

SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of our authorized share capital and the amount in issue and to be issued as fully paid or credited as fully paid immediately prior to and following completion of the [REDACTED], assuming that (i) the [REDACTED] becomes unconditional and the [REDACTED] are issued pursuant to the [REDACTED], (ii) the [REDACTED] is not exercised and no Shares are issued under the Share Incentive Plans, and (iii) no Shares/ADSs are issued or repurchased by us.

	Number	Aggregate nominal value
Authorized share capital	1,400,000,000	US\$1,750,000
Shares issued, fully paid or credited to be fully paid as of February 28, 2021 ⁽¹⁾⁽²⁾	601,075,512	US\$751,344
[REDACTED]		

Notes:

- (1) Based on 601,075,512 Shares as at February 28, 2021, after accounting for the Share Subdivision, and excluding the 26,071,360 Shares, after accounting for the Share Subdivision, that were issued to The Bank of New York Mellon, the depository of our ADS program, for bulk issuance of ADSs reserved for future issuances upon the exercise or vesting of awards granted under our stock incentive plans and for our treasury ADSs, and treasury shares we own.
- (2) After accounting for the Share Subdivision.

Ranking

The [REDACTED] rank equally with all Shares currently in issue or to be issued as mentioned in this document and, in particular, will rank equally for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this document.

SHARE INCENTIVE PLANS

See “Directors and Senior Management—Compensation” for details about our Share Incentive Plans.

DEFENSE MECHANISM AGAINST HOSTILE TAKEOVERS

We have implemented a defense mechanism to impede hostile takeovers through a rights agreement. On November 23, 2007, our board of directors declared a dividend of one ordinary share purchase right (a “Right”), for each of our ordinary shares outstanding at the close of business on December 3, 2007, pursuant to a rights agreement. As long as the Rights are attached to the ordinary shares, we will issue one Right (subject to adjustment) with each new ordinary share so that all such ordinary shares, including shares in this [REDACTED], will have attached Rights. When exercisable, each Right will entitle the registered holder, except the acquirer that triggers the exercise of Rights by crossing certain thresholds of share ownership percentage (as further explained below in this paragraph), to purchase from us US\$700 worth of ordinary shares at significantly discounted market price, subject to adjustment. As a result, the acquirer (and the shareholders who choose not to exercise the Rights) will be greatly diluted if most of other existing shareholders choose to exercise the Rights, and other existing shareholders who exercise the Rights will not be diluted, thereby effectively reducing the risk of a potential hostile takeover. We believe that this mechanism is beneficial to our Company as it encourages anyone seeking to acquire our Company to negotiate with our board of directors prior to attempting a takeover, thereby ensuring the continuity of our visionary management and strategies, minimizing potential business disruption, and enabling our board to make more informed decisions for the benefit of our shareholders. On August 7, 2014, we entered into a First Amendment and, subsequently on the same day, a Second Amendment to the Rights Agreement dated as of November 23, 2007 between The Bank of New York Mellon and us. Through these two amendments, we: (i) extended the term of our rights agreement for another ten years and the Rights will expire on August 6, 2024, subject to the right of our board of directors to extend the rights

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agreement for another ten years prior to its expiration; (ii) modified the trigger threshold of the Rights to allow more flexibility: specifically, Rights will be triggered if an acquirer becomes the beneficial owner of 20% or more of our total outstanding shares, except that shareholders who are not entitled to file beneficial ownership statement on Schedule 13G pursuant to Rule 13d-1(b)(1) of the Exchange Act (typically filed by institutional investors with no intention to acquire control of the issuer) will trigger the Rights if they beneficially own 10% or more of our total outstanding shares, subject to other conditions; and (iii) included Booking Holdings Inc. (formerly known as The Priceline Group Inc.) (“**Booking**”) and its subsidiaries in the definition of “Exempt Person” under the then effective rights agreement as long as their beneficial ownership do not exceed 10% of our total outstanding shares. On May 29, 2015, October 26, 2015, and December 23, 2015, we entered into a Third Amendment, a Fourth Amendment, and a Fifth Amendment to the Rights Agreement with The Bank of New York Mellon, respectively, for the purposes of amending the definition of “Exempt Person”. Accordingly, in so far as Booking and any of its subsidiaries are concerned in connection with the determination of Exempt Person, the term “Exempt Person” will be applied only to the extent that the number of ordinary shares beneficially owned by such Exempt Person (excluding certain equity securities previously issued to Booking and its subsidiaries) at all times does not exceed fifteen percent (15%) of the ordinary shares then outstanding in the aggregate. In so far as Baidu and any of its subsidiaries are concerned in connection with the determination of Exempt Person, the term “Exempt Person” will be applied only to the extent that the number of ordinary shares beneficially owned by such Exempt Person at all times does not exceed twenty-seven percent (27%) of the ordinary shares then outstanding in the aggregate. On August 30, 2019 and November 13, 2019, we entered into a Sixth Amendment and a Seventh Amendment to the Rights Agreement with The Bank of New York Mellon, respectively, for purposes of amending the definition of “Exempt Person.” Accordingly, in connection with the share exchange transaction with Naspers, Naspers, MIH Internet SEA Private Limited, and their respective subsidiaries have been included in the definition of “Exempt Person” to the extent that the number of ordinary shares beneficially owned by such Exempt Person at all times does not exceed eleven percent (11%) of the ordinary shares then outstanding in the aggregate, and removed Booking and its subsidiaries from the definition of “Exempt Person.”