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WHO WE ARE TODAY

Today, we are a leading one-stop travel platform globally, integrating a comprehensive suite of travel products and services and differentiated travel content. We are the go-to destination for travelers in China, and increasingly for travelers around the world, to explore travel and get inspired, to make informed and cost-effective travel bookings, and to enjoy hassle-free, on-the-go support and share travel experience. Users come to our platform for any type of trip, from in-destination activities, weekend getaways, and short-haul trips, to cross-border vacations and business trips. Our diverse product and service portfolio covers budget, high-end, customized, and boutique offerings that appeal to both our domestic users and our growing global user base. Founded in 1999, we now operate the most well-known travel brands in China according to the Analysys Report, and have solidified our leadership over the past two decades. We have been the largest online travel platform in China over the past decade and the largest online travel platform globally from 2018 to 2020, both in terms of GMV, according to the Analysys Report.

OUR MISSION

Our mission is to make every trip effortlessly enjoyable.

Travel is a way of life and life is a trip. Travel is more than transportation, lodging, dining, and sightseeing. Travel is a lifestyle and an indispensable dimension of life. We travel for fun and for work; we travel alone and with family and friends; we travel far away and nearby. Our travel experiences help shape who we are.

We make every trip personalized, convenient, enjoyable, and inspirational by building a travel ecosystem integrating rich and diverse travel products, services, and content offerings. Over the past two decades, we have been elevating the travel experience and lifestyles for people in China and around the world.

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OVERVIEW

How We Create an Effortlessly Enjoyable Travel Experience

User Centricity. We are a user-centric company committed to providing each user with a personalized, convenient, enjoyable, and inspirational travel experience. Before a trip, we provide personalized content to inspire our users to make informed travel decisions and a smooth booking process with full pricing transparency. Throughout a trip, we provide convenient and reliable on-the-go support through our mobile applications and around-the-clock customer service centers. After a trip, we continue to engage with our users, encourage them to review and share their experiences, and then use the feedback to consistently refine our services and inspire other users.

Open Platform. We enable a network of ecosystem partners, including listed accommodations, airlines, and other travel product providers, to access our massive user traffic, deep travel insights, and technology-enabled solutions. As a result, our open platform seamlessly aggregates and presents diverse travel products and services across the world with great scalability.

Proprietary Technology. We focus on building technology to improve travel experience. We were the first travel platform in China to launch a mobile-based transaction platform that enables convenient booking anywhere and anytime. Our proprietary artificial intelligence (AI) and big data analytics technologies allow us to transform our massive travel data into business intelligence and operating know-how to consistently enhance our travel offerings and our operating efficiency.

Our Resilience

Our 17-year journey as a public company started in December 2003, shortly after the SARS outbreak in China, and the resilience that we demonstrated then continues today. Since the beginning of 2020, we, similar to other companies in the travel industry, have been negatively impacted by the COVID-19 pandemic. Nevertheless, we have continued to innovate our product, service, and content offerings to continuously deliver high-quality travel experience to our users. We not only strengthened collaboration with our hotel partners by launching a broader range of room and non-room offerings at attractive prices, but also developed "pre-order" offerings, which allow our users to lock in a competitive price while enjoying great flexibility in determining the actual travel date. We also launched our live streaming functions to help our ecosystem partners promote travel destinations across China and offer the latest great deals from hotels and flights to excursion tickets and in-destination activity packages. These efforts have created new ways to engage with users and ignite increasing local and domestic travel demand, and enabled us to continue to provide diverse marketing services to ecosystem partners.

As social and economic conditions gradually recovered from the COVID-19 pandemic within China, we observed an emerging demand for short-haul travel, local trips, and domestic boutique and premium accommodation experiences. We have rolled out new product offerings in these categories to better serve users' travel demand and recorded a strong recovery in our domestic travel business. As of December 31, 2020, the number of in-destination activity ecosystem partners increased by approximately 25% compared to December 31, 2019. In the fourth quarter of 2020, we had an over 20% increase in our intra-provincial hotel GMV and an over 100% increase in number of reservations for attractions and activities, compared to the same period in 2019. Our continued innovations in products, services, and content offerings allow us to identify the evolving need of users, putting us in an advantageous position to capture pent-up demand for outbound travel post-COVID-19.

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Our Value Propositions

Our Value Propositions to Users

Users come to us for inspiration, diverse selection, personalized, convenient, and enjoyable experiences, trustworthiness, value-based pricing, and efficiency.

Inspiration. The digital nature and scale of our platform have allowed us to accumulate content shared by travelers based on their real travel experiences and professionally generated content from our ecosystem partners. Our immersive and appealing content inspires travel ideas and bookings, and motivates future sharing from users after their own trips, thereby continuously enriching our content offerings.

Diverse Selection. Our one-stop travel platform offers a vast number of accommodations, transportation options, vacation packages, in-destination activities, and service offerings with expanding geographical coverage. From budget to premium, our diverse selection of travel product and service offerings, including long-tail and customized products, allows us to capture the varying demands of our broad user base. Our global travel offerings enable our users to book travel within China and elsewhere in the world.

Personalized, Convenient, and Enjoyable Experience. Our proprietary AI and big data analytics technologies enable us to provide each user with a personalized content feed. Our search and transaction engines integrate extensive product and service offerings around the world, provide real-time updates on pricing and availabilities, handle complex routing and matching calculations, and enable flexible payment options to maximize convenience for our users.

Trustworthiness. Our on-the-go travel services accompany users throughout their entire journey. Our service center is reachable 24/7. We proactively take swift measures to safeguard our users' safety and economic interests constantly, especially when emergency situations arise such as the COVID-19 pandemic. This further solidifies the trustworthiness of our brands.

Value-Based Pricing. We are able to negotiate competitive prices for users not only because of our scale, but also because of our ability to improve our ecosystem partners' operating efficiency by effectively matching demand with supply through our proprietary technology.

Efficiency. Leveraging our proprietary AI and big data analytics technologies, we have been continuously improving our user support efficiency and user experience through our self-developed automated instant messenger system, telephone system distribution software, and personalized search engine and recommendation system. We also use our industry-leading technologies in search and transactions of flight ticket, hotels, and accommodations to shorten search latencies and processing time, and generate relevant results efficiently to ensure good user experience. See "—Technology."

Our Value Propositions to Ecosystem Partners

Our ecosystem partners collaborate with us for our scale, innovation, and insights and technology solutions.

Scale. Leveraging our open platform, we enable our ecosystem partners to gain access to our massive user base. We improve the efficiency of our ecosystem partners and conversions on our open platform through targeted online marketing and content creation tools, demand forecast data insights, dynamic pricing engines, an integrated payment system, and supply chain financing facilitation. These value-added services help expand our travel offerings with competitive pricing and elevate travel experience and service for users, thereby enabling our platform to attract those users with the strong intent to travel, which drives high conversion rates and return on investment for our ecosystem partners.

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Innovation. Due to our scale, deep understanding of the industry, and proprietary technology, we not only match demand with supply, but also create new demand and drive value creation for the entire industry. For example, we have recently identified increasing user demand for short-haul trips and weekend getaways. As a result, we have introduced new product offerings to capture these emerging trends and leveraged our live streaming function to promote local attractions and activities.

Insights and Technology Solutions. We combine our travel insights and technology know-how to help our ecosystem partners grow their businesses. We provide our ecosystem partners with a comprehensive suite of technology solutions such as targeted online marketing tools, demand forecast and user behavior analytics models, an integrated payment system, and supply chain financing facilitation. As our partners grow their businesses, we both stand to benefit.

We offer various travel offerings such as air tickets and hotel listings to our users and charge them directly. In order to better meet users' increasing needs for diversified products and services, we allow trusted ecosystem partners to directly post their own product and service offerings on our open platform alongside products and services that are negotiated with business partners and offered by us. In substantially all of our hotel-related and air ticket-related transactions, we generally act as agent for our hotel reservation partners and airline ticket partners, and collect commissions from these ecosystem partners on products and services booked and sold through us. We allow ecosystem partners to determine the prices of their own products posted on our platform, and ensure adequate pricing competition among ecosystem partners through our open platform, thereby providing our users with a wide range of travel offerings with competitive and transparent pricing.

As our ecosystem partners increase their scale and achieve better profitability, we are able to offer products and services with better quality and value to our users, which ultimately enhances our value proposition to our users and the overall travel industry.

Our strong financial performance during the past few years has demonstrated our leading position in the travel industry in China and globally, showcasing the value that we provide for both our users and ecosystem partners. Our net revenues increased from RMB31.0 billion in 2018 to RMB35.7 billion in 2019 prior to the outbreak of the COVID-19 pandemic, and our net revenues were RMB18.3 billion in 2020. We had net income attributable to Trip.com Group Limited of RMB1.1 billion and RMB7.0 billion in 2018 and 2019, respectively, and net loss attributable to Trip.com Group Limited of RMB3.2 billion in 2020.

OUR STRENGTHS

The leading travel platform in China with growing global presence

We have been the largest online travel platform in China over the past decade and the largest online travel platform globally from 2018 to 2020, both in terms of GMV, according to the Analysys Report. Our leadership position extends across various key travel product categories.

We possess a portfolio of leading travel brands capturing a massive number of diverse users in China and globally. Ctrip and Qunar are our flagship brands in China. Ctrip is the most recognized brand for mid- to high-income frequent travelers while Qunar is the most recognized brand for younger generations aged 24 or under in lower tier cities in China, according to the Analysys Report. By operating two distinct brands, we are able to offer our services to multiple user bases across different demographics and backgrounds, pursue differentiated marketing and business strategies, and thereby capture additional market share.

We have been focusing on improving our product competitiveness and brand recognition across all tiers of markets. In 2020, more than 40% of our new transacting users came from third- and lower-

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tier cities. Our users with an annual spending of over RMB5,000 grew at a CAGR of 29% from 2014 to 2019. During the fourth quarter of 2020, our mid- to high-end hotel bookings grew more than 10%, compared to the same period in 2019.

We continue to build our global presence through owned brands and brands resulting from a number of direct investments and expand our user base in Greater China and elsewhere globally. We generate revenues from the Greater China and international markets, which are determined based on the locations of our websites and mobile applications through which our users place their orders. We identify the locations of our websites based on the URLs, and identify the locales of our mobile applications based on the languages and countries or regions selected by the users within our mobile applications. In 2018, 2019, and 2020, the aggregate revenues from international market contributed to 10%, 13%, and 7% of our total revenues in 2018, 2019, and 2020.

Currently, our global brands primarily include, Trip.com, our flagship online travel agency (OTA) platform for global travelers, and Skyscanner, a leading global travel search company. Trip.com and Skyscanner are highly synergistic as Skyscanner brings massive traffic to Trip.com and Trip.com's diverse product and service offerings enhance conversions on Skyscanner. As of December 31, 2019, international air ticketing volumes on Trip.com had been growing at triple digits year-over-year for 13 consecutive quarters. As of December 31, 2020, our products and services through Trip.com were available in 20 languages and 31 local currencies and local sites, and our products and services through Skyscanner were available in over 30 languages and 52 countries and regions globally.

One-stop destination for a comprehensive suite of travel offerings

Our one-stop travel platform supports every aspect of a traveler's journey, from browsing for inspirations, trip research and planning, to making informed decisions, travel bookings, in-destination activities, on-the-journey support, and post-travel experience sharing. We empower each individual to pursue a unique travel lifestyle by allowing one to discover and book any type of trip, such as in-destination activities, weekend getaways, short-haul trips, international vacations, and business trips.

Breadth of offerings. As of December 31, 2020, our platform offered over 1.2 million global accommodation offerings, covering hotels, motels, resorts, homes, apartments, bed and breakfasts, hostels, and other properties. Our air ticketing business offered flights from over 480 airlines, covering over 2,600 airports in over 200 countries and regions. We offered over 310,000 in-destination activities around the world as of December 31, 2020. Our ever-expanding product portfolio also includes an increasing number of in-destination activities catering to users' evolving demands. As of December 31, 2019, we offered the largest number of product offerings in both airline ticketing and hotel accommodation categories in China, and maintained a leading position in packaged tours and other services since 2010, according to the Analysys Report. We are the only online travel platform in China offering such a wide variety of domestic and international travel product offerings with competitive prices, according to the Analysys Report.

Depth of offerings. Our one-stop platform for travel products and services covers offerings from budget to premium and includes long-tail and customized products across multiple travel categories. For a substantial number of products and services on our platform, users have access to alternative pricing and different value-added service packages offered by third-party vendors. Leveraging our extensive travel route coverage and destination insights accumulated from over 21 years of operations, we are able to offer customized tour packages that are specifically tailored to our users' needs.

Value-based pricing. Leveraging our scale and our ability to effectively match demand with supply to improve our ecosystem partners' operating efficiency through technological and operational empowerment, we are able to negotiate competitive prices for our users.

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Content integration to maximize conversion. Our content offering is an integral part of our platform and is a natural extension to our travel offerings. The rich user generated content shared by users based on their real travel experiences, and professional generated content produced by professional travel bloggers, key opinion leaders, or KOLs, and our ecosystem partners, play an important role in encouraging user engagement and interactions and converting inspiration to transaction. From the first quarter of 2020 to the fourth quarter of 2020, the quarterly average of daily visitors from our content channels, measured by numbers of mobile devices after removing duplicates, increased by over 80%, and the quarterly average of daily time spent on information feeds per visitor increased by over 100%. As of December 31, 2020, we have introduced over 60,000 products through our live streaming platform and we achieved over RMB5 billion GMV in 2020. For the year ended December 31, 2020, over 40% of the users who transacted on our live streaming channels had made at least two purchases.

With our one-stop travel platform, we have been able to tighten our connection with users, inspire their travel interests, cross-sell a broad-range of travel and in-destination products and services, and gain more travel insights. For the year ended December 31, 2020, over 20% of our users who had made air ticketing reservations also made accommodation reservations within 15 days. Our authentic, immersive, and rich content allows us to attract new users to our platform while enhancing stickiness of our existing users. This also forms a virtuous circle where we attract users to our platform through the constantly refined content, products, and services, which in turn bring in more content to attract more users and ecosystem partners, leading to our sustainable growth.

User centricity throughout the journey

Over the years, we have consistently focused on improving our products, services, and technology to ensure personalized, convenient, enjoyable, and inspirational travel experience.

Before the Trip

Easy access. Our users gain access to our products and services online and offline, and through our ecosystem partners. For the year ended December 31, 2020, over 90% of our total transactions were completed through our mobile channels. As of December 31, 2020, we also served our users through approximately 6,000 offline stores operated under an asset-light model in over 300 cities in China. Our offline stores help better serve users in lower-tier cities in China and users who prefer traditional offline interactions.

Personalized recommendation. We offer our users personalized content feeds and recommendations, enabling them to develop their ideal travel plans effortlessly.

Booking

Transparency. We present pricing information, value-added services, and refund and return policies in a clear and prominent manner for each product and service offering on our platform and allow users to opt out of the booking easily and conveniently. The transparent presentation is further complemented by technologies such as virtual reality tours of hotel rooms to enable our users to make well-informed travel decisions.

Convenient and frictionless transaction. Empowered by our search and transaction engines, we offer our users real-time updates on pricing and availability for millions of flight routes, accommodation listings, packaged tours, and in-destination activities around the world, as well as diverse and flexible payment options.

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During the Journey

A safe and pleasant journey. We value our users' varying demands and offer flexible reservation change and refund policies to safeguard their economic interests and ensure a smooth travel experience during the entire journey. We are able to inform our users of potential changes in their travel schedules in a timely manner leveraging our proprietary traffic forecast and flight delay prediction algorithms, enabling users to make timely adjustments to their travel plans.

Global 24/7 user support. Our care for our users extends beyond their transactions on our platform to whenever our users encounter emergency situations during the journey. We have seven customer service centers located in China and abroad and offer 24/7 user support leveraging our ChatBot and Voice Robot technology.

After the Trip

Continued engagement for consistent enhancement. We have provided an intuitive interface for users to rate and share reviews of the travel products that they purchase from our platform. Leveraging our intelligent analytics capabilities, we have been constantly refining our user review framework to improve authenticity, objectivity, and relevance of our review and rating system. This leads to a feedback loop for us to refine our products and services, which in turn helps users make well-informed travel decisions.

Proprietary technologies underpinning our entire operations

Technology is integrated into every aspect of our business operations. Our proprietary AI, big data analytics, and cloud-based technologies allow us to transform the massive transaction volume and travel insights on our platform into business intelligence and operating know-how, which we use to constantly enhance our products and services and our operational efficiency.

Customized product curation. Our industry-leading big data and AI capabilities, coupled with travel insights accumulated from over 21 years of operations, allow us to promptly capture evolving user preferences and provide customized product offerings. For example, when outbound travel was curbed by the COVID-19 pandemic, we were able to identify the surging demand in boutique travel products among domestic Chinese travelers and update our offerings to encourage and capture that demand.

Real-time travel alert. A crowded destination can greatly undermine a traveler's experience. Leveraging our big data analytics technologies, we are able to formulate a real-time heat map that illustrates where travelers are heading and consistently monitors the capacity at a vast majority of travel destinations in China. As a result, we are able to offer real-time traffic and capacity updates, which improve user experience.

Operating efficiencies. Our advanced and centralized searching technology enables significant cross-selling opportunities on our platform. Our data-driven operation management process enables us to achieve significant cost savings. For example, as of December 31, 2020, we had achieved a close to 75% automation rate in user support for our Ctrip mobile application, which significantly reduces our user support cost.

Ecosystem empowering travel partners

We provide our ecosystem partners with a comprehensive suite of technology solutions such as targeted online marketing, demand forecasting, travel insights, and an integrated payment system, and

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we facilitate supply chain financing for them. Our partners are able to reach a larger scale of potential users efficiently through our platform, gain access to increasing demand, improve conversion through our targeted marketing, and achieve optimized pricing and inventory planning.

The scale of our platform and massive user base allow us to drive a flywheel effect in terms of demand matching and creation. Empowered by real-time travel and transaction insights and predictive models, we are able to recommend users relevant value-added products or services, while simultaneously promoting targeted services on behalf of our partners. For example, we create demand for partners on our platform by recommending in-destination activities and local experience products to users on short-haul trips. We also encourage our users to share their experiences on our platform, which can further promote our partners' products and services. This, in turn, creates more transactions and travel insights to help us offer more relevant recommendations for our users and empower our partners even more effectively in the future.

Our win-win collaboration helps us attract ecosystem partners and create value for the entire travel industry. As a result, we have become the partner of choice for domestic travel brands to reach global travelers, and as the largest outbound travel platform in China in terms of GMV according to the Analysys Report, we provide international travel brands with unique access to the massive Chinese user base. Overall, we have accumulated a massive number of travel partners to our platform, establishing our leading positions in both the transportation and accommodation online travel markets, with over 1.2 million global accommodation listings, over 480 airlines, and over 30,000 other ecosystem partners on our open platform as of December 31, 2020.

Management team with extensive industry experience and entrepreneurial culture

We benefit from the vision and experience of our senior management team. Key members of our management team include Mr. James Jianzhang Liang, our co-founder and executive chairman of the board, Mr. Min Fan, our co-founder and vice chairman of the board and president, Ms. Jane Jie Sun, our chief executive officer, and Ms. Cindy Xiaofan Wang, our chief financial officer. Our senior management has decades of experience in information technology and travel management. As pioneers in leading the China travel sector's digital transformation, our management team brings with them passion and conviction for the growth prospects of China's travel industry.

OUR STRATEGIES

We operate our business with local focus and global vision. We will continue to refine and iterate our products and services, innovate our business model and technologies, and drive value creation for all the travel industry stakeholders in China. In the meantime, we plan to remain keenly focused on building our global presence for users within China and the expanding user base outside China. We believe that we are well-positioned to replicate our success in China and globally leveraging our extensive operating know-how and travel partnership network.

Expand our one-stop travel offerings

Our one-stop travel offerings are pivotal to our business and growth. We are committed to constantly incubating new ideas and deepening our existing travel offerings to cater to evolving user needs and preferences. We plan to attract more diversified and high-quality ecosystem partners to our platform to expand our product categories and service offerings, which enables more personalized and tailored offerings to allow us to capture the growth of the quality leisure market. We will also broaden the scope of the collaborations with our ecosystem partners to upgrade our existing product portfolios to provide more in-depth travel experience, incubate products in higher frequency categories such as weekend and local trips and in-destination activities, and further expand accommodation experiences

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beyond room offerings, such as dining, spa and resort activities. In addition, we intend to expand our offerings in budget hotel segments and leverage our offline network to better serve the travel needs of the mass user base in China, especially in lower tier cities. At the same time, we are committed to ensuring quality control by strictly following the screening and onboarding process for our ecosystem partners while we expand our one-stop travel offerings.

Our ecosystem partners choose to collaborate with us because of our scale as well as the comprehensive suite of technology solutions that we offered. We will continue to empower our ecosystem partners to offer more diverse and innovative products for our users through providing enhanced technology solutions in areas spanning across traffic acquisition, content recommendation, effective product and services marketing, and technology infrastructure and data capabilities to allow them to bring the right offerings to the right users.

Upgrade our content capabilities

We plan to drive sustainable long-term growth by continuing to upgrade our content capabilities. Content has been an organic and integral part of our business and we have adopted a three-step approach in upgrading our content capabilities. We will continue to enhance content display, introduce more diversified and creative content formats such as image-embedded reviews, short videos, and livestreaming, and deliver the most relevant content to users. We plan to offer more innovative content production tools and set up more efficient content distribution mechanisms to encourage every user, professional traveler, and ecosystem partner to share and interact on our platform, which further improves user stickiness. We intend to focus on improving the integration of product, content, and marketing functions to introduce more content-based products. The breadth and depth of the travel offerings on our platform allow us to link travel content and inspiration with products and further improve content-to-product conversion. In addition, we will continue to enhance our live streaming capabilities to empower ecosystem partners and help them unlock additional user growth. We will encourage our ecosystem partners such as tourism bureaus, hotels, and theme parks to engage with users directly on our content platform, which allows them to conduct effective marketing, build stronger brand images, and unlock user acquisition potential. This opens up additional advertising revenue opportunities for us and allows us to become the hub for tourism marketing.

Further improve our service quality

We are devoted to enhancing our one-stop service capabilities to provide more transparent, frictionless, and pleasant experiences to our users throughout their journey by better integrating our user support with our transaction platform and empowering our ecosystem partners to provide better products and services. Health and safety have become increasingly crucial to users following the outbreak of the COVID-19 pandemic and will continue to prevail in the travel industry after the pandemic, according to the Analysys Report. We will continue to improve our support throughout the entire journey. We aim to offer more useful information about the travel destinations including culture, weather and tips to users before the journey. During and after the trip, we will continue to enhance our ability to alert users of potential health and safety risks relevant to the trip, expand the service categories on our SOS channels with more timely responses, and leverage our virtual tour assistants to address on-the-go questions. We also plan to adopt more flexible reservation change and refund policies to allow users to change their travel schedules more conveniently without canceling the entire journey.

In terms of quality control, as user reviews are essential for us to evaluate our ecosystem partners' services and guide them in their product and service upgrades, we will continue to refine our user review framework and expand multi-language support to improve the quantity and quality of the reviews that we receive and to reduce fraudulent reviews. In addition, we plan to further enhance our

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quality control framework and internal rating system for ecosystem partners in terms of new partner selection, promotion of partners with good product and service quality, and penalty and termination mechanisms for under-performing ecosystem partners.

Continue to invest in technology

Technology is essential for us to offer one-stop travel products and services. We will continue to make prudent investments in research and development and attract talent in technological areas that will enhance our travel offerings, help us better empower our ecosystem partners and improve our operating efficiency. We will integrate our back-end technologies to further standardize the quality of our product offering and improve the consistency of service experiences for our users across the globe.

We will continue to invest in our technologies in personalized recommendation, content creation and distribution, and automated user support to further improve user experience. We also intend to continuously invest in AI, big data analytics, and cloud technologies to better empower our ecosystem partners in the areas of product and service innovation, demand forecasting, and quality control. We believe that our continued investments in technology will not only help us improve our operating and cost efficiency, but also improve our user experience and service quality.

Enhance our global leadership

We focus on establishing our global leadership in the long term. We will follow a three-step strategy in pursuing global expansion, including (i) solidifying our leadership in China's outbound travel market, (ii) increasing our global travel offerings and enhancing our ability to provide more diverse in-destination experiences globally, and (iii) becoming the go-to destination for all users globally. We will continue to expand our Trip.com brand in international markets, especially in Asia, and enhance the integration of Skyscanner with Trip.com to drive additional growth for both platforms.

We are also looking to strengthen our collaboration with global partners and prudently make selective acquisitions or investments in other global markets where our operating know-how can create significant synergies. As of the Latest Practicable Date, we had not identified any potential acquisition targets and did not have any ongoing negotiations relating to potential acquisitions.

OUR INNOVATION

We believe that our success is attributable to our continuous innovations, our innovative business model, and our strength in technologies. Our track record of innovations and our continued success in a competitive industry are widely recognized.

We have a strong track record of continuous innovation in our business model, which has resulted in our ability to provide a comprehensive suite of travel products and services to our users since our founding. Established in 1999, we were one of China's earliest online travel transaction platforms, and have been the largest online travel platform in China over the past decade and the largest online travel platform globally from 2018 to 2020, both in terms of GMV, according to the Analysys Report. We responded to the pain points of the then under-served business and leisure travelers in China, and seized the large opportunity offered by the ongoing offline-to-online transformation of consumer habits. For the past two decades following our inception, we have been continuously promoting the transformation of the travel experience and driving the adoption of online- and mobile-based one-stop travel bookings solutions for leisure and business travelers in China and globally. We aggregate hotel and transportation information to enable leisure and business travelers to make informed and cost-effective bookings. We also pioneered the development of an online reservation and fulfillment infrastructure that enables our users to explore, search, reserve, and

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purchase hotel room nights, transportation tickets, and packaged tours, as well as in-destination activities and other value-added services through our mobile applications and websites in China and globally.

In addition, we have been continuously evolving and expanding our high-quality service offerings. In 2018, acknowledging the huge potential of online content platforms, we were one of the first among our peers to launch an online travel content sharing platform, which allows our users to discover, explore, and share travel-related content featuring destinations, travel experiences and tips, thereby making informed travel decisions and enhancing their travel experiences. Our content offering is an integral part of our platform and is a natural extension of our product and service offerings. At the beginning of 2020, we launched our live streaming program to promote travel destinations across China with the latest deals on hotels, flights, in-destination activities, and more. In the live streaming program, users can interact with hosts real-time. We created this brand-new content-focused business model in the travel industry to inspire users on their travel ideas, engage our users, attract new users, and rekindle users' love for travel during the travel restriction period during the COVID-19 pandemic.

We leverage our proprietary technologies to provide leisure and business travelers with a personalized one-stop destination for travel products and services globally. Our users come to our platform for their travel-related needs through our multi-lingual mobile applications, websites, or user support centers. At the same time, we empower our massive ecosystem partners with our technology solutions and connects them with our global user base. We further improve the efficiencies of our ecosystem partners and conversions on our platform through targeted online marketing and content creation tools, demand forecast data insights, dynamic pricing engines, an integrated payment system, and supply chain financing solutions. These value-added services help transform travel experiences and elevate services for our users at scale.

We have also demonstrated our unique ability to continually use technologies to offer novel features, improve user experience and maintain our leadership position in travel industry innovations. Our leading technology platform is distinguished by advanced AI, big data analytics, and other core proprietary technologies, including:

- *Intelligent, cloud-based, automated, highly efficient, and omni-channel user support solutions.* Our user support cloud platform is developed on both public and private clouds to optimize operational efficiency. This cloud-based architecture enables us to support our users in times of traffic spikes, minimize down time, and ensure consistent availability to our users. Our technology also leverages an accumulated knowledge base of pre-existing support issues to enable 24/7 user support through ChatBot and Voice Robot. By using natural language processing and deep learning technologies, we have been continuously improving our user support efficiency and user experience. Moreover, we provide user supports online and offline and through multiple channels such as calls, instant messaging, emails, and social networks, in multiple media formats such as voice, text, image, and video. The diversity of our user support offerings ensures that users can find answers to their queries through a channel that is best suited for their needs.

- *Innovative applications of big data and AI.* Our platform generates a massive amount of travel-related data. We leverage various big data and AI technologies such as natural language processing, speech recognition, computer vision, and conversational AI, to inform various applications such as traffic forecasting, civil aviation big data analysis, flight delay prediction, and a tourism knowledge graph, among others. The application of the big data and AI technologies benefits not only the users, but also our ecosystem partners. For the users, the technologies enable optimized search rankings, personalized recommendations, a streamlined user experience, and enhanced user engagement and

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experience on the platform for user-generated short-video content. For the ecosystem partners, these technologies empower highly effective and precise marketing and optimize operating efficiency based on traveler propensity analysis and accurate demand predictions.

- ● *Proprietary search and transaction engines.* To improve the efficiency of our service platform and expand our business opportunities, we apply industry-leading technologies in search and transactions of flight ticket, hotels, and accommodation, which contributed to the success of our core business. These technologies are able to process massive amount of data that cover the global product offerings available on our platform, use optimized algorithms to reduce computational cost, shorten search latencies and processing time, and generate relevant results efficiently to ensure good user experience.

OUR KEY BUSINESS MILESTONES

Over the past two decades, we have evolved from an emerging online travel transaction platform into a leading one-stop travel platform integrating a comprehensive suite of travel products and services and differentiated travel content to make travel effortlessly enjoyable.

The following diagram illustrates the expansion of our travel offerings since our inception.
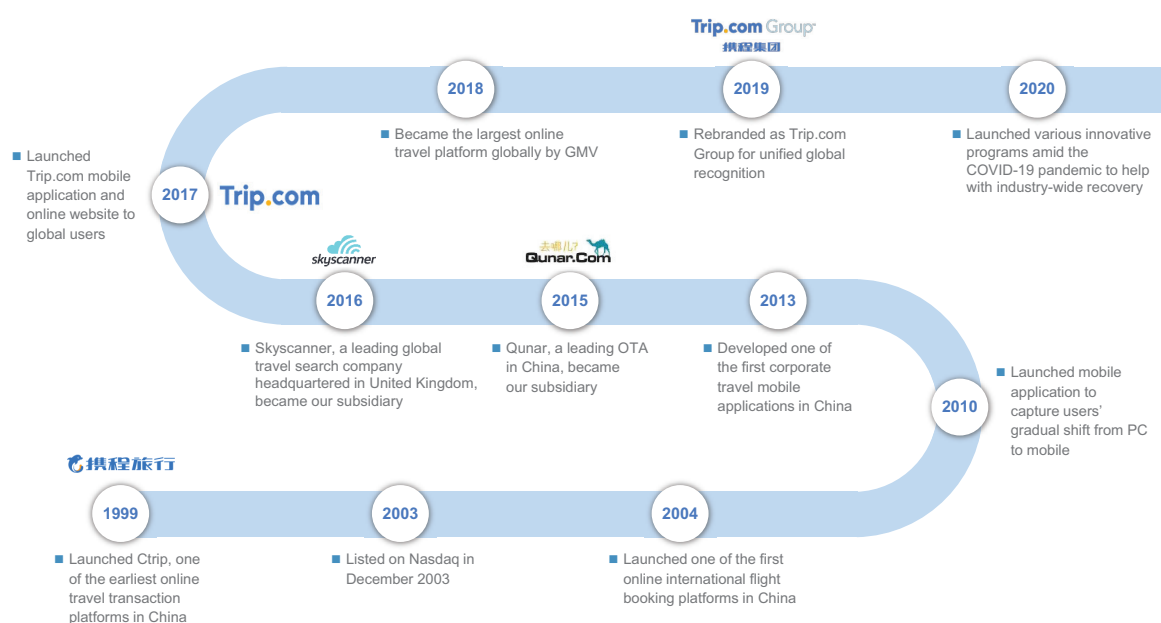
OUR PLATFORM

Our one-stop travel platform connects our users and our ecosystem partners. Leveraging our industry-leading AI capabilities and travel insights accumulated over the past over 21 years, we have evolved from an emerging online travel transaction platform to a one-stop travel platform integrating a comprehensive suite of travel products and services and differentiated travel content. Our platform aggregates our product and service offerings, reviews and other content shared by our users based on their real travel experiences, and original content from our ecosystem partners to enable leisure and business travelers to have easy access to enjoyable travel experiences and make informed and cost-effective bookings.

As a result of our leading position in travel markets and our vast user base, our platform has attracted a massive number of ecosystem partners across multiple sectors, including accommodation

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reservation, transportation ticketing, packaged tours, and in-destination activities. We provide our ecosystem partners with a variety of technology-enabled solutions and help them establish an online presence, access our massive and global user base, and engage with users in real time. In addition, since 2018, we have been rolling out content sharing features on our platform, which allow users to discover, explore, and share travel-related content featuring destination reviews and travel experiences and tips, thereby further enriching the ecosystem surrounding our platform.

Omni-Channel Touchpoints for Users

We are the go-to travel platform for travelers in China and increasingly so in target markets around the world. We are committed to providing each user with a personalized, convenient, enjoyable, and inspirational travel experience.

Online Channels. Our online channels consist of our mobile applications, other mobile access channels, and websites. We pioneered the development of an online reservation and fulfillment infrastructure that enables our users to explore, search, reserve, and purchase travel products and other value-added services through our online channels in China, and have continued to expand globally. For the year ended December 31, 2020, over 90% of our total transaction orders were executed through our mobile channels. We maintain our main sites of Ctrip and Qunar in China, and over time, we have established localized sites for users outside China. As of December 31, 2020, our products and services through Trip.com were available in 20 languages and 31 local currencies and local sites, and our products and services through Skyscanner were available in over 30 languages and 52 countries and regions globally.

We offer personalized home pages based on user profiles or past transactions and display travel products and services based on geolocation and other travel insights. While placing an order, users are prompted with options to customize their trips with packaged deals or additional value-added services for their convenience, such as travel insurance, car rental, or hotel deals. All products and services are shown with full price transparency. Our itinerary management tools enable users to review and manage their orders and itineraries. We encourage users to submit ratings, reviews, and recommendations to our platforms during their trips and after they return from their trips. Leveraging our content sharing feature, users are inspired by new travel ideas, make informed travel decisions, and share their travel experiences in an engaging community.

Offline Channels. In addition to our seven customer service centers located in China and abroad, we are expanding our offline footprint to open up offline stores with our business partners to better serve our users who prefer an in-person experience. In our offline stores, we provide users with one-stop services, such as travel consultation services and other local support and assistance. In addition, our offline stores are expanding to lower-tier cities in China to cover a massive user base with different purchase and consumption habits, experiences, and needs. As of December 31, 2020, we had approximately 6,000 offline stores operated under an asset-light model across over 300 cities in China.

User-Centric Approach. Our users are at the center of our business's philosophy and operations. Since our inception, we have constantly focused on building trust with our users and creating a more personalized, convenient, enjoyable, and inspirational travel experience. We provide a broad spectrum of travel products and services that accompany our users throughout their entire journey, from idea inspiration, trip research and planning, to informed decision-making, travel booking, in-destination activities, on-the-journey support, and post-travel sharing of travel experiences. We consistently refine our product interfaces to enable an increasingly frictionless booking experience for our users with full transparency in pricing, terms, and value-added services. We extend good care for our users by providing 24/7 user support all along their trips.

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Open Platform for Ecosystem Partners

We pioneered the adoption of an open platform business model to attract and facilitate customized travel offerings by a wide range of ecosystem partners covering various sectors in the travel vertical. Our open platform strategy enables us to better meet users' increasing needs for diversified, niche, and specialized travel resources by allowing trusted ecosystem partners to join our open platform and directly post their own product and service offerings on our platform alongside products and services that are negotiated with business partners and offered by us. We believe that with our open platform, we could build effective connections with our ecosystem partners and our users.

We have a large and diverse ecosystem partner base, including hotels and other accommodation providers, airlines and other air ticket partners, train ticket partners, car rental companies, bus operators, ferry carriers, other travel agencies from whom we source travel products and services, and value-added service partners. We also opened up our platform to international partners, search engines, e-commerce platforms, and other channels to expand their business opportunities and increase the offerings available to our users. As of December 31, 2020, our open platform provided over 1.2 million global accommodation listings, offered flights from over 480 airlines, and had a network of over 30,000 other ecosystem partners.

We aim to facilitate and empower ecosystem partners with a variety of technology-enabled solutions and travel insights to provide the best one-stop, customized travel experience for our global users at scale. We help our ecosystem partners establish online presence, access our massive, global user base, and engage with our users in real time. We further improve the efficiencies of our ecosystem partners and facilitate user conversions on our platform through targeted online marketing and content creation tools, demand forecast, travel insights, dynamic pricing engines, an integrated payment system, and supply chain financing facilitation. We enhance our price competitiveness by improving the matching efficiency of our IT system and by working closely with our ecosystem partners through the open platform to ensure that our users are provided with high-quality travel products and services. Our ability to precisely match demand and supply and exceptional value propositions to ecosystem partners, combined with the scale of our platform, enables us to negotiate the best price for value for our users. We seek to build and maintain long-term, strategic relationships with our ecosystem partners.

Selection of Ecosystem Partners. We carry out a rigorous ecosystem partner selection process to ensure high-quality product and service offerings to our users. When determining whether to accept a prospective ecosystem partner to our open platform, we take into account various factors, including reputation, industry expertise and know-how, price competitiveness, and track record of delivering high-quality products and services. We also have streamlined the contracting process for ecosystem partners by using an e-contract system on our open platform. Our ecosystem partners can promptly complete the whole contracting process after we finish the qualification screening process of each ecosystem partner.

Empowering the Ecosystem. We empower our ecosystem partners with access to our massive user traffic, technology solutions, and deep travel insights we have accumulated over the years, to match different users' needs and product and service offerings. As part of the ancillary value-added services we provide to our ecosystem partners, we use our travel insights to help them develop innovative products and services to meet users' evolving needs and optimize their product pricing and inventory management. We believe that this helps us build stronger ties with existing ecosystem partners and attract new ecosystem partners.

Quality Control. We set high service standards and constantly manage product and service quality of our ecosystem partners through screening and ratings. We believe that it is our obligation to

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build a fair, open, and impartial competitive environment on our open platform. We leverage big data analytics to consistently monitor our ecosystem partners' performance based on user feedback. Ecosystem partners with good performance will be rewarded, while those with negative reviews will be flagged for improvement.

We will continue to upgrade our open platform to empower our ecosystem partners to offer the most diversified products for our users, through providing enhanced support in traffic, content, product and services, marketing, technology infrastructure, and data capabilities and enhancing our collaboration and exploring new business models based on our industry know-how. As we continue to globalize our business, we will involve more overseas ecosystem partners to ensure that we provide the best services for our growing global user base.

One-Stop Travel Offerings

We offer our users a variety of products and services encompassing every aspect of a journey on our one-stop travel platform. We provide a range of accommodation reservation offerings covering a broad range of hotels and alternative accommodations, and transportation ticketing offerings covering different modes of transportation in China and globally, and catering to varying user preferences. Our diversified product portfolio also includes bundled packaged-tour products and a wide range of in-destination activities that enable our users to enjoy a unique experience while in their destinations. Users can find their preferred products and services whether they are traveling locally or internationally, for work or for pleasure, for day trips or extended stays. Our on-the-journey travel services are available online and offline and through multiple channels 24 hours a day, seven days a week, which accompany users throughout their entire journey. We are able to inform our users of potential changes in their travel schedules in a timely manner leveraging our proprietary traffic forecast and flight delay prediction algorithms, which enable users to make timely adjustments to their travel plans. We actively monitor and assess user feedback and user willingness to recommend our products and services to others.

As a natural extension to the product and service offerings, we also offer a wide range of appealing, high-quality travel-related content on our platform, including pictures, short videos, live streaming, trip reviews, and travel guides, which enable our users to discover, explore, and share travel-related content, and thus to make informed travel decisions and enhance their travel experiences.

Our ever-expanding travel products and services, together with diversified content contributed by our users and ecosystem partners, allow us to enhance stickiness of our existing users and attract new users and new ecosystem partners, which in turn enables us to bring more long-tail and customized product, service, and content offerings onto our one-stop platform.

OUR PRODUCTS AND SERVICES

We offer accommodation reservation, transportation ticketing, packaged-tour, and corporate travel management services, as well as other travel-related services to meet the various booking and traveling needs of both leisure and business travelers through our one-stop travel platform. We began offering accommodation reservation and transportation ticketing services in October 1999. Over the past two decades, we have been driving the transformation of travel experience and the adoption of online- and mobile- based travel booking solutions for leisure and business travelers in China and globally. We capture evolving user preferences and provide diverse travel content and a full spectrum of travel products and services to make travel effortlessly enjoyable. In addition, we offer various other products and services, including packaged-tour and in-destination activity products and services, corporate travel management services, and other travel-related services, such as car services, travel-related financing and insurance, and visa services to meet the various booking and traveling needs of

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both leisure and business travelers. Our users also have access to massive amount of both user-generated and professionally-generated content through personalized content feeds and our easy-to-use search tools.

Accommodation Reservation

Users can search, compare, and book accommodations on our platforms based on their destination and detailed stay preferences, and may further filter and sort search results by price range, star category, location, brand, and amenities. We also augment our accommodation reservation offerings with a wide library of traveler ratings, reviews, recommendations, and tour guides. As of December 31, 2019, we provided the largest number of hotel accommodation offerings in China, according to the Analysys Report.

We act as an agent in substantially all of our hotel-related transactions. We generate substantially all of our accommodation reservation revenue through commissions from our hotel reservation partners through our platform. We recognize revenues when the reservation becomes non-cancellable, which is the point considered when we complete our performance obligation in accommodation reservation services. Contracts with certain hotel reservation partners contain incentive commissions that are typically subject to specific performance targets. We generally receive incentive commissions from hotels through monthly arrangements based on performance targets of accommodation reservations where our users have completed their stay.

We contract with hotel partners for rooms under two agency models, the "guaranteed allotment" model and the "on-request" model. Under the "guaranteed allotment" model, a hotel guarantees us a specified number of available rooms every day, allowing us to provide instant confirmations on such rooms to our users before notifying the hotel.

For the year ended December 31, 2020, hotel reservations in which we have a guaranteed allotment arrangement accounted for a significant portion of our total hotel reservations in terms of GMV. With the remaining hotel partners, we book rooms on an "on-request" basis, meaning our ability to secure hotel rooms for our users is subject to room availability at the time of booking.

As of December 31, 2020, we provided over 1.2 million global accommodation listings, covering a broad range of hotels, motels, resorts, homes, apartments, bed and breakfasts, hostels, and other properties.

Transportation Ticketing

Users can search and book transportation tickets via our online platform and customer service centers. Our search functions allow users to narrow search results by specifying preferences, such as time and mode of transportation, and we leverage our data analytics capability to help them book tickets that best suit their travel needs. As of December 31, 2020, our far-reaching transportation ticketing network covered over 200 countries and regions. We make every effort to ensure a smooth trip for our users with our convenient and reliable booking and payment system.

Air Tickets

We sell air tickets as an agent for substantially all domestic PRC airlines and major international airlines operating flights. As of December 31, 2020, we offered flights from over 480 global airlines, covering over 2,600 airports in over 200 countries and regions. Our air ticket booking engines source real-time availability and pricing information from "direct connects" to airlines' booking systems and the global distribution system (GDS), a computerized network system that has real-time link to our ecosystem partners' inventory. As of December 31, 2019, we provided the largest number of airline ticketing offerings in China, according to the Analysys Report.

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In addition to selling air tickets, we also offer various options and services to help users travel with ease. Powered by our advanced route planning algorithms and extensive travel supply, users can customize their trips by combining two or more of our core travel products, such as air tickets and hotels, which are typically offered as a package at discounted rates. We also provide travel insurance products, such as flight delay insurance, air accident insurance, and baggage loss coverage, and various ancillary value-added services built around users' air travel needs, such as air-ticket delivery, online check-in and seat selection, express security screening, real-time flight status tracker, and airport VIP lounge services.

Other Tickets

Other tickets covered by our transportation ticketing service include train, long-distance bus, and ferry tickets. In connection with such ticketing services, we also offer various other ancillary value-added travel products and services that are designed to streamline the ticketing process.

Packaged Tours and In-Destination Activities

We offer independent leisure travelers bundled packaged-tour products and a wide range of in-destination activity products and services, catering to our users' evolving demands.

Packaged Tours

We offer our users a wide range of bundled packaged-tour products, including group tours, semi-group tours, customized tours, and packaged tours with different transportation arrangements, such as by air, cruise, bus, and car rental, covering a variety of domestic and international destinations. For example, we focus on securing diverse boutique travel products domestically, such as combinations of themed hotels and dining. We provide integrated transportation and accommodation services and offer a variety of value-added services including transportation at destinations, attraction tickets, local activities, insurance, visa services, and tour guides. We also provide high-quality user support, supplier management, and customer relationship management services to packaged-tour providers.

In-destination Activities

Destinations are often defined by the activities available upon arrival. Over the years, users are seeking more novel experiences and are eager to do more memorable activities in the destinations. Driven by the rise of experiential travel, we offer a variety of in-destination products and services, such as in-destination dining and shopping, day tours of popular tourist destinations, attraction and show tickets, customized tour guide services, and virtual tour assistant. Users not only have a plethora of options for what and when to book in-destination activities, but also can book at the last minute in a quick and straightforward manner on our platform. As of December 31, 2020, we offered over 310,000 in-destination activities around the world.

Corporate Travel Management

In addition to serving individual users, we also serve corporate clients with similar products and services to help them plan business travel in a cost-efficient way. We provide our corporate clients with business visits, incentive trips, meetings and conferences, travel data collection and analysis, industry benchmarking, cost savings analysis, and travel management solutions. We have independently developed our Corporate Travel Management System, which is a comprehensive online platform integrating information management, online booking, online authorization, online inquiry, and travel reporting systems.

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Other Travel-Related Services

Our other travel-related services primarily include online advertising and financial services. We provide effective and precise marketing planning and travel media services to our ecosystem partners, as well as a wide range of advertising services to pan-industry brand partners. Based on our travel product and service offerings, massive user base, and industry value chain, we also have obtained necessary licenses to facilitate users and ecosystem partners on our platform with our financial services, which mainly cover consumer financing to provide our users with value-added financial services, including travel installment plans and credit consumption solutions, supply-chain financing to provide our ecosystem partners with customized microfinance solutions, and a range of other digital financial solutions.

Content Offerings

We consolidate and aggregate travel-related content for our users to help them get inspired by new travel ideas, make informed travel decisions, and share their travel experiences. Our users have access, through personalized content feeds and our easy-to-use search tools, to a massive amount of both user-generated content shared by travelers based on their real travel experiences and enriched professionally-generated content including our official selections and content produced by professional travel bloggers, KOLs, and our ecosystem partners.

Reviews. We provide our users with a vast amount of detailed, authentic, and transparent information on our product and service offerings based on our users' in-depth reviews and detailed ratings. We have been constantly refining our user review framework to improve authenticity, objectivity, and relevance of our review and rating system, creating a feedback loop for us to refine our products and services, enhance users' search experience, and enable them to rely on us for making well-informed travel decisions.

Community. Our community integrates the online travel content sharing features on our platform with our product and service offerings, so that our users can discover, explore, and share travel-related content such as destination travel experiences and tips. In addition, leveraging our AI technology and travel insights, we are able to push tailored recommendations to our users while they are browsing through our community.

Selections and Recommendations. We provide our users with diversified lists of selected and recommended product and service offerings, such as popular destinations, themed activities, restaurant guides, and special deals. Our selections and recommendations help inspire our users' next great getaway, from long weekend escapes to must-see destinations and to bucket-list adventures from around the globe.

Live Streaming. In March 2020, as part of our novel product initiatives during the COVID-19 pandemic, we launched our first mobile BOSS live streaming event featuring a live tour by our management team and Trip.com live streaming series. Since then we have upgraded our live streaming channel into a platform with integrated resources and top-quality content. In addition to our official channel, our live streaming platform also hosts rich professionally-generated content contributed by professional travel bloggers, KOLs, and our ecosystem partners. We have collaborated with leading international hotel brands to offer our users attractive discounts on luxury hotels through live streaming. Our live streaming has also showcased destinations around the world with featured international travel products, attracting millions of views by our users.

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The screenshots below are our content offering interfaces:

User Support

We provide user support online and offline through multiple channels such as calls, instant messaging, email, and social networks, in multiple media formats such as voice, text, image, and video, 24 hours a day, seven days a week. As of December 31, 2020, we had seven customer service centers located in China and abroad, such as Shanghai, Nantong, Guangzhou, Manila, Tokyo, Seoul, and Edinburgh. These customer service centers are staffed with in-house travel specialists who have participated in a formal training program before commencing work. We also provide industry-leading comprehensive aftersales services including one-stop aftersales support, pre-travel warnings, major incident compensation, a special situation refund policy, and emergency support, among others. We have invested significantly in our call center technologies, including our self-developed instant messenger system, telephone system distribution software, and data encryption technology, and provide top-notch services globally. The diversity of our user support offerings ensures that our users can find answers to their queries through a channel that is best suited for their needs.

Our technologies leverage an accumulated knowledge base of pre-existing support issues to enable automated, online user support. By using natural language processing and deep learning

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technologies, we have been continuously improving our user support efficiency and user experience. For example, based on our own and external data such as weather and flight changes, we apply machine learning technologies to predict user call volume and plan our user support schedules accordingly. As of December 31, 2020, we had achieved a close to 75% automation rate in our user support for our Ctrip mobile application, which significantly reduces our user support cost.

In 2016, we launched the first travel safety center in China. The service center established seven innovative mechanisms to provide travelers with more protection, including the application of the global supplier travel safety standards, travel warning centers, a global travel destination emergency assistance mechanism, major disaster protection funds, a special reason cancelation policy, global travel insurance and rescue services, and a tour guide responsibility mechanism. We provide our users with travel insurance service including insurance consultation and claim settlements, from delayed and cancelled trips to accidental injury treatment, through one of our consolidated entities with insurance license, helping our users effectively avoid risks, recover a large amount of losses and expenses, and provide medical assistance in emergency situations.

In 2017, we launched the first global travel SOS service in China. Users who book a trip from our platforms have access to 24/7 emergency support. The SOS service currently covers three major categories: (i) support in emergencies such as natural disasters and terrorist attacks, (ii) support in case of injury or illness during the journey, including assistance in medical treatment, delivery of medicines, and translation services, and (iii) assistance provided when valuables are lost during the journey, including assistance in the recovery of lost property and eventually bringing the property back to the home country.

We constantly monitor and handle complaints from our users. Our users may lodge a complaint online, offline, or through third-party organizations, such as consumer associations. To ensure that user complaints and queries are dealt with in a timely, professional, and consistent manner, we have an internal complaint handling manual setting out various procedures for our customer service representatives to properly handle users' complaints, including clearly understanding the content of the complaint, recording the complaint, evaluating whether the complaint request is reasonable and the emergency degree of the complaint, and providing solutions to the user. We generally require the customer service representatives to respond to the user within 10 minutes for emergency events and within 30 minutes for general events. Our customer service team also work closely with other operation teams to ensure material matters are reflected in the upgrades of our platform, thereby reducing recurrence of same kinds of complaints.

TECHNOLOGY

Since our inception, we have been able to support substantial growth in our online and offline traffic and transactions with our technology and infrastructure. We have built a high-performance, reliable, scalable, and secure IT infrastructure to support nearly every aspect of our business, including our one-stop travel platform, mobile and website operations, and customer service centers. We believe that the technology used throughout our platform distinguishes us from our competitors in China in the following aspects.

AI and Big Data

Our leading technology platform is distinguished by advanced AI, big data analytics, and other core proprietary technologies. Our platform processes a massive amount of travel-related data. We leverage various big data and AI technologies such as natural language processing, speech recognition, computer vision, and conversational AI, to inform various applications such as traffic forecasting, civil aviation big data analysis, flight delay prediction, and a tourism knowledge graph, among others. The

application of the big data and AI technologies benefits not only our users, but also our ecosystem partners.

For our users, our technologies enable optimized search rankings, personalized recommendations, a streamlined user experience, enhanced user engagement, and the sharing and viewing of user-generated content. Our user support cloud platform is developed on both public and private clouds to optimize operational efficiency. The core technologies underlying our user support include (i) CtripIM, a self-developed instant messenger system which offers a streamlined problem-solving process, (ii) Softswitch, which enables us to securely encrypt users' displayed phone numbers to prevent leakage of sensitive user information, and (iii) SoftPBX, a telephone system software that distributes calls through the intranet to different operators after the user's phone call is connected. The strength of these underlying technologies enables us to handle user requests more efficiently, support our users in times of traffic spikes, enhance system stability, and ensure consistent availability to our users.

For the ecosystem partners, our technologies enable highly effective and precise marketing and optimize operating efficiency based on traveler propensity analysis and accurate demand predictions. We offer a variety of solutions to our ecosystem partners, such as (i) E-booking System for accommodation partners, which provides standardized information input to accommodation partners to digitalize their offerings in a clear and easy-to-follow fashion, and (ii) pricing error monitoring system for airfare, which detects flight tickets with abnormally low fares (bug fares) using anomaly detection models based on massive historical and real-time airfare data.

Proprietary Search and Transaction Engines

To improve the efficiency of our service platforms and expand our business opportunities, we apply industry-leading technologies in flight ticket search and accommodation search and transactions, which help us attract and retain users and improve their experiences on our platform. These technologies are able to process massive amount of data that covers the global product offerings available on our platform, use optimized algorithms to reduce computational cost, shorten search latency and processing time, and generate relevant results swiftly to ensure good user experience.

Our technologies for flight ticket searches include a search engine and personalized recommendation system. These technologies can support hundreds of millions of queries per day. The technology currently has covered departure or arrival cities worldwide and accommodates various languages. Leveraging our massive user base and large transaction volume, we have also built intelligent tools based on big data analytics and machine learning technologies for ecosystem partners to better price their products and strengthen their competitive positions. We provide deep integration of travel information technology systems with online transaction platforms, which further decreases airlines' operating cost and maximizes revenue.

Our technologies for accommodation searches include a hotel matching system, a hotel big data platform, and model algorithms. These technologies can support billions of queries per day, with an industry leading average response time. They can also rapidly process tens of billions of data points needed to calculate numerous room types, room status data, and room price data incrementally updated every day. The technology connects hotel sales sites in countries and regions around the world and supports multiple currencies and all major international credit card payments. As a result of the technology applied in accommodation search, the Company is able to attract and retain users and improve their overall experiences.

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MARKETING AND BRAND AWARENESS

Through a combination of online and offline marketing, brand promotion, cross-marketing, and rewards program, we have created strong brands that are commonly associated in China with value travel products and services and superior user support. In addition, we leverage word-of-mouth referrals among users to promote our brands. We will continue to use our focused marketing strategy to further enhance awareness of our brands and acquire new target users.

Brand Advertising

We currently operates through four leading travel brands, including (i) Ctrip, a leading provider of online travel and related services in China; (ii) Qunar, a leading online travel agency in China; (iii) Trip.com, an online travel agency for global travelers; and (iv) Skyscanner, a leading global travel search company.

We conduct our brand campaigns through advertising on video streaming platforms, targeted LCD displays in public spaces, and billboards at airports, railway stations, and bus stations. We also work with celebrities in our marketing campaigns and embed our brand and travel products into live TV shows, movies, and other entertainment marketing channels. We also have opened approximately 6,000 offline stores to supplement our online marketing to acquire more consumers in the lower-tier cities in China and those who prefer an in-person experience. With these diverse channels, we believe that we have effective strategies to enhance brand awareness and user engagement and attract a new generation of users, and we have a unique advantage in our ability to develop truly multi-channel marketing solutions for global destinations.

Performance Advertising

We have contracted with the majority of the leading online marketing channels, such as search engines, browsers, and navigation websites, to prominently feature our websites and have cooperated with online companies to promote our services, as well as conducting public relations activities. We have purchased related keywords or directory links to direct potential users to our websites.

We have also worked with major internet portals and leading mobile applications in their respective sectors to advertise locally and also have worked with top smart phone manufacturers to increase the number of our app downloads and promote more activations and transactions. In addition, we are actively testing all kinds of innovative and rapidly growing mobile channels that may appeal to consumers.

Cross-Marketing

We have entered into cross-marketing arrangements with major PRC domestic airlines, hotel chains, financial institutions, telecommunications service providers, e-commerce and internet companies, and other corporations. For example, our airline partners and financial institution partners recommend our products and services to members of their mileage programs or bank card holders. Users can accumulate miles by booking air tickets through us or earn points by paying through co-branded credit cards.

Rewards Program

To secure our users' loyalty and further promote our brand, we provide our users with a rewards program. This program allows our users to accumulate membership points calculated according to the services purchased by the users. Our membership points have a fixed validity term and our users may redeem these points for travel awards and other gifts.

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SEASONALITY

The travel service industry is characterized by seasonal fluctuations, and accordingly our revenues may vary from quarter to quarter. Since most of our users are from China, to date, the third quarter of each year generally contributes the highest portion of our annual net revenues primarily due to the strong demand for both leisure and business travel activities during the summer. These seasonality trends are difficult to discern in our historical results because our revenues have grown substantially since inception. However, our future results may be affected by seasonal fluctuations in the use of our services by our users. See "Financial Information—Major Factors Affecting Our Results of Operations—Seasonality."

USER PRIVACY AND DATA SECURITY

Data security is crucial to our business operations. We have internal rules and policies to govern how we may use and share personal information, as well as protocols, technologies and systems in place to ensure that such information will not be accessed or disclosed improperly. Users must acknowledge the terms and conditions of the user agreement before accessing our products and services, under which they consent to our collection, use, and disclosure of their data in compliance with applicable laws and regulations, and we will only use the data of our users under the conditions agreed by our users.

From an internal policy perspective, we limit access to our servers that store our user and internal data on a "need-to-know" basis. Our internal control protocols cover the full lifecycle of data processing including data collection, data quality management, data encryption and transportation, data storage security, data backup and recovery, data processing and analytics, proper use of data, and data destruction and disposition. We adopt a data encryption system intended to ensure the secured storage and transmission of data, and prevent any unauthorized member of the public or third parties from accessing or using our data in any unauthorized manner. We also deploy a variety of detection mechanisms, including machine learning technology and other automated tools that help us independently identify certain misleading information on our platform to remove, suppress, or forward the content for human review. As we continue to develop these tools, content is reviewed by our trained specialists to comply with applicable laws and regulations. During the Track Record Period, we have not experienced any material incidents related to user privacy and data security that subject us to material administrative penalties. Furthermore, we implement comprehensive data masking of user data for the purpose of fending off potential hacking or security attacks.

We engage legal counsel in and outside China to advise on our data protection policies and ongoing compliance with applicable laws and regulations. As part of our internal procedure, we engage overseas legal counsel to advise on the applicable licensing and compliance requirements before entering into new markets.

INTELLECTUAL PROPERTY

Our intellectual property rights primarily include trademarks and domain names associated with the name "Ctrip," "Qunar," "Trip.com," and "Skyscanner" and copyright and other rights associated with our websites, technology platform, booking software, and other aspects of our business. We regard our intellectual property as a critical factor contributing to our success, although we are not dependent on any patents, intellectual property related contracts or licenses other than some commercial software licenses available to the general public. We rely on trademark and copyright law, trade secret protection, and confidentiality agreements with our employees to protect our intellectual property rights. We require our employees to enter into agreements to keep confidential all information relating to our users, methods, business, and trade secrets during and after their employment with us.

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Our employees are required to acknowledge and recognize that all inventions, trade secrets, works of authorship, developments, and other processes made by them during their employment are our property.

As of the Latest Practicable Date, we had over 700 patents registered with the PRC Intellectual Property Administration, including over 300 invention patents, and over 700 pending patent applications in China.

As of the Latest Practicable Date, we owned over 1,100 registered trademarks and approximately 200 pending trademark applications, in various categories with the Trademark Office of the PRC Intellectual Property Administration. In addition, we had over 70 registered trademarks in various overseas countries and international jurisdictions. We have registered our major trademarks "Ctrip" and "携程" (simplified Chinese characters for Ctrip) with the Trademark Office of the PRC Intellectual Property Administration, with the Registrar of Trademarks in Hong Kong, and also with the United States Patent and Trademark Office. In 2009, we registered the trademark "携程Ctrip" (a combination of the Chinese and English characters for Ctrip) with the Taiwan Intellectual Property Office and with Direcção dos Serviços de Economia of Macau. We have also registered the trademark "Ctrip" and "携程" in Korea, European Union, Singapore, Switzerland, Australia, New Zealand, Japan, Turkey, Vietnam, the United Arab Emirates, Malaysia, India, South Africa, Brazil, and Cambodia. We have also registered the trademark "Trip.com" in European Union, Japan, and the United States.

As of the Latest Practicable Date, we held over 600 computer software copyrights and over 150 other copyrights registered with the PRC Copyright Administration.

As of the Latest Practicable Date, we had over 230 registered domain names in China, including *ctrip.com* and *ctrip.com.cn*, and approximately 25 registered domain names outside China, including *trip.com*, all of which have been registered with *www.markmonitor.com*, and we have full legal rights over these domain names. As of the Latest Practicable Date, all of our registered domain names were in effect.

Please see "Appendix IV—Statutory and General Information—Further Information About Our Business—Intellectual Property Rights" for details of our material intellectual property rights.

COMPETITION

China's travel industry is highly competitive. We compete primarily with other travel agencies, including domestic and foreign consolidators of hotel accommodation and airline tickets as well as traditional travel agencies. As China's travel market continues to evolve, we may be faced with increased competition from new domestic travel agencies, including the ones operated by other major internet companies, or international players that seek to expand into China. We may also face increasing competition from hotels and airlines as they increase their direct selling efforts or engage in alliances with other travel service providers, as well as content platforms and social networks entering into the travel industry.

We compete based on a number of factors, including, among other things, brand recognition, depth and breadth of travel offerings, price competitiveness, and user support and satisfaction. We believe that we are well-positioned to effectively compete on the basis of the factors listed above. However, some of our current or future competitors may have longer operating histories, greater brand recognition, larger user and supplier bases, or stronger financial, technical or marketing resources than we do. See "Risk Factors—Risks Relating to Our Business and Industry—If we do not compete successfully against new and existing competitors, we may lose our market share, and our business may be materially and adversely affected." and "Industry Overview" for more information about the market where we operate and the competition we face.

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CUSTOMERS AND SUPPLIERS

We have a broad base of customers, which primarily consist of our ecosystem partners, including airlines and other air ticket partners, hotel and alternative accommodation partners, and various value-added travel products and services partners, such as insurance companies. We have cultivated and maintained good relationships with our ecosystem partners since our inception. We have a team of employees dedicated to enhancing our relationship with existing ecosystem partners and developing relationships with prospective ecosystem partners. Our five largest customers accounted for less than 10% of our total revenues during the Track Record Period. Our customers also include but are not limited to (i) users who purchase travel products that we source from ecosystem partners, (ii) users who purchase ancillary value-added travel products and services, and (iii) advertisers who post advertisements of their products and services on our online platforms.

Our suppliers primarily consist of online and mobile payment services, data storage, server hosting, and bandwidth providers, user acquisition channels, and advertising and marketing service providers. Purchases from our five largest suppliers accounted for less than 25% of our total purchase amount during the Track Record Period.

EMPLOYEES

As of December 31, 2020, we had 33,400 employees. Most of our employees are based in Shanghai, Beijing, Nantong, and Chengdu.

The following table sets forth the number of our employees by function as of December 31, 2020.

Function	Number of Employees	Percentage
Product Development[1]	16,196	48%
Sales and Marketing	4,011	12%
Customer Service Centers	10,006	30%
Management and Administration	3,187	10%
Total	**33,400**	**100%**

Note: (1) Our product development employees include supplier management personnel and technical support personnel. The product development personnel are critical to our business development as they approach new ecosystem partners and maintain relationships with the existing ecosystem partners, thereby expanding our network and travel offerings. They also help ensure the reliability and stability of the operation of our platform, as well as technology solutions to ecosystem partners.

Our success depends on our ability to attract, retain, and motivate qualified personnel. As part of our retention strategy, we offer employees competitive salaries, performance-based cash bonuses, regular awards, and long-term incentives.

We primarily recruit our employees through recruitment agencies, on-campus job fairs, industry referrals, and online channels. In addition to on-the-job training, we have adopted a training system, pursuant to which management, technology, regulatory, and other trainings are regularly provided to our employees by internally sourced speakers or externally hired consultants. Our employees may also attend external trainings upon their supervisors' approvals.

As required by PRC laws and regulations in respect of our PRC employment, we participate in housing fund and various employee social insurance plans that are organized by applicable municipal and provincial government authorities, including housing, pension, medical, work-related injury, maternity, and unemployment insurance, under which we make contributions at specified percentages of the salaries of our employees. We also purchase commercial health and accidental insurance

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coverage for our employees. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. We have adopted a plan to grant share-based incentive awards to our eligible employees in the future to incentivize their contributions to our growth and development.

We enter into standard confidentiality and employment agreements with our employees. The contracts with our key personnel typically include a standard non-compete covenant that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for two years after the termination of his or her employment, provided that we pay a certain amount of compensation during the restriction period.

We believe that we maintain a good working relationship with our employees, and we did not experience any significant labor disputes or any difficulty in recruiting staff for our operations during the Track Record Period.

INSURANCE

We maintain standard benefit plans required by PRC laws and regulations, including pension insurance, medical insurance, workplace injury insurance, unemployment insurance, and maternity insurance. In addition, we provide supplementary medical insurance for our employees. We obtain such insurance from reputable insurance carriers in accordance with commercially reasonable standards.

We believe that our insurance coverage is sufficient for its present purposes and is consistent with the insurance coverage of other online travel platforms in China. We periodically review our insurance coverage to ensure that it remains to be sufficient. During the Track Record Period, we did not make any material insurance claims relating to our business.

FACILITIES AND PROPERTIES

Our principal place of business is located in Shanghai, China, where we own over 179,000 square meters of customer service center, principal sales, marketing and development facilities, and administrative offices. We also own and occupy another customer service centers in Nantong, China with a total floor area of 80,000 square meters.

As of the Latest Practicable Date, we leased offices and data centers with an aggregate gross floor area of over 67,000 square meters. These properties are used for non-property activities as defined under Rule 5.01(2) of the Listing Rules and are principally used as office premises for our business operations. We believe that there is sufficient supply of properties in China, and thus we do not rely on existing leases for our business operations. As of the Latest Practicable Date, the relevant lease agreements had lease expiration dates ranging from May 2021 to April 2029.

As of December 31, 2020, each of our property interests had a carrying amount less than 15% of our consolidated total assets.

HEALTH, WORK SAFETY, SOCIAL, AND ENVIRONMENTAL MATTERS

We are dedicated to the sustainable management of our environmental footprint and engaging our users and ecosystem partners to create synergy. As a responsible corporate citizen, we recognize our role in combating the global challenge of climate change. To strategically manage the environmental impacts arising from our operations, we are committed to promoting sustainable tourism and introducing carbon mitigation measures and will continue to explore ways to further improve

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energy efficiency. Given that the majority of our operations are conducted online, we have a limited impact on the environment with a small carbon footprint and our carbon reduction measures focus mainly on reducing energy consumption and improving energy efficiency at our headquarters. Designed as a green building, our headquarters was awarded Leadership in Energy and Environmental Design Gold precertification with several implemented environmental initiatives including the application of an intelligent building energy management system. Trip.com and Skyscanner became founding members of a sustainable tourism campaign, "Travalyst," which is developing sustainability frameworks to guide sustainability practices across the travel industry. Skyscanner is developing an aviation sustainability framework that creates greater transparency on carbon emissions for individual flights and highlights the sustainability practices of different airlines.

We do not operate any manufacturing or warehousing facilities. Therefore, we are not subject to significant health, work safety, social, or environmental risks. To ensure compliance with applicable laws and regulations, from time to time, our human resources department would, if necessary and after consultation with our legal advisor, adjust our human resources policies to accommodate material changes to relevant labor and safety laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material fines or other penalties due to non-compliance with health, work safety, social, or environmental regulations.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal proceedings arising in the ordinary course of business. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral, or administrative proceedings, and we were not aware of any pending or threatened legal, arbitral, or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, our PRC Legal Advisor is of the view that our Significant Subsidiaries established in China were in compliance with relevant PRC laws and regulations in all material respects.

RISK MANAGEMENT AND INTERNAL CONTROL

We have adopted and implemented comprehensive risk management policies in various aspects of our business operations such as financial reporting, information system, internal control, human resources, and investment management.

Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management. We have various procedures in place to implement accounting policies, and our financial department reviews our management accounts based on such procedures.

Information System Risk Management

We have implemented relevant internal procedures and controls to ensure that user data is protected, and that leakage and loss of such data is avoided. During the Track Record Period and up to

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the Latest Practicable Date, we did not experience any material information leakage or loss of user data. We provide regular trainings to our information technology team and discuss any issues or necessary updates.

Internal Control Risk Management

We have designed and adopted strict internal control procedures to ensure the compliance of our business operations with the relevant rules and regulations. In accordance with these procedures, our in-house legal department reviews and updates the forms of contracts that we enter into, examines the contract terms and reviews all relevant documents for our business operations, and is responsible for obtaining any requisite governmental pre-approvals or consents. We have strictly prohibited our employees from receiving kickbacks, bribing others, or secretly receiving commissions or any other personal benefits.

Human Resources Risk Management

We provide regular and specialized training tailored to the needs of our employees in different departments. Through these trainings, we ensure that our staff's skill sets remain up-to-date and enable them to discover and meet our users' needs. We have in place an employee handbook approved by our management and distributed to all our employees, which contains internal rules and guidelines regarding best commercial practice, work ethics, fraud prevention mechanism, negligence, and corruption.

Investment Risk Management

We invest in or acquire businesses that are complementary to our business, such as businesses that can expand the services we offer and strengthen our research and development capabilities. In general, we intend to hold our investments for the long term. In order to protect our interests as shareholders and control the potential risks associated with our investments, we generally request our investee companies to grant us customary investor protective rights. In addition, to minimize risk in cash management, we prudently select wealth management products and regularly review the composition of wealth investment products and the banks' net worth report. Our short-term investments primarily include wealth management products offered by major commercial banks in China and time deposits with a term more than three months but less than one year.

Our finance department monitors the deal performance on a regular basis. Our finance and legal departments cooperate with deal team on deal analysis, communication, execution, risk control, and reporting. Any material factors will be timely reported to the senior management or board of director for further decision.

Audit Committee Experience and Qualification and Board Oversight

We have established an audit committee to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing, and mitigating risks involved in our business operations. The audit committee consists of three members, namely Mr. Neil Nanpeng Shen, Mr. Gabriel Li, and Mr. JP Gan. All of them are independent non-executive Directors. For the professional qualifications and experiences of the members of our audit committee, see "Directors and Senior Management."

We also maintain an internal audit department that is responsible for reviewing the effectiveness of internal controls and reporting to the audit committee on any issues identified. Our internal audit department members hold regular meetings to discuss any internal control issues we face

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and the corresponding measures to implement toward resolving such issues. The internal audit department reports to the audit committee to ensure that any major issues identified thus are channeled to the committee on a timely basis. The audit committee then discusses the issues and reports to the board of directors if necessary.

LICENSES AND PERMITS

Our PRC Legal Advisor has advised that as of the Latest Practicable Date, we had obtained all requisite licenses and permits from the relevant government authorities that are material for the business operations of our Significant Subsidiaries established in China, and these licenses and permits remain valid within their terms and in effect to the extent required for their operations. The following table sets forth details of the material licenses and permits of our Significant Subsidiaries established in China.

License/Permit	Holder	Issuing Authority	Applicable Grant Dates	Expiration Date	Description
Travel Agency Operation License	Wancheng	PRC National Tourism Administration	September 6, 2017	—	Domestic and inbound travel services
Travel Agency Operation License	Shanghai Ctrip	PRC National Tourism Administration	July 12, 2017	—	Domestic, inbound, and outbound travel services
Travel Agency Operation License	Chengdu Ctrip International	PRC National Tourism Administration	July 31, 2017	—	Domestic, inbound, and outbound travel services
Travel Agency Operation License	Hecheng	PRC Ministry of Culture and Tourism	March 18, 2019	—	Domestic, inbound, and outbound travel services
Value-added Telecommunications Operating License	Ctrip Commerce	MIIT	October 14, 2019	October 14, 2024	Internet data center, internet access services, Call center, information services (not include Internet information services)
Value-added Telecommunications Operating License	Ctrip Commerce	Shanghai Communications Administration	September 25, 2020	August 1, 2021[1]	Internet information services, online data processing and transaction processing services
Travel Agency Operation License	Shanghai Huacheng	PRC National Tourism Administration	March 7, 2017	—	Domestic, inbound, and outbound travel services
Travel Agency Operation License	Chengdu Ctrip	Sichuan Provincial Community of Travel and Development (currently known as Sichuan Provincial Department of Culture and Tourism)	September 8, 2016	—	Domestic and inbound travel services
Value-added Telecommunications Operating License	Qunar Beijing	MIIT	January 10, 2019	January 10, 2024	Domestic call center, information services (not include Internet information services)
Telecommunication and Information Service Business Operation License	Qunar Beijing	Beijing Communications Administration	July 25, 2018	September 6, 2021[1]	Internet information services

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Note:

(1) A renewal application shall be submitted 90 days prior to expiration of these two business licenses. We plan to apply for renewal of such licenses.

For more information about the laws and regulations to which we are subject, see "Regulations."

AWARDS AND RECOGNITION

During the Track Record Period, we have received recognition for the quality and popularity of our products and services. Some of the significant awards and recognition that we have received are set forth below.

Award/Recognition	Award Year	Awarding Institution/Authority
2018 Top 50 Global Enterprises (2018中國企業全球化新鋭50強)	2018	Center for China and Globalization
2019 Best Customer Reputation (2019年度客戶口碑獎)	2019	China Customer Contact Center
China Internet Sector Self-Discipline Contribution and Public Welfare Award (中國互聯網行業自律貢獻和公益獎)	2020	Internet Society of China
Top Companies Leading the Fight Against COVID-19 (抗擊疫情先進民營企業)	2020	All-China Federation of Industry and Commerce