

Tuniu Announces New Initiatives for Difeng Cloud

NANJING, China, Oct. 23, 2018 /PRNewswire/ -- Tuniu Corporation (Nasdaq:TOUR) ("Tuniu" or the "Company"), a leading online leisure travel company in China, today shared recent updates to Difeng Cloud ("Difeng"), Tuniu's S2B2C distribution business, and announced a range of strategic initiatives including a new branding campaign and new services and features implemented on the platform.

Mr. Donald Dunde Yu, Tuniu's founder, Chairman and Chief Executive Officer, said, "Difeng is one of the most important channels in Tuniu's sales network. By working with over 33 thousand distributors throughout China, Difeng has helped Tuniu efficiently penetrate into lower tier cities. Our distribution system has been able to maintain its high growth momentum due to its ability to connect distributors with the right suppliers and to offer a complete suite of travel products and services. By maximizing the use of technology and data, Difeng will utilize a S2B2C model to serve as a one-stop platform connecting supply with demand within the leisure travel market. By continuing to grow our distribution capabilities, Tuniu is able to efficiently reach more travelers in China and strengthen our overall bargaining power."

Tuniu launched Difeng in September 2015. Benefiting from Tuniu's overall emphasis on direct procurement and deeper integration with the supply chain, Difeng was able to rapidly scale by offering Tuniu's products and resources to other distributors within the leisure travel industry. Difeng currently offers travel products including both packaged tours and other travel-related products such as long tailed products, air ticketing, hotel reservations, attraction tickets, visa applications and insurance products. During the nine months ending on September 30, 2018, GMV generated from Difeng reached RMB 2.8 billion.

Difeng also launched distribution capabilities for inventories of chartered flights and hotels in order to help suppliers and distributors with inventory management and procurement. Chartered flight seat inventories are inflexible and can potentially result in inventory loss for the distributor. By leveraging Difeng's capabilities, distributors are able to significantly lower their inventory risks. Similarly, traditional hotel room distributors have limited hotel coverage, slow response speed and low compensation rules. To address these problems, Difeng worked with over one million hotels across 170 destinations around the world to develop its own hotel distribution system. The two new product distribution channels have grown rapidly since their inceptions. The cumulative GMV for Difeng's chartered flight distribution has reached over RMB 1 billion. For hotel distribution, Difeng aims to cumulatively distribute two million room nights by the end of 2019.

In addition to providing travel products, Difeng also offers other value-added services to both suppliers and distributors. Tuniu partners with a number of suppliers to procure key resources together. The company also provides credit loans to small- and medium-sized distributors based on their previous history working with Tuniu. Additionally, Difeng also integrated a number of specialized tools and features into its platform. Innovative tools such as dynamic packaging technology and marketing solutions such as tools for WeChat mini apps and social marketing all help Difeng's partners grow.

About Tuniu

Tuniu (Nasdaq: TOUR) is a leading online leisure travel company in China that offers a large selection of packaged tours, including organized and self-guided tours, as well as travel-related services for leisure travelers through its website tuniu.com and mobile platform. Tuniu has over 2,000,000 stock keeping units (SKUs) of packaged tours, covering over 420 departing cities throughout China and all popular destinations worldwide. Tuniu provides one-stop leisure travel solutions and a compelling customer experience through its online platform and offline service network. For more information, please visit <http://ir.tuniu.com>.

Safe Harbor Statement

This press release contains forward-looking statements made under the "safe harbor" provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "confident" and similar statements. Tuniu may also make written or oral forward-looking statements in its reports filed with or furnished to the U.S. Securities and Exchange Commission, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to fourth parties. Any statements that are not historical facts, including statements about Tuniu's beliefs and expectations, are forward-looking statements that involve factors, risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such factors and risks include, but are not limited to the following: Tuniu's goals and strategies; the growth of the online leisure travel market in China; the demand for Tuniu's products and services; its relationships with customers and travel suppliers; the Company's ability to offer

competitive travel products and services; Tuniu's future business development, results of operations and financial condition; competition in the online travel industry in China; relevant government policies and regulations relating to the Company's structure, business and industry; and the general economic and business condition in China and elsewhere. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the U.S. Securities and Exchange Commission. All information provided in this press release is current as of the date of the press release, and Tuniu does not undertake any obligation to update such information, except as required under applicable law.

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