scan payments and point-of-sale (POS) 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 recognised based on the number of payments made. (i) With respect to our in-store business, one transaction is recognised if a user purchases multiple vouchers with a single payment; (ii) with respect to our hotel-booking business, one transaction is recognised 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 recognised if a user purchases multiple tickets with a single payment; (iv) with respect to our bike sharing and e-moped sharing businesses, if a user uses monthly pass, then one transaction is recognised only when the user purchases or claims the monthly pass, and subsequent rides are not recognised as transactions; if a user does not use monthly pass, then one transaction is recognised for every ride