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Trip.com Group Limited
攜程集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9961)

OVERSEAS REGULATORY ANNOUNCEMENT

We are making this announcement pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

We filed an annual report on Form 20-F for the fiscal year ended December 31, 2024 (the "**Form 20-F**") with the Securities and Exchange Commission of the United States. The Form 20-F is attached and is available for viewing on our website at http://investors.trip.com.

By Order of the Board
Trip.com Group Limited
James Jianzhang Liang
Executive Chairman of the Board

Singapore, April 11, 2025

As of the date of this announcement, the board of directors of the Company comprises Mr. James Jianzhang Liang, Mr. Min Fan, Ms. Jane Jie Sun and Mr. Rong Luo as directors, and Mr. Neil Nanpeng Shen, Mr. Qi Ji, Mr. Gabriel Li and Mr. JP Gan as independent directors.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report _____

Commission file number: 001-33853

Trip.com Group Limited
(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Cayman Islands
(Jurisdiction of incorporation or organization)

30 Raffles Place, #29-01
Singapore 048622
(Address of principal executive offices)

Jane Jie Sun, Chief Executive Officer
Telephone: +65 3138-9736
Email: iremail@trip.com
30 Raffles Place, #29-01
Singapore 048622

(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American depositary shares (each representing one ordinary share, par value US$0.00125 per share)	**TCOM**	**Nasdaq Stock Market LLC (Nasdaq Global Select Market)**
Ordinary shares, par value US$0.00125 per share	**9961**	**The Stock Exchange of Hong Kong Limited**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 653,270,717 ordinary shares, par value US$0.00125 per share, as of December 31, 2024.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Note — Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ | International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ | Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. ☐ Yes ☐ No

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FORWARD-LOOKING STATEMENT

This annual report on Form 20-F contains forward-looking statements that reflect our current expectations and views of future events. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as "may," "will," "expect," "anticipate," "future," "intend," "plan," "believe," "estimate," "is/are likely to," or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. These forward-looking statements include, among other things:

- our operations and business prospects;
- our anticipated growth strategies;
- our future business development, results of operations, and financial condition;
- competition for, among other things, capital, technology and skilled personnel;
- our ability to continue to control costs and maintain profitability;
- changes to regulatory and operating conditions in the industry and geographical markets in which we operate;
- our dividend policy; and
- the expected development in the overall economy and demand for travel services globally.

The forward-looking statements included in this annual report on Form 20-F are subject to risks, uncertainties, and assumptions about our company. Our actual results of operations may differ materially from the forward-looking statements as a result of the risk factors described under "Item 3. Key Information—D. Risk Factors," included elsewhere in this annual report on Form 20-F. These risks are not exhaustive. Other sections of this annual report include additional factors that could adversely impact our business and financial performance. You should read these statements in conjunction with the risk factors disclosed in "Item 3. Key Information—D. Risk Factors" of this annual report and other risks outlined in our other filings with the Securities and Exchange Commission, or the SEC. Moreover, we operate in an evolving environment. New risk factors may emerge from time to time, and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

Our Company

We are a leading global one-stop travel service provider, integrating a comprehensive suite of travel products and services and differentiated travel content. Leveraging our one-stop-shop model, high-quality service, and advanced technology, we are consistently expanding our global reach. We are the go-to destination for travelers in Asia, and increasingly for travelers around the world, to explore travel, get inspired, make informed and cost-effective travel bookings, enjoy hassle-free on-the-go support, and share travel experience.

Our Platform

Our one-stop travel platform connects our users and our ecosystem partners. Leveraging our AI capabilities and travel insights accumulated over the past 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 and connecting users and ecosystem partners from around the world. 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 ecosystem partners across multiple sectors, including accommodation 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 committed to providing each user with a personalized, convenient, enjoyable, and inspirational travel experience. Our online channels consist of our mobile applications, other mobile access channels, and websites. Our online reservation and fulfillment infrastructure enables our users to explore, search, reserve, and purchase travel products and other value-added services through our online channels. For the year ended December 31, 2024, over 90% of our total transaction orders were executed through our mobile channels. Our Trip.com app has become one of the most downloaded online travel agent (OTA) apps in many markets, such as South Korea, Singapore, Thailand and Hong Kong. We also maintain localized websites across the world.

In addition, we maintain nine customer service centers and 16 call centers globally to strengthen our competitive advantage in online channels. We have offline stores with our business partners to 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.

Open Platform for Ecosystem Partners. We adopted an open platform business model to attract and facilitate customized travel offerings by ecosystem partners covering various sectors in the travel vertical. Our open platform strategy allows 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.

Our ecosystem partner base includes 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, 2024, our open platform provided approximately 1.5 million global accommodation listings, offered flights from over 640 airlines, and had a network of over 65,000 other ecosystem partners. With our global user base, we are well-positioned to forge partnerships with various participants in the global travel ecosystem and expand our global presence.

Our Products and Services

We offer accommodation reservation, transportation ticketing, packaged tours, 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 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. We capture evolving user preferences and provide travel content as well as 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 both leisure and business travelers. Our users also have access to both user-generated and professionally-generated content through personalized content feeds and our search tools.

Our Continued Global Expansion

We are steadily increasing our influence in target markets around the world. In particular, the Asia-Pacific region is among the fastest-growing regions for travel consumption globally, driven by a rapid shift from offline to online and mobile services. Our omni-channel user service and support approach is a natural fit for this paradigm shift and has enabled us to accomplish strong growth momentum in the Asia-Pacific region and elsewhere.

Our Financial Information

We experienced significant growth from 2022 to 2024. Our total revenues increased by 122% from RMB20.0 billion in 2022 to RMB44.6 billion in 2023, and further by 20% to RMB53.4 billion (US$7.3 billion) in 2024. In 2022, 2023, and 2024, we recorded net income of RMB1.4 billion, RMB10.0 billion, and RMB17.2 billion (US$2.4 billion), respectively.

We generate our revenues through the following businesses:

Accommodation Reservation. Accommodation reservation revenue constitutes a significant source of our revenues. In 2022, 2023, and 2024, our accommodation reservation revenue was RMB7.4 billion, RMB17.3 billion, and RMB21.6 billion (US$3.0 billion), representing 37%, 39%, and 40% of our total revenues, respectively.

We generate substantially all of our accommodation reservation revenue through commissions from hotel reservation partners through our platform. We recognize revenues when the reservation becomes non-cancelable, which is the point at which we complete our performance obligation in accommodation reservation services.

Transportation Ticketing. In 2022, 2023, and 2024, our transportation ticketing revenue was RMB8.3 billion, RMB18.4 billion, and RMB20.3 billion (US$2.8 billion), representing 41%, 41% and 38% of our total revenues, respectively.

We operate our transportation ticketing business primarily through our wholly-owned subsidiaries, the VIEs and VIEs' subsidiaries, and a network of ecosystem partners. Commissions from ticketing reservations rendered are recognized when tickets are issued as this is when our performance obligation is satisfied. Revenues from other related services are recognized at the time when the services are rendered.

Packaged tours. In 2022, 2023, and 2024, our packaged-tour revenue was RMB797 million, RMB3.1 billion, and RMB4.3 billion (US$594 million), respectively. We bundle the packaged-tour products and services and receive referral fees from ecosystem partners for packaged-tour products and services through our platform. Referral fees are recognized on the departure date of the packaged tours as this is when our performance obligation is satisfied.

Corporate Travel. Our corporate travel revenue primarily includes commissions from transportation ticketing booking, accommodation reservation, and packaged-tour services rendered to corporate clients. In 2022, 2023, and 2024, revenue from our corporate travel services was RMB1.1 billion, RMB2.3 billion, and RMB2.5 billion (US$343 million), respectively. We contract with corporate clients based on a service fee model. Travel reservations are made via online and offline services for transportation ticketing booking, accommodation reservation, and packaged-tour services. Corporate travel revenue is recognized on a net basis after the services are rendered and collections are reasonably assured.

Other Businesses. Our other businesses primarily consist of online advertising services and financial services. In 2022, 2023, and 2024, revenue from other business was RMB2.5 billion, RMB3.5 billion, and RMB4.6 billion (US$634 million), respectively. Advertising revenue is recognized ratably over the fixed term of the agreement as services are provided or upon relevant performance obligations being fulfilled through the display of the advertisements. The financial service revenue mainly represents the platform service fees from third-party financial institutions that are recognized ratably over the service period as well as the interest income from the receivables due from the users that are recognized over the credit period.

The following table presents the selected consolidated financial information for our business. You should read the following information in conjunction with "Item 5. Operating and Financial Review and Prospects" below. The selected consolidated statements of (loss)/income data for the years ended December 31, 2022, 2023, and 2024 and the selected consolidated balance sheets data as of December 31, 2023 and 2024 have been derived from our audited consolidated financial statements and should be read in conjunction with those statements, which are included in this annual report beginning on page F-1. The selected consolidated statements of (loss)/income data for the years ended December 31, 2020 and 2021 and the selected consolidated balance sheets data as of December 31, 2020, 2021, and 2022 have been derived from our audited consolidated financial statements for these periods, which are not included in this annual report.

Our historical results do not necessarily indicate results expected for any future periods.

	For the Years Ended December 31,					
	2020	2021	2022	2023	2024	
	RMB	RMB	RMB	RMB	RMB	US$
	(in millions, except for share and per share data)					
Selected Consolidated Statements of (Loss)/Income Data						
Net revenues	18,316	20,023	20,039	44,510	53,294	7,302
Cost of revenues	(4,031)	(4,598)	(4,513)	(8,121)	(9,990)	(1,368)
Gross profit	14,285	15,425	15,526	36,389	43,304	5,934
Operating expenses						
—Product development[(1)]	(7,667)	(8,992)	(8,341)	(12,120)	(13,139)	(1,800)
—Sales and marketing[(1)]	(4,405)	(4,922)	(4,250)	(9,202)	(11,902)	(1,631)
—General and administrative[(1)]	(3,636)	(2,922)	(2,847)	(3,743)	(4,086)	(560)
Total operating expenses	(15,708)	(16,836)	(15,438)	(25,065)	(29,127)	(3,991)
(Loss)/Income from operations	(1,423)	(1,411)	88	11,324	14,177	1,943
Net interest income/(expense) and other income/(expense)	198	940	2,547	(644)	2,826	387

	For the Years Ended December 31,					
	2020	2021	2022	2023	2024	
	RMB	RMB	RMB	RMB	RMB	US$
	(in millions, except for share and per share data)					
(Loss)/Income before income tax expense and equity in (loss)/income of affiliates	(1,225)	(471)	2,635	10,680	17,003	2,330
Income tax expense	(355)	(270)	(682)	(1,750)	(2,604)	(357)
Equity in (loss)/income of affiliates	(1,689)	96	(586)	1,072	2,828	387
Net (loss)/income	(3,269)	(645)	1,367	10,002	17,227	2,360
Net loss/(income) attributable to non-controlling interests and mezzanine classified non-controlling interests	62	95	36	(84)	(160)	(22)
Accretion to redeemable non-controlling interests	(40)	—	—	—	—	—
Net (loss)/income attributable to Trip.com Group Limited	(3,247)	(550)	1,403	9,918	17,067	2,338
(Losses)/Earnings per ordinary share data:						
(Losses)/Earnings per ordinary share[2][3], basic	(5.40)	(0.87)	2.17	15.19	26.10	3.58
(Losses)/Earnings per ordinary share[2][3], diluted	(5.40)	(0.87)	2.14	14.78	24.78	3.39
Weighted average ordinary shares outstanding[3], basic	600,888,208	634,109,233	648,380,590	652,859,211	654,035,399	654,035,399
Weighted average ordinary shares outstanding[3], diluted	600,888,208	634,109,233	657,092,826	671,062,240	688,704,882	688,704,882

	As of December 31,					
	2020	2021	2022	2023	2024	
	RMB	RMB	RMB	RMB	RMB	US$
	(in millions)					
Selected Consolidated Balance Sheets Data						
Cash and cash equivalents	18,096	19,818	17,000	41,592	48,439	6,636
Restricted cash	1,319	1,378	1,487	2,391	2,654	364
Short-term investments	24,820	29,566	25,545	17,748	28,475	3,900
Current assets	58,011	66,108	61,435	88,732	112,120	15,360
Investments	47,943	44,961	50,177	49,342	47,194	6,466
Total assets	187,249	191,859	191,691	219,137	242,581	33,233
Current liabilities	58,369	66,218	61,239	72,411	74,010	10,139
Long-term debt	22,718	11,093	13,177	19,099	20,134	2,758
Total liabilities	85,682	81,403	78,672	96,131	99,099	13,576
Mezzanine equity	—	—	—	—	743	102

	As of December 31,					
	2020	2021	2022	2023	2024	
	RMB	RMB	RMB	RMB	RMB	US$
	(in millions)					
Share capital	6	6	6	6	6	1
Total Trip.com Group Limited shareholders' equity	100,354	109,677	112,283	122,184	141,807	19,427
Non-controlling interests	1,213	779	736	822	932	128
Total shareholders' equity	101,567	110,456	113,019	123,006	142,739	19,555

Notes:

(1) Share-based compensation was included in the related operating expense categories as follows:

	For the Years Ended December 31,					
	2020	2021	2022	2023	2024	
	RMB	RMB	RMB	RMB	RMB	US$
	(in millions)					
Product development	964	802	567	870	976	134
Sales and marketing	159	149	115	158	171	24
General and administrative	750	730	506	806	895	123

(2) Each American depositary share, or ADS, represents one ordinary share.

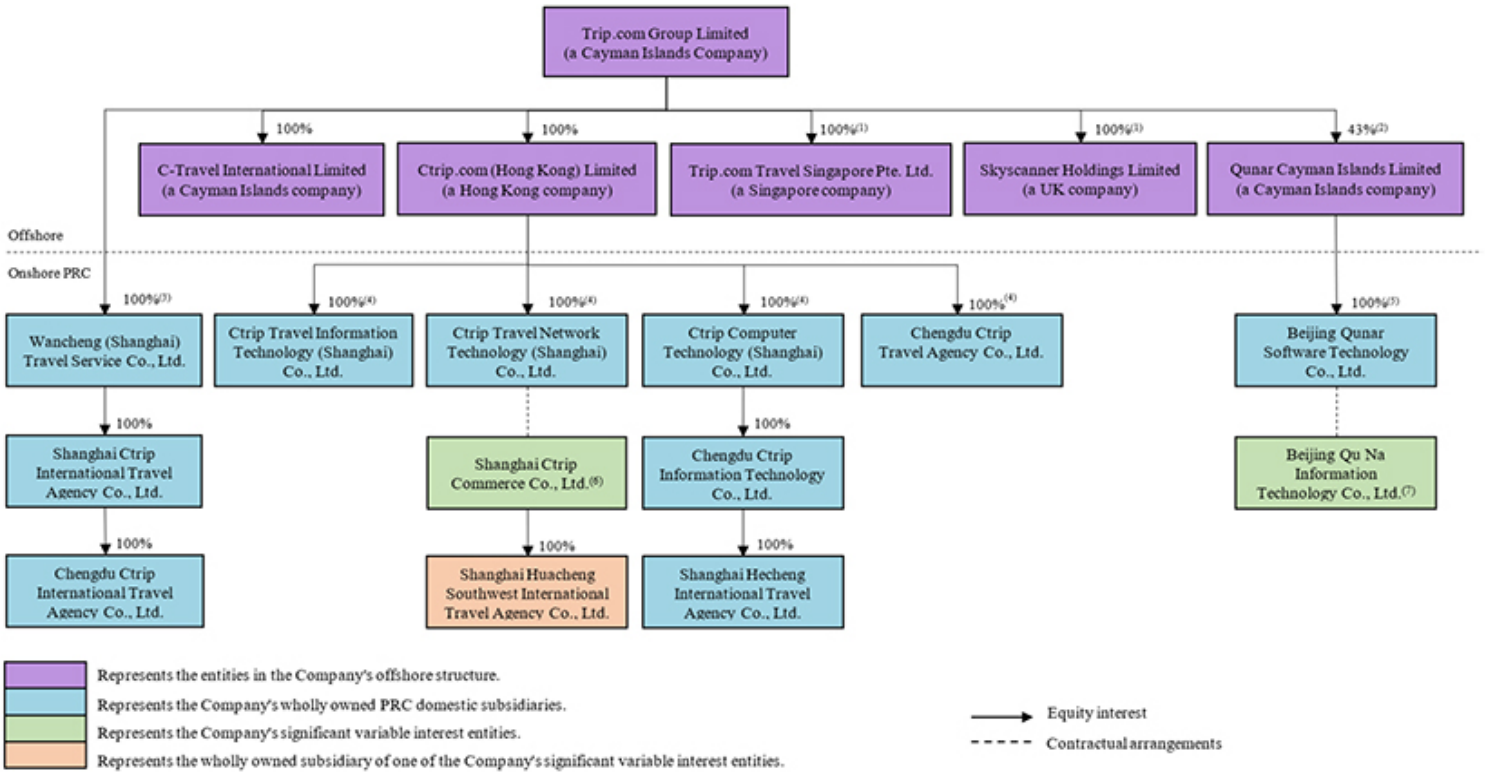
(3) On March 18, 2021, we effected a change to our authorized share capital by a one-to-eight subdivision of shares. Concurrently, we effected a proportionate change in our ADS to ordinary share ratio from eight ADSs representing one ordinary share to one ADS representing one ordinary share. Such changes have been reflected retrospectively throughout this document.

In the tables above and elsewhere in this annual report, any discrepancies between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding. In calculating our operating data presented in this annual report, we primarily present that of our Ctrip brand and Trip.com brand combined, unless otherwise indicated, except that gross merchandise volume (GMV), the gross area of our leased properties and facilities, and the number of our employees represent those of our company as a whole.

Our reporting currency is Renminbi. This annual report contains translations from Renminbi to U.S. dollars solely for the convenience of the reader. Unless otherwise stated, all translations from Renminbi to U.S. dollars were made at a rate of RMB7.2993 to US$1.00, which was the exchange rate in effect as of December 31, 2024 as set forth in the H.10 statistical release of The Board of Governors of the Federal Reserve System. The exchange rate in effect as of April 4, 2025 was RMB7.2803 to US$1.00**.** We make no representation that any Renminbi amounts referred to in this annual report could have been, or could be, converted to U.S. dollars at any particular rate, or at all.

Our Holding Company Structure and Contractual Arrangements with the VIEs

The following diagram illustrates our corporate structure, including our significant subsidiaries and the VIEs as of December 31, 2024.



Notes:

(1) Indirectly owned through Blossom International Holding (formerly known as Trip.com International), a Cayman Islands company.

(2) The 57% owners of Qunar Cayman Islands Limited are several non-U.S. investment entities, namely M Strat Holdings, L.P., Momentum Strategic Holdings, L.P., Ocean Management Limited, and Earthly Paradise Investment Fund L.P., which are consolidated by us under U.S. GAAP.

(3) Indirectly owned through Ctrip Travel Holding (Hong Kong) Limited and Ctrip.com (Hong Kong) Limited, both of which are Hong Kong companies.

(4) Indirectly owned through Ctrip Investment (Shanghai) Co., Ltd., a PRC company.

(5) Indirectly owned through Queen's Road Travel Information Limited, a Hong Kong company.

(6) Bo Sun and Maohua Sun hold 89.8% and 10.2% of the equity interest in Shanghai Ctrip Commerce Co., Ltd., respectively.

(7) Hui Cao and Hui Wang hold 60% and 40% of the equity interest in Beijing Qu Na Information Technology Co., Ltd., respectively.

Trip.com Group Limited is not an operating company but a Cayman Islands holding company with no equity ownership in the VIEs. Our operations in China are conducted through (i) our PRC subsidiaries, and (ii) the VIEs with which we maintain contractual arrangements and their PRC subsidiaries. PRC laws and regulations prohibit foreign investment in internet and other related businesses. Accordingly, these businesses are operated in China through the VIEs, and rely on contractual arrangements among our PRC subsidiaries, the VIEs, and their shareholders to direct the business operations of the VIEs. Such structure enables investors to share economic interests in companies in sectors where foreign direct investment is prohibited or restricted under PRC laws and regulations. The significant VIEs and VIEs' subsidiaries that Trip.com Group Limited consolidates under U.S. GAAP include (i) Shanghai Ctrip Commerce Co., Ltd., or Ctrip Commerce (VIE), which holds a value-added telecommunications business license and mainly provides online advertising services, (ii) Shanghai Huacheng Southwest International Travel Agency Co., Ltd., or Shanghai Huacheng (VIE), which holds a travel agency operation license and mainly provides domestic, inbound, and outbound tour services, and air-ticketing services, and (iii) Beijing Qu Na Information Technology Co., Ltd., or Qunar Beijing (VIE), which holds the licenses, approvals, and key assets such as mobile application and website that are essential to the business operations of our Qunar brand. Prior to December 2024, Chengdu Ctrip Travel Agency Co., Ltd. was another significant VIE that Trip.com Group Limited consolidated under U.S. GAAP. In December 2024, we terminated the contractual arrangements with Chengdu Ctrip Travel Agency Co., Ltd. and acquired it as our wholly-owned subsidiary.

A series of contractual agreements, including powers of attorney, technical consulting and services agreement, equity pledge agreements, exclusive option agreements, and loan agreements, have been entered into by and among our PRC subsidiaries, the VIEs, and their respective shareholders. Terms contained in each set of contractual arrangements with the VIEs and their respective shareholders are substantially similar. As advised by Commerce & Finance Law Offices, our PRC legal counsel, subject to the disclosure in this annual report, the terms of the contractual arrangements are valid, binding, and enforceable under currently effective PRC laws and regulations. As a result of the contractual arrangements, we are considered the primary beneficiary of the VIEs for accounting purposes and thus have consolidated the results of operations, financial position, and cash flows of the VIEs in our consolidated financial statements under U.S. GAAP. The contractual arrangements with the VIEs provide us with a "controlling financial interest" in the VIEs as defined in FASB ASC 810 by entitling us to (i) the power to direct activities of the VIEs that most significantly affect their economic performance, and (ii) the right to receive the economic benefits from the VIEs that could be significant to them. Neither Trip.com Group Limited nor its investors has an equity ownership (including foreign direct investment) in, or control through such equity ownership of, the VIEs, and the contractual arrangements are not equivalent to an equity ownership in the business of the VIEs. For more details of these contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Arrangements with the VIEs."

However, the contractual arrangements may not be as effective as direct ownership in providing us with control over the VIEs and we may incur substantial costs to enforce the terms of the arrangements. As such, the VIE structure involves unique risks to investors of our Cayman Islands holding company. In addition, the legality and enforceability of the contractual agreements by and among our PRC subsidiaries, the VIEs, and their respective shareholders, as a whole, have not been tested in a court of law in China. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure" for the relevant risk factors.

There are also substantial uncertainties regarding the interpretation and application of current and future PRC laws, regulations, and rules regarding the status of the rights of our Cayman Islands holding company with respect to its contractual arrangements with the VIEs and their shareholders. If we or any of the VIEs is found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the PRC regulatory authorities would have broad discretion to take action in dealing with such violations or failures. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure—PRC laws and regulations restrict foreign investment in certain businesses, and substantial uncertainties exist with respect to the application and implementation of PRC laws and regulations."

We face various legal and operational risks and uncertainties relating to doing business in China. Our business operations are primarily conducted in China, and we are subject to complex and evolving PRC laws and regulations. For example, the PRC government has issued statements and regulatory actions relating to areas such as the use of contractual arrangements in certain industries, regulatory approvals on overseas offerings and listings by, and foreign investment in, issuers with operations in China, the use of the VIEs, anti-monopoly regulatory actions, and oversight on cybersecurity and data privacy. As the regulatory developments relating to these areas may change from time to time, substantial uncertainties remain in relation to their interpretation and implementation. It also remains uncertain whether we will comply with the regulatory requirements, including but not limited to filings or approvals, from the China Securities Regulatory Commission, or the CSRC, the Cyberspace Administration of China, or the CAC, or any other PRC government authorities in all material respects. In addition, if future regulatory developments mandate clearance of cybersecurity review or other specific actions to be completed by companies listed on foreign stock exchanges, such as us, we face uncertainties as to whether such clearance can be timely obtained, or at all. As of the date of this annual report, regulatory actions relating to data security or anti-monopoly concerns in Hong Kong or Macao do not have a material impact on our ability to conduct business, accept foreign investment in the future, continue to list on a United States stock exchange, or maintain our listing status on The Stock Exchange of Hong Kong Limited, or the Hong Kong Stock Exchange. However, new regulatory actions relating to data security or anti-monopoly concerns in Hong Kong or Macao may be taken in the future, and there can be no assurance as to whether such regulatory actions may have a material impact on our ability to conduct business, accept foreign investment, continue to list on a United States stock exchange, or maintain our listing status on the Hong Kong Stock Exchange. We face risks and uncertainties associated with not only these statements and regulatory actions, but also the prospective uncertainties as to the inability of the Public Company Accounting Oversight Board, or the PCAOB, to completely inspect registered public accounting firms headquartered in mainland China (including our independent auditor). These risks may impact our ability to conduct certain businesses, accept foreign investments, or list on a United States or other exchange outside China, and could result in a material adverse change in our operations and the value of our ADSs, significantly limit or completely hinder our ability to continue to offer securities to investors, or cause the value of such securities to significantly decline or become worthless. For a detailed description of risks relating to doing business in China, please refer to the risks disclosed under "Item 3. Key Information—D. Risk Factors—Risks Relating to Multi-jurisdictional Operations."

The PRC government's significant authority in regulating our operations in China and its oversight and control over offerings conducted overseas by, and foreign investment in, issuers with operations in China could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature, such as data security or anti-monopoly related regulations, may cause the value of such securities to significantly decline. In addition, risks and uncertainties arising from the legal system in China, including risks and uncertainties regarding the enforcement of laws and evolving rules and regulations in China, could result in a material adverse change in our operations and the value of our ADSs. For more details, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Multi-jurisdictional Operations—The PRC government's significant oversight and discretion over our business operations and uncertainties with respect to the PRC legal system could result in a material adverse change in our operations and the value of our ADSs and ordinary shares."

As used in this annual report, "we" or "our company" refers to Trip.com Group Limited, its subsidiaries, and, in the context of describing our operations and consolidated financial information, the VIEs and their subsidiaries, if applicable, in China, primarily including Shanghai Ctrip Commerce Co., Ltd., Shanghai Huacheng Southwest International Travel Agency Co., Ltd., and Beijing Qu Na Information Technology Co., Ltd. Investors in the ADSs are not purchasing any equity interest in the VIEs in China but instead are purchasing the equity interest in a holding company incorporated in the Cayman Islands, and may never directly hold equity interests in the VIEs in China; "China" or "PRC" refers to the People's Republic of China, and, unless the context requires otherwise and solely for the purpose of this annual report such as describing legal or tax matters, authorities, entities, or persons, excludes the Hong Kong Special Administrative Region of the People's Republic of China, or Hong Kong or Hong Kong S.A.R., the Macao Special Administrative Region of the People's Republic of China, or Macao or Macao S.A.R., and Taiwan region of the People's Republic of China; "variable interest entities" or "VIEs" refers to variable interest entities, which are companies incorporated in China that have entered into a series of contractual arrangements with their respective shareholders and our PRC subsidiaries; "Qunar" refers to Qunar Cayman Islands Limited, a Cayman Islands exempted company, and unless the context requires otherwise, includes its predecessor entities, its subsidiaries, and the variable interest entity of which Trip.com Group Limited is the primary beneficiary through Qunar Cayman Islands Limited.

Financial Information Relating to the VIEs

We have consolidated the results of operations, financial position, and cash flows of the VIEs in our consolidated financial statements under U.S. GAAP. Net revenues contributed by the VIEs accounted for 22%, 23%, and 22% of our total net revenues for the years ended December 31, 2022, 2023, and 2024, respectively. The VIEs held 5% and 5% of our total assets as of December 31, 2023 and 2024, respectively. For more financial information relating to the VIEs, including condensed consolidating schedules of financial information of Trip.com Group Limited, our subsidiaries that are the primary beneficiaries of the VIEs, our other subsidiaries, and the VIEs and their subsidiaries, see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Financial Information Relating to the VIEs."

Cash and Asset Flows Through Our Organization

Our company has established a centralized cash management policy to direct how funds are transferred between Trip.com Group Limited, our subsidiaries, and the VIEs to improve the efficiency and ensure the security of cash management, and cash is centrally managed by the treasury. Funds are transferred among Trip.com Group Limited, our subsidiaries, and the VIEs through our cash pooling structure, intercompany loans, and deposits or entrusted loans, depending on the circumstances and taking the regulatory and taxation requirements into consideration. The ability to transfer cash and other assets within our organization may be subject to conditions and restrictions pursuant to the applicable laws and regulations. For details of the cash and asset flows through our organization and the legal restrictions, see "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Cash and Asset Flows Through Our Organization."

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act, or the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our shares or the ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States. On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, including our independent auditor. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As a result, we were not identified as a Commission-Identified Issuer under the HFCAA after we filed our annual reports on Form 20-F for the years ended December 31, 2022 and 2023, and we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F. If PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we continue to use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. There can be no assurance that we would not be identified as a Commission-Identified Issuer for any future fiscal year, and if we were so identified for two consecutive years, we would become subject to the prohibition on trading under the HFCAA. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Multi-jurisdictional Operations—The PCAOB had historically been unable to inspect registered public accounting firms headquartered in mainland China (including our independent auditor). The inability of the PCAOB to inspect such registered public accounting firms headquartered in mainland China (including our independent auditor) in the past has deprived our investors with the benefits of such inspections" and "Item 3. Key Information—D. Risk Factors—Risks Relating to Multi-jurisdictional Operations—Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

Permissions and Approvals Required for Our Operations

As a global company, we may be required to obtain permissions and approvals in different jurisdictions where we operate pursuant to local laws and regulations. These requirements vary depending on the jurisdiction and the nature of our operations there.

Among the jurisdictions in which we operate, our businesses in China are primarily conducted through our PRC subsidiaries and the VIEs. Our operations in China are governed by PRC laws and regulations. As of the date of this annual report, as advised by Commerce & Finance Law Offices, our PRC legal counsel, our PRC subsidiaries and the VIEs have obtained all of the requisite permissions and approvals from the PRC government authorities for our accommodation reservation, transportation ticketing, packaged-tour, and corporate travel businesses, including, among others, value added telecommunications operating licenses, travel agency operation licenses, and an insurance agency license, except for certain permissions and approvals in mainland China relating to our business of providing ancillary mobility services for transportation ticketing in mainland China, which represents a nominal portion of our transportation ticketing revenues, and subject to the uncertainties with respect to the interpretation and application of PRC laws, regulations, and policies. For details, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business and Industry—Any lack of requisite approvals, licenses, or permits applicable to our business or any failure to comply with applicable laws or regulations may materially and adversely affect our business, financial condition, and results of operations." Our subsidiaries in Hong Kong also have obtained travel agency operation licenses and insurance agency licenses that are necessary for their businesses from the Hong Kong authorities, while our Macao subsidiary had substantially ceased its operations in 2023. As of the date of this annual report, we, our PRC subsidiaries, or the VIEs have not received any denial notification from the authorities in connection with the applications for the necessary permissions or approvals to conduct our business. Given the uncertainties of interpretation and implementation of the PRC laws and regulations and the enforcement practice by the government authorities, we may be required to obtain additional approvals and permissions for our business operations in the future. If we, our subsidiaries, or the VIEs do not receive or maintain any necessary permissions or approvals, inadvertently conclude that such permissions or approvals are not required, or if applicable laws, regulations, or interpretations change and we are required to obtain such permissions or approvals in the future, we cannot assure you that we will be able to obtain the necessary permissions or approvals in a timely manner, or at all, and such approvals may be rescinded even if obtained. Any such circumstance could subject us to penalties, including fines, suspension of business, and revocation of required licenses, significantly limit or completely hinder our ability to continue to offer securities to investors, and cause the value of such securities to significantly decline or become worthless.

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, or the Overseas Offering and Listing Measures, which came into effect on March 31, 2023. On the same day, the CSRC also published a series of guidance rules and Q&As in connection with the implementation of the Overseas Offering and Listing Measures. The Overseas Offering and Listing Measures establishes a new filing-based regime to regulate overseas offerings and listings by PRC domestic companies. According to the Overseas Offering and Listing Measures, an overseas offering of securities (including shares, depository receipts, corporate bonds convertible into shares and other securities in nature of equity) and listing by a PRC domestic company, either in direct or indirect manner, has to be filed with the CSRC. Failure to comply with the filing requirements may result in fines to the PRC domestic companies, the controlling shareholder, and other responsible persons. The responsible persons may be prohibited from entering the securities market by the CSRC in cases of serious violations and may be held criminally liable. As advised by Commerce & Finance Law Offices, our PRC legal counsel, due to the fact that our ADSs have been listed on the Nasdaq Global Select Market and our ordinary shares have been listed on the Hong Kong Stock Exchange, we are deemed as an "Existing Issuer" pursuant to the Overseas Offering and Listing Measures and the implementation guidance, and are not required to complete the filing procedures with the CSRC for our historical securities offering. Nevertheless, in the event that we conduct any securities offerings that will be captured by the Overseas Offering and Listing Measures in the future, we will have to complete the filing procedures with the CSRC within three business days following the closing of the securities issuance or offering on the Nasdaq Global Select Market or the Hong Kong Stock Exchange, or within three business days following the submission of application for overseas offering and listing on any other overseas market(s).

Therefore, in connection with our business operations and issuance or offering of securities to foreign investors, as advised by Commerce & Finance Law Offices, our PRC legal counsel, under currently effective PRC laws, regulations, and rules, as of the date of this annual report, we, our PRC subsidiaries, and the VIEs (i) are not required to obtain permissions from or complete filing procedures with the CSRC pursuant to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies for our historical issuances or offerings of securities to foreign investors that have been completed before the date of implementation of the Overseas Offering and Listing Measures, but are required to go through filing procedures with the CSRC for our future issuance or offering of securities (including shares, depository receipts, corporate bonds convertible into shares, and other securities in nature of equity) to foreign investors if we meet certain conditions set forth in the Overseas Offering and Listing Measures to be considered an indirect overseas offering and listing by a PRC domestic company, (ii) are not required to go through a cybersecurity review by the CAC for our issuance or offering of securities to foreign investors, (iii) are required to go through the examination and registration procedures with the National Development and Reform Commission, or the NDRC, for our issuance or offering of certain debt securities, as mandated by the NDRC circular, to foreign investors, and (iv) are not required to obtain any prior permission or approval from any other PRC government authorities for our issuance or offering of securities to foreign investors. If we, our subsidiaries, or the VIEs are deemed to be a critical information infrastructure operator or a network platform operator, whose network product or service purchasing or data processing activities affect or may affect national security, we would be required to go through a cybersecurity review by the CAC. As of the date of this annual report, none of our company, our subsidiaries, or the VIEs has received formal notice that it has been identified as a critical information infrastructure operator by any government authorities, nor has it been involved in any investigations or become subject to a cybersecurity review initiated by the CAC based on the Cybersecurity Review Measures. As of the date of this annual report, we completed the foreign debt registrations with the NDRC for all debt offerings that were subject to such requirement, are going through filing procedures with the CSRC for a recent debt offering, and have not been required to apply for, nor have we been denied, any other permission or approval with respect to our issuance or offering of securities to foreign investors.

A. ***[Reserved]***

B. ***Capitalization and Indebtedness***

Not applicable.

C. ***Reasons for the Offer and Use of Proceeds***

Not applicable.

D. ***Risk Factors***

Summary of Risk Factors

An investment in our ADSs or ordinary shares involves significant risks. The operational and legal risks as well as the potential consequences associated with being based in and having operations in mainland China as discussed in the risk factors under "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business and Industry" also apply to operations in Hong Kong and Macao. Below is a summary of material risks we face, organized under their headings. These risks are discussed more fully in "Item 3. Key Information—D. Risk Factors."

Risks Relating to Our Business and Industry

- Our business could suffer if we do not successfully manage our future developments, or if we are unable to execute our strategies effectively. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—Our business could suffer if we do not successfully manage our future developments, or if we are unable to execute our strategies effectively."
- Our business is sensitive to global economic conditions. A severe or prolonged downturn in the global economy may have a material and adverse effect on our business, and may materially and adversely affect our growth and profitability. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—Our business is sensitive to global economic conditions. A severe or prolonged downturn in the global economy may have a material and adverse effect on our business, and may materially and adversely affect our growth and profitability."
- General declines or disruptions in the travel industry may materially and adversely affect our business and results of operations. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—General declines or disruptions in the travel industry may materially and adversely affect our business and results of operations."
- Pandemics, epidemics, or fear of spread of contagious diseases could disrupt the travel industry and our operations, which could materially and adversely affect our business, financial condition, and results of operations. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—Pandemics, epidemics, or fear of spread of contagious diseases could disrupt the travel industry and our operations, which could materially and adversely affect our business, financial condition, and results of operations."
- If we are unable to maintain existing relationships with ecosystem partners and strategic alliances, or unable to establish new arrangements with ecosystem partners and strategic alliances at or on favorable terms or at terms similar to those we currently have, or at all, our business, market share, and results of operations may be materially and adversely affected. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—If we are unable to maintain existing relationships with ecosystem partners and strategic alliances, or unable to establish new arrangements with ecosystem partners and strategic alliances at or on favorable terms or at terms similar to those we currently have, or at all, our business, market share, and results of operations may be materially and adversely affected."
- Strategic acquisition of complementary businesses and assets create significant challenges, such as dilutive effect on our equity securities and impact on our financial performance, that may materially and adversely affect our business, reputation, results of operations, and financial condition. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—Strategic acquisition of complementary businesses and assets create significant challenges, such as dilutive effect on our equity securities and impact on our financial performance, that may materially and adversely affect our business, reputation, results of operations, and financial condition."

- Our strategy to invest in complementary businesses and assets and establish strategic alliances involves significant risks and uncertainties that may have a material adverse effect on our business, reputation, financial condition, and results of operations. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—Our strategy to invest in complementary businesses and assets and establish strategic alliances involves significant risks and uncertainties that may have a material adverse effect on our business, reputation, financial condition, and results of operations."

- We have incurred substantial indebtedness and may incur additional indebtedness in the future. We may not be able to generate sufficient cash to satisfy our outstanding and future debt obligations. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—We have incurred substantial indebtedness and may incur additional indebtedness in the future. We may not be able to generate sufficient cash to satisfy our outstanding and future debt obligations."

- We recorded a significant amount of goodwill and indefinite lived intangible assets in connection with our strategic acquisitions and investments, and we may incur material impairment charges to our goodwill and indefinite lived intangible assets if the recoverability of these assets become substantially reduced. For more details, see "Risk Factors—Risks Relating to Our Business and Industry—We recorded a significant amount of goodwill and indefinite lived intangible assets in connection with our strategic acquisitions and investments, and we may incur material impairment charges to our goodwill and indefinite lived intangible assets if the recoverability of these assets become substantially reduced."

- 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. For more details, 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."

Risks Relating to Multi-jurisdictional Operations

- We are subject to the risks of doing business globally. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—We are subject to the risks of doing business globally."

- We have limited experience in international markets. If we fail to meet the challenges presented by our increasingly globalized operations, our business, financial condition and results of operations may be materially and adversely affected. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—We have limited experience in international markets. If we fail to meet the challenges presented by our increasingly globalized operations, our business, financial condition and results of operations may be materially and adversely affected."

- Our business is subject to various laws across many jurisdictions, many of which are complex and evolving. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—Our business is subject to various laws across many jurisdictions, many of which are complex and evolving."

- The PRC government has significant influence over China's economy and significant oversight and discretion over the conduct of our business. Uncertainties with respect to the PRC government's actions and the PRC legal system could result in a material adverse change in our operations and/or the value of our securities. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—Adverse changes in economic and political policies of the PRC government could have a material adverse effect on the overall economic growth of China, which could adversely affect our business" and "Risk Factors—Risks Relating to Multi-jurisdictional Operations—The PRC government's significant oversight and discretion over our business operations and uncertainties with respect to the PRC legal system could result in a material adverse change in our operations and the value of our ADSs and ordinary shares."

- The PCAOB had historically been unable to inspect registered public accounting firms headquartered in mainland China (including our independent auditor). The inability of the PCAOB to inspect such registered public accounting firms headquartered in mainland China (including our independent auditor) in the past has deprived our investors with the benefits of such inspections. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—The PCAOB had historically been unable to inspect registered public accounting firms headquartered in mainland China (including our independent auditor). The inability of the PCAOB to inspect such registered public accounting firms headquartered in mainland China (including our independent auditor) in the past has deprived our investors with the benefits of such inspections."

- Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. For more details, see "Risk Factors—Risks Relating to Multi-jurisdictional Operations—Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

Risks Relating to Our Corporate Structure

- PRC laws and regulations restrict foreign investment in certain businesses, and substantial uncertainties exist with respect to the application and implementation of PRC laws and regulations. For more details, see "Risk Factors—Risks Relating to Our Corporate Structure—PRC laws and regulations restrict foreign investment in certain businesses, and substantial uncertainties exist with respect to the application and implementation of PRC laws and regulations."
- If the VIEs violate our contractual arrangements with them, our business could be disrupted, our reputation may be harmed and we may have to resort to litigation to enforce our rights, which may be time-consuming and expensive. For more details, see "Risk Factors—Risks Relating to Our Corporate Structure—If the VIEs violate our contractual arrangements with them, our business could be disrupted, our reputation may be harmed and we may have to resort to litigation to enforce our rights, which may be time-consuming and expensive."
- The principal shareholders of the VIEs have potential conflict of interest with us, which may adversely affect our business. For more details, see "Risk Factors—Risks Relating to Our Corporate Structure—The principal shareholders of the VIEs have potential conflict of interest with us, which may adversely affect our business."

General Risks Relating to Our Ordinary Shares and ADSs

- The trading prices of our listed securities have been and are likely to continue to be volatile, which could result in substantial losses to our investors. For more details, see "Risk Factors—General Risks Relating to Our Ordinary Shares and ADSs—The trading prices of our listed securities have been and are likely to continue to be volatile, which could result in substantial losses to our investors."
- We adopt different practices as to certain matters as compared with many other companies listed on the Hong Kong Stock Exchange. For more details, see "Risk Factors—General Risks Relating to Our Ordinary Shares and ADSs—We adopt different practices as to certain matters as compared with many other companies listed on the Hong Kong Stock Exchange."
- Substantial future sales or perceived potential sales of our ordinary shares, ADSs or other equity securities in the public market could cause the prices of our listed securities to decline. For more details, see "Risk Factors—General Risks Relating to Our Ordinary Shares and ADSs—Substantial future sales or perceived potential sales of our ordinary shares, ADSs or other equity securities in the public market could cause the prices of our listed securities to decline."

Risks Relating to Our Business and Industry

Our business could suffer if we do not successfully manage our future developments, or if we are unable to execute our strategies effectively.

Our business has evolved significantly as a result of both organic growth of existing operations and acquisitions and we may experience further developments from time to time in the future. We have significantly expanded, and may further expand, our operations and workforce, as a result of the growth of our service offerings, user base, and geographic coverage. For example, we have invested in, and may continue to invest in, organic growth by rolling out new business initiatives focusing on a diverse range of areas including expanding our one-stop travel offerings and upgrading our content capabilities. For the year ended December 31, 2024, we invested RMB13.1 billion (US$1.8 billion) in product development. If such new business initiatives fail to perform as expected, our financial condition and results of operations could be adversely affected. Our growth to date has placed, and our anticipated future operations will continue to place, significant strain on our management, systems, and resources. In addition to training and managing our workforce, we will need to continue to improve and develop our financial and managerial controls and our reporting systems and procedures. We cannot assure you that we will be able to efficiently or effectively manage the developments of our operations, and any failure to do so may limit our future growth and hamper our business strategy.

We are growing our global presence through a combination of owned brands, direct investments, and strategic partnerships. As we continue to increase our product and service offerings, we will further upgrade our content capabilities and deliver more appealing content in new and diverse formats, including live streaming, to improve user engagement. In addition, we will continue to invest in AI and cloud technologies, and further enhance our technology and cloud infrastructure. All these efforts will require significant managerial, financial, and human resources. We cannot assure you that we will be able to effectively manage our developments or to execute all these strategies successfully or that our new business initiatives will be successful. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected.

Our business is sensitive to global economic conditions. A severe or prolonged downturn in the global economy may have a material and adverse effect on our business, and may materially and adversely affect our growth and profitability.

As we continue to expand our global presence, our results of operations will be impacted by global economic conditions. The global macroeconomic environment is facing numerous challenges. For example, the Federal Reserve and other central banks have raised interest rates. The Russia-Ukraine conflict, the Hamas-Israel conflict, and attacks on shipping in the Red Sea have heightened geopolitical tensions across the world. The impact of the Russia-Ukraine conflict on Ukraine food exports has contributed to increases in food prices and thus to inflation more generally. The growth rate of the Chinese economy has been slowing since 2010 and the Chinese population began to decline in 2022. There also have been concerns about the relationship between China and certain other countries, which may potentially have economic effects. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. Any severe or prolonged slowdown in the global or Chinese economy may materially and adversely affect our business, financial condition, and results of operations.

General declines or disruptions in the travel industry may materially and adversely affect our business and results of operations.

Our business is significantly affected by the trends that occur in the travel industry globally, including the accommodation reservation, transportation ticketing, and packaged-tour and in-destination activity sectors. As the travel industry is highly sensitive to business and personal discretionary spending levels, it tends to decline during general economic downturns. Other trends or events that tend to reduce travel and are likely to reduce our revenues include:

- actual or threatened war or terrorist activities;
- an outbreak of COVID-19, EVD, MERS, SARS, H1N1 flu, H7N9 flu, and avian flu, or any other serious contagious diseases;
- increasing prices in the hotel, transportation ticketing, or other travel-related sectors;
- increasing occurrence of travel-related accidents;
- political unrest, civil strife, or other geopolitical uncertainty;

- natural disasters or poor weather conditions, such as hurricanes, earthquakes, or tsunamis, as well as the physical effects of climate change, which may include more frequent or severe storms, flooding, rising sea levels, water shortage, droughts, and wildfires; and
- any travel restrictions in the world.

We could be severely and adversely affected by declines or disruptions in the travel industry and, in many cases, have little or no control over the occurrence of such events. Such events could result in a decrease in demand for our travel and travel-related products and services. This decrease in demand, depending on the scope and duration, could significantly and adversely affect our business and financial performance over the short and long term.

Pandemics, epidemics, or fear of spread of contagious diseases could disrupt the travel industry and our operations, which could materially and adversely affect our business, financial condition, and results of operations.

Global pandemics, epidemics , or fear of spread of contagious diseases, such as Ebola virus disease (EVD), coronavirus disease 2019 (COVID-19), Middle East respiratory syndrome (MERS), severe acute respiratory syndrome (SARS), H1N1 flu, H7N9 flu, and avian flu, could disrupt the travel industry and our business operations , reduce or restrict demand for travel and travel-related products and services, or result in regional or global economic distress, which may materially and adversely affect our business, financial condition, and results of operations. Any one or more of these events or recurrences may adversely affect our sales results, even for a prolonged period of time, which could materially and adversely affect our business, financial condition, and results of operations.

During the COVID-19 pandemic, we experienced a significant decline in travel demand resulting in significant user cancelations and refund requests and reduced new orders relating to international and domestic travel and lodging. The supply of domestic transportation tickets and international air tickets was also adversely and significantly affected in response to comprehensive containment measures. We actively assisted our users in their cancelation and refund requests and worked with our ecosystem partners to prepare for difficult market conditions, for which we incurred significant cash outflows. Our ecosystem partners' abilities to timely deliver products and services and respond to rescheduling or cancelation requests was adversely affected for similar reasons. In response to the COVID-19 pandemic, we swiftly adopted cost control measures to mitigate the significant slowdown in user demand.

Since the beginning of 2023, the situation has significantly improved and normalized. However, any future outbreak of contagious diseases or similar adverse public health developments, extreme unexpected bad weather, or severe natural disasters would affect our business and operating results. Ongoing concerns regarding contagious disease or natural disasters, particularly its effect on travel, could adversely affect our users' desire to travel. If there is a recurrence of an outbreak of certain contagious diseases or natural disasters, travel to and from affected regions could be curtailed. Public policy regarding, or governmental restrictions on, travel to and from these and other regions on account of an outbreak of any contagious disease or occurrence of natural disasters could materially and adversely affect our business and operating results.

If we are unable to maintain existing relationships with ecosystem partners and strategic alliances, or unable to establish new arrangements with ecosystem partners and strategic alliances at or on favorable terms or at terms similar to those we currently have, or at all, our business, market share, and results of operations may be materially and adversely affected.

We rely on ecosystem partners, such as hotels and airlines, and other third-party agents to make their services available to users through us, and our business prospects depend on our ability to maintain and expand relationships with ecosystem partners and other third-party agents. If we are unable to maintain satisfactory relationships with our existing ecosystem partners, or if our ecosystem partners establish similar or more favorable relationships with our competitors, or if our ecosystem partners increase their competition with us through their direct sales, or if any one or more of our ecosystem partners significantly reduce participation in our services for a sustained period of time or completely withdraw participation in our services, our business, market share, and results of operations may be materially and adversely affected. To the extent any of those major or popular ecosystem partners cease to participate in our services in favor of one of our competitors' systems or decide to require consumers to purchase services directly from them, our business, market share, and results of operations may suffer. If we cannot resolve conflicts of interest or disputes between us and any existing or prospective ecosystem partners, legal actions may be initiated by either party. Any legal proceedings or measures in response to disputes may be expensive, time-consuming, and disruptive to our operations and divert our management's attention. We also cannot assure you that we will prevail in any of those legal proceedings or be able to prevent any similar claims or legal proceedings being initiated against us by others in the future.

Our business depends significantly upon our ability to contract with hotels in advance for the guaranteed availability of certain hotel rooms. We rely on hotel partners to provide us with rooms at discounted prices. However, most of the contracts with our hotel partners must be renewed from time to time. We cannot assure you that our hotel partners will renew our contracts in the future on favorable terms or terms similar to those we have agreed to. The hotel partners may reduce the commission rates on bookings made through us. Furthermore, in order to maintain and grow our business and to effectively compete with many of our competitors in all potential markets, we will need to establish new arrangements with hotels and accommodations of all ratings and categories in our existing markets and in new markets. We cannot assure you that we will be able to identify appropriate hotels or enter into arrangements with those hotels on favorable terms, if at all. Such failure could harm the growth of our business and adversely affect our operating results and financial condition, which consequently will impact the trading price of our ADSs and ordinary shares.

We derive revenues and other significant benefits from our arrangements with partnered airlines. Our airline ticket partners allow us to book and sell tickets on their behalf and collect commissions on tickets booked and sold through us. We cannot assure you that the collaboration model, terms, or pricing that we currently maintain with our airline ecosystem partners will continue to remain the same. We experienced certain changes historically and our arrangements with our airline ecosystem partners may still be subject to unilateral or bilateral changes. We cannot assure you that these changes, if any, will work in our favor. Additionally, although we currently have supply relationships with these airlines, they also compete with us for ticket bookings and have entered into similar arrangements with many of our competitors and may continue to do so in the future. Such arrangements may be on better terms than we have. The loss of ecosystem partner relationships or further adverse changes in major business terms with our ecosystem partners would materially impair our operating results and financial condition as we would lose an increasingly significant source of our revenues.

We generated a portion of our revenues through commissions from ecosystem partners that we form strategic alliances with, including our hotel partners, airline ticket partners and other ecosystem partners. We cannot assure you, however, that we will be able to successfully establish and maintain strategic alliances with third parties which are effective and beneficial for our business. Our inability to do so could have a material adverse effect on our market penetration, revenue growth, and profitability.

Strategic acquisition of complementary businesses and assets create significant challenges, such as dilutive effect on our equity securities and impact on our financial performance, that may materially and adversely affect our business, reputation, results of operations, and financial condition.

We have made and intend to continue to make strategic acquisitions in the travel industry globally. If we are presented with appropriate opportunities, we may continue to acquire complementary businesses and assets in the future. However, strategic acquisitions and the subsequent integration of new businesses and assets into our own would require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could adversely affect our business operations. In addition, acquisitions could result in potential dilutive issuances of equity securities, use of substantial amounts of cash, and exposure to potential ongoing financial obligations and unforeseen or hidden liabilities of the acquired business. The cost and duration of, and difficulties in, integrating newly acquired businesses and managing a larger overall business could also materially exceed our expectations. Moreover, we may not be able to achieve our intended strategies and may result in substantial impairment charges to goodwill, if we fail to successfully integrate the newly acquired business or manage a larger business. Any such negative developments could materially and adversely affect our business, reputation, results of operations, and financial condition.

Our strategy to invest in complementary businesses and assets and establish strategic alliances involves significant risks and uncertainties that may have a material adverse effect on our business, reputation, financial condition, and results of operations.

As part of our plan to expand our product and service offerings, we have made and intend to make strategic investments in the travel service industries globally. If the ADS or share prices of the public companies that we invest in decline, as we experienced historically, we would record changes in fair value in our consolidated statements of income under U.S. GAAP, which in turn would adversely affect our results of operations for the relevant periods. In addition, if any of our investees in which our investments are classified as equity method investments incur net losses in the future, we will share their net losses proportionate to our equity interest in them.

Our strategic investments could also subject us to other uncertainties and risks, and our failure to address any of these uncertainties and risks, among others, may have a material adverse effect on our financial condition and results of operations:

- diversion of our resources and management attention;
- high acquisition and financing costs;
- failure to achieve our intended objectives or benefits in making these investments or revenue-enhancing opportunities;
- exposure to liabilities, third-party claims, or legal proceedings involving our invested or acquired business;
- potential claims or litigation regarding our board's exercise of its duty of care and other duties required under the applicable law in connection with any of our significant investments approved by the board; and
- failure to be in full compliance with applicable laws, rules, and regulations.

In particular, our strategy of investing in a complementary business could be adversely affected by anti-monopoly laws in the relevant jurisdictions. We may incur significant cost in an effort to comply with applicable anti-monopoly laws. The interpretation, implementation and enforcement of anti-monopoly laws in some of jurisdictions where we operate are subject to uncertainties. As such, although we intend to comply with applicable anti-monopoly laws, we cannot assure you that relevant authorities will agree with our interpretation of the applicable laws. Our proposed investment or acquisitions may not pass anti-monopoly review by regulatory authorities, and could be subject to penalties or other restrictive measures that may have a negative effect on our business and financial results. For example, we are subject to the PRC Anti-Monopoly Law, under which companies must notify the State Administration for Market Regulation, or the SAMR, in advance of any concentration of undertakings where the parties' revenues in the relevant markets exceed certain thresholds for review. In light of the uncertainties relating to the PRC Anti-Monopoly Law, the SAMR may disagree with our assessment as to whether our past and future acquisitions or investments meet the filing requirement. There can be no assurance as to whether it will thus impose any penalties or other restrictive measures on us.

In addition, we establish strategic alliances with various third parties to further our business purpose from time to time. Strategic alliances with third parties could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the counter-party, an increase in expenses incurred in establishing new strategic alliances, inefficiencies caused by failure to integrate strategic partners' businesses with our own, and unforeseen levels of diversion of our resources and management attention, any of which may materially and adversely affect our business.

As a result of any of the above factors, any actual or perceived failure to realize the benefits we expect from these investments may materially and adversely affect our business and financial results and cause the trading price of our ADSs and ordinary shares to decline.

We have incurred substantial indebtedness and may incur additional indebtedness in the future. We may not be able to generate sufficient cash to satisfy our outstanding and future debt obligations.

We have incurred substantial indebtedness to execute our business operations and strategies. Payment due within one year from December 31, 2024 for our debt obligations amounted to RMB20.0 billion (US$2.7 billion). Payment due after one year from December 31, 2024 for our debt obligations amounted to RMB20.6 billion (US$2.8 billion). To the extent that we were to settle or redeem our convertible notes or exchangeable senior notes in cash, our debt obligations would become more substantial.

Our substantial indebtedness could have important consequences to you. For example, it could:

- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes; and
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to conduct additional financing activities, or increase the cost of additional financing.

We may from time to time incur additional indebtedness and contingent liabilities. If we incur additional debt, the risks that we face as a result of our substantial indebtedness and leverage could intensify. For example, in June 2024, we issued US$1.5 billion in aggregate principal amount of 0.75% convertible senior notes due 2029, or the 2029 Notes.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business, and other factors, many of which are beyond our control. As a result, we may not generate or obtain sufficient cash flow to meet our anticipated operating expenses and to service our debt obligation as they become due.

We recorded a significant amount of goodwill and indefinite lived intangible assets in connection with our strategic acquisitions and investments, and we may incur material impairment charges to our goodwill and indefinite lived intangible assets if the recoverability of these assets become substantially reduced.

In connection with our strategic acquisitions in recent years, we recorded a significant amount of goodwill and indefinite lived intangible assets booked in our financial statements. As of December 31, 2024, our goodwill was RMB60.9 billion (US$8.3 billion). ASC 350 “Intangibles-Goodwill and Other” provides that intangible assets that have indefinite useful lives and goodwill will not be amortized but rather will be tested at least annually for impairment. ASC 350 also requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We may first assess qualitative factors to determine whether it is necessary to perform the quantitative impairment test, by taking into consideration macroeconomics, overall financial performance, industry and market conditions and the share price. If determined to be necessary, the quantitative impairment test will be used to identify impairment. For 2022, 2023, and 2024, we did not recognize any impairment charges for goodwill or indefinite lived intangible assets, because there was no indicator of impairment identified in our qualitative assessment. If different judgments or estimates had been utilized, however, material differences could have resulted in the amount and timing of the impairment charge. We may potentially incur significant impairment charges if the recoverability of these assets become substantially reduced in the future. Any such impairment charges would adversely affect our financial condition and results of operations. In addition, in the case that the trading price of our ADSs or ordinary shares declines, and the amount by which the share price exceeds the carrying value of the reporting unit becomes minimal, it may be considered an indicator for us to perform interim goodwill impairment test and we may need to recognize impairment on goodwill or other long-lived assets. See “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Critical Accounting Policies and Estimates—Goodwill, Intangible Assets and Long-Lived Assets.”

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.

We compete primarily with other travel agencies, including local and international consolidators of hotel accommodation and airline tickets as well as traditional travel agencies. In the future, we may also face increasing competition from new travel agencies, hotels and airlines, as well as content platforms and social networks entering into the travel industry.

We may face more competition from hotels and airlines as they enter the discount rate market directly or through alliances with other travel consolidators. In addition, international travelers have become an increasingly important user base for us. Competitors that have formed stronger strategic alliances with international travel consolidators may have more effective channels to address the needs of cross-border travelers. The combination of these factors means that potential entrants to our industry face relatively low entry barriers.

In the past, certain competitors launched aggressive advertising campaigns, special promotions and engaged in other marketing activities to promote their brands, acquire new users, or increase their market shares. In response to such competitive pressure, we took and may continue to take similar measures and as a result would incur significant expenses, which in turn could negatively affect our operating margins in the quarters or years when such promotional activities are carried out. In addition, some of our existing and potential competitors may have competitive advantages, such as significantly larger active user base on mobile or other online platforms, greater financial, marketing and strategic relationships, alliances or other resources or name recognition and technology capabilities, and may be able to imitate and adopt our business model. In particular, other major internet platforms may benefit from the existing user base of their other services. These platforms can utilize the traffic they already obtain and direct the users from their other services offerings to their travel services and further achieve synergies effects. Furthermore, in order to attract and retain users and compete against our competitors, we have deployed significant resources in research and development to enhance our AI and cloud technologies. However, we cannot assure you that the effectiveness of our data analytics capabilities and technologies will be comparable or superior to our competitors at all times. If any of our competitors provides comparable or better content feed to the users on their platforms, or if we are unable to provide sufficient quality content to our users' satisfaction leveraging our data analytics capabilities, we may suffer a decline in our user traffic. We cannot assure you that we will be able to successfully compete against new or existing competitors. In the event we are not able to compete successfully, our business, results of operations, and profit margins may be materially and adversely affected.

If we fail to further increase our brand recognition, we may face difficulty in maintaining existing and acquiring new users and business partners and our business may be harmed.

We believe that maintaining and enhancing our brands depends in part on our ability to grow our user base and obtain new business partners. Some of our potential competitors already have well-established brands in the travel industry. The successful promotion of our brands will depend largely on our ability to maintain a sizeable and active user base, maintain relationships with our business partners, provide high-quality user support, properly address user needs and handle user complaints, and organize effective marketing and advertising programs. We are also subject to reputational risks arising from user complaints. Users may raise complaints against us if they are dissatisfied with the travel products and services provided to them. If we do not resolve the complaints effectively in a timely manner, our users may reduce their use of our platform and services, and may demand refund or even further compensation from us by all practicable means, which could harm our reputation and brand image if these complaints are brought to public sight, and may materially and adversely affect our business, financial condition, and results of operations. If our user base significantly declines or grows more slowly than our key competitors, the quality of our user support substantially deteriorates, or our business partners cease to do business with us, we may not be able to maintain and promote our brands in a cost-effective manner, and our business may be harmed.

Negative publicity related to us or in general with respect to the travel industry could impair our reputation, which in turn could materially and adversely affect our business, results of operations, and price of our ADSs or ordinary shares.

The reputation of our brands is critical to our business and competitiveness. Negative publicity with respect to us or the travel industry in general, from time to time, whether or not we are at fault, including but not limited to those relating to our business, products and services, user experiences, employee relationships and welfare, compliance with law, financial condition or prospects, whether with or without merit, could impair our reputation and adversely affect our business and operating results. Prospective users may be reluctant to engage in transactions with us if there is any negative publicity in connection with the use of our services or products, the operation of our business, and other aspects about us. In addition, the negative publicity of any of our brands may extend far beyond the brand involved, especially due to our comprehensive presences in the travel industry in general, to affect some or all of our other brands. Furthermore, negative publicity about other market players or isolated incidents, regardless of whether or not it is factually correct or whether we have engaged in any inappropriate activities, may result in negative perception of our industry as a whole and undermine the credibility we have established. Negative developments in the market may lead to tightened regulatory scrutiny and limit the scope of our permissible business activities. We could lose significant number of users due to negative publicity with respect to us or the travel industry in general.

We rely on performance and brand marketing channels to generate a significant amount of traffic to our platforms and grow our business. From time to time, we hire brand ambassadors to market our brands or our products and services that are important to our business. However, we cannot assure you that the endorsement from our brand ambassadors or related advertisements will remain effective, that the brand ambassadors will remain popular or their images will remain positive and compatible with the messages that our brand and products aim to convey. Furthermore, we cannot assure you that we can successfully find suitable celebrities to replace any of our existing brand ambassadors if any of their popularities decline or if the existing brand ambassadors are no longer able or suitable to continue the engagement, and termination of such engagements may have a significant impact on our brand images and the promotion or sales of our products.

If any of the foregoing were to occur, our business, financial condition, results of operations, and price of our ADSs or ordinary shares could be materially and adversely affected. We may incur additional costs to recover from the impact caused by the negative publicity, which may divert management's attention and other resources from our business and operations.

Our quarterly results are likely to fluctuate because of seasonality in the travel industry.

Our business experiences fluctuations, reflecting seasonal variations in demand for travel services. Consequently, our results of operations may fluctuate from quarter to quarter. For example, 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.

Any failure to maintain satisfactory performance of our mobile platform, websites, and systems, particularly those leading to disruptions in our services, could materially and adversely affect our business and reputation, and our business may be harmed if our infrastructure or technology is damaged or otherwise fails or becomes obsolete.

The satisfactory performance, reliability, and availability of our infrastructure, including our mobile platform, websites, and systems, are critical to the success of our business. Any system interruptions that result in the unavailability or slowdown of our mobile platform, websites, or other systems and the disruption in our services could reduce the volume of our business and make us less attractive to users. Our customer service centers are equipped with extensive computer and communications systems. Our technology platform and computer and communication systems are vulnerable to damage or interruption from human error, computer viruses, fire, flood, power loss, telecommunications failure, physical or electronic break-ins, hacking or other attempts at system sabotage, vandalism, natural disasters, and other similar events. We have implemented extensive measures to ensure prompt responses to any network shutdown, system failure, or similar incidents in the future, and to continue to update our security protocol to protect our systems from any human error, third-party intrusions, viruses or hacker attacks, information or data theft, or other similar activities. We did not experience any material cybersecurity incident in 2022, 2023, or 2024 and up to the date of this annual report. However, we cannot assure you that unexpected interruptions to our systems will not occur in the future. We do not carry business interruption insurance to compensate us for losses that may occur as a result of such disruptions. In addition, any such future occurrences could reduce user satisfaction levels, damage our reputation and materially and adversely affect our business.

We use an internally developed booking software system that supports nearly all aspects of our booking transactions. Our business may be harmed if we are unable to upgrade our systems and infrastructure quickly enough to accommodate future traffic levels, avoid obsolescence or successfully integrate any newly developed or purchased technology with our existing system. Capacity constraints could cause unanticipated system disruptions, slower response times, poor user support, impaired quality and speed of reservations and confirmations, and delays in reporting accurate financial and operating information. These factors could cause us to lose users and ecosystem partners, which would have a material adverse effect on our results of operations and financial condition.

In addition, our future success will depend on our ability to adapt our products and services to the changes in technologies and internet user behavior. We ensure the interoperability of our services by optimizing our mobile apps and websites for different devices and operating systems and implementing cloud technology to support unified backend operation of our platform. Any changes in such mobile operating systems or devices that degrade the functionality of our services or give preferential treatment to competitive services could adversely affect usage of our services. Further, if the number of platforms for which we develop our services increases, which is typically seen in a dynamic and fragmented mobile services market, it will result in an increase in our costs and expenses. In order to deliver high-quality services, it is important that our services work well across a range of mobile operating systems, networks, mobile devices, and standards that we do not control. If we fail to develop products and technologies that are compatible with all mobile devices and operating systems, or if the products and services we develop are not widely accepted and used by users of various mobile devices and operating systems, we may not be able to penetrate the mobile internet market. In addition, the widespread adoption of new internet technologies or other technological changes could require significant expenditures to modify or integrate our products or services. If we fail to keep up with these changes to remain competitive, our future success may be adversely affected.

Our business depends substantially on the continuing efforts of our key executives, and our business may be severely disrupted if we lose their services.

Our future success depends heavily upon the continued services of our key executives. We rely on their expertise in business operations, finance, and travel services and on their relationships with our ecosystem partners and shareholders. If one or more of our key executives are unable or unwilling to continue in their present positions, we may not be able to easily replace them. In that case, our business may be severely disrupted. We may incur additional expenses to recruit and train personnel and our financial condition and results of operations may be materially and adversely affected.

In addition, if any of these key executives joins a competitor or forms a competing company, we may lose users and ecosystem partners. Each of our executive officers has entered into a service contract with us that contains confidentiality and non-competition provisions. If any disputes arise between our executive officers and us, we cannot assure you of the extent to which any of these agreements would be enforced.

If we are unable to attract, train, and retain key individuals and highly skilled employees, our business may be adversely affected.

If our business continues to expand, we will need to hire additional employees, including ecosystem partner management personnel to maintain and expand our ecosystem partner network, information technology and engineering personnel to maintain and expand our mobile platform, websites, customer service centers and systems, and customer service representatives to serve an increasing number of users. If we are unable to identify, attract, hire, train, and retain sufficient employees in these areas, users of our mobile platform, websites, and customer service centers may not have satisfactory experiences and may turn to our competitors, which may adversely affect our business and results of operations.

Our business is subject to the risks of international operations, including but not limited to, operational risk, compliance risk, and reputational risk.

We have expanded our business overseas over the years and currently operate our business in many foreign jurisdictions, including without limitation Asian and European countries. As we plan to further expand our global presence over the long term by means of partnerships and investments, we are exposed to a variety of risks in our business operations, including operational risk, compliance risk, and reputational risk. Compliance with foreign laws and regulations that apply to our international operations increases our cost of doing business in foreign jurisdictions. These laws and regulations include data privacy requirements, customer protection related laws (including those relating to online platform and specific service sectors), labor relations laws, tax laws, foreign currency-related regulations, anti-unfair competition regulations, prohibitions on payments to governmental officials, market access, import, export and general trade regulations, including but not limited to economic sanctions and embargos. Violations of these laws and regulations could result in fines and penalties, criminal sanctions against us, our officers or our employees, and prohibitions on the conduct of our business, including the loss of trade privileges. Any such violations could result in prohibitions on our ability to offer our products and services in one or more countries, could delay or prevent potential acquisitions, and could also materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our business, and our operating results. Compliance with these laws requires a significant amount of management attention and effort, which may divert management's attention from running our business operations and could harm our ability to grow our business, or may increase our expenses as we engage specialized or other additional resources to assist us with our compliance efforts. Our success depends, in part, on our ability to anticipate these risks and manage these difficulties. We monitor our operations and investigate allegations of improprieties relating to transactions and the way in which such transactions are recorded. Where circumstances warrant, we provide information and report our findings to government authorities, but no assurance can be given that action will not be taken by such authorities. In addition, as our business and operation expand in international markets, we could be exposed to increased foreign exchange risks for other currencies.

The current tensions in international trade and rising political tensions, may adversely impact our business, financial condition, and results of operations.

There have been heightened tensions in international economic relations in recent years and these tensions may continue to escalate in the future. These tensions have resulted in changes in international trade policies and, as they further escalate, may result in additional barriers to trade. For example, the tensions between the United States and China in recent years have led to additional, or higher tariffs imposed by the United States on products imported from China and restrictions on the sale of certain products into the United States. China has responded by imposing, and proposing to impose additional, or higher tariffs on products imported from the United States, among other measures. In addition, international political tensions have escalated and continue to be subject to uncertainties with respect to a wide range of issues. As we work with a wide range of business partners in different countries in the world, should any of our major business partners become subject to sanctions or restrictions by the U.S. government, our business may be adversely affected. The U.S. government has also adopted measures aiming to prohibit or restrict U.S. investment in China-associated companies that operate in certain industries. Rising political tensions could reduce levels of trades, investments, technological exchanges, and other economic activities, which would materially and adversely affect the global economic conditions and the stability of global financial markets. These developments may also lead to increased compliance costs, operational disruptions, and potential constraints on our access to capital markets. The possibility of the U.S. government delisting China-associated companies from U.S. stock exchanges, as recently reported in the media, creates uncertainty regarding our ability to maintain our Nasdaq listing. Any further escalation of international tensions may have a negative impact on the general, economic, political, and social conditions of the countries where we operate and, in turn, adversely impact our business, financial condition, and results of operations.

We may not be able to prevent others from using our intellectual property, which may harm our business and expose us to litigation.

We regard our domain names, trade names, trademarks, patents, proprietary know-how, and similar intellectual properties as critical to our success. We try to protect our intellectual property rights by relying on intellectual property protection laws, confidentiality laws, and confidentiality contracts. However, the provisions of such laws and contracts may not provide us with sufficient protection, and legal proceedings to protect our intellectual properties from infringement could be difficult, time-consuming, and expensive. In addition, as our business operations further evolve globally, we may not be able to enforce our intellectual property rights throughout the world, which may in turn adversely impact our international operations and business. We may encounter significant problems in protecting and enforcing intellectual property rights in certain foreign jurisdictions. The legal systems of certain countries do not favor the enforcement of intellectual property protection, which could make it difficult for us to stop the infringement or misappropriation of our intellectual property rights. Proceedings to enforce our proprietary rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business.

The steps we have taken may be inadequate to prevent the misappropriation of our proprietary technology. Any misappropriation could have a negative effect on our business and operating results. Furthermore, we may need to go to court to enforce our intellectual property rights. Litigation relating to our intellectual property might result in substantial costs and diversion of resources and management attention.

We rely on services from third parties to certain extent to carry out our business and to deliver our products to users, and if there is any interruption or deterioration in the quality of these services, our users may not continue using our services.

We partially rely on third-party computer systems to host our websites, as well as third-party licenses for some of the software underlying our technology platform. In addition, we rely on third-party transportation ticketing agencies to issue transportation tickets and travel insurance products, confirmations and deliveries in various cities around the world. We also rely on third-party local operators to deliver on-site services to our packaged-tour and in-destination activity users and other services, such as car services.

Any interruption in our ability to obtain the products or services of these or other third parties or deterioration in their performance, such as server errors or interruptions, or dishonest business conduct, could impair the timing and quality of our own service. If our service providers fail to provide high-quality services in a timely manner to us or our users, or provide services that are substantially different from its description or without licenses or permits as required by the laws and regulations despite that we have so requested, our services will not meet the expectations of our users, our users may claim against us for damages and stop using our online platforms, and our reputation and brand will be damaged. Furthermore, if our arrangement with any of these third parties is terminated, we may not find an alternative source of support on a timely basis or on favorable terms to us.

We may be the subject of detrimental conduct by third parties, including complaints to regulatory agencies, negative blog postings, and the public dissemination of malicious assessments of our business, which could have a negative impact on our reputation and cause us to lose market share, ecosystem partners, users and revenues, and adversely affect the price of our ADSs or ordinary shares.

We may be the target of anti-competitive, harassing, or other detrimental conduct by third parties. Such conduct may include complaints, anonymous or otherwise, to regulatory agencies regarding our operations, accounting, revenues, business relationships, business prospects, and business ethics. Additionally, allegations, directly or indirectly against us, may be posted on the internet by anyone, whether or not related to us, on an anonymous basis. We may be subject to government or regulatory investigation as a result of such third-party conduct and may be required to spend significant time and incur substantial costs to address such third-party conduct, and we cannot assure you that we will be able to conclusively refute each of the allegations within a reasonable period of time, or at all. Our reputation may also be negatively affected as a result of the public dissemination of anonymous allegations or malicious statements about our business, which in turn may cause us to lose market share, ecosystem partners, users, and revenues and adversely affect the price of our ADSs or ordinary shares.

We are subject to payment processing risk.

We accept a variety of different online payment methods and rely on third parties to process such payment. Acceptance and processing of these payment methods are subject to certain rules and regulations and require payment of interchange and other fees. To the extent there are increases in payment processing fees, material changes in the payment ecosystem, such as delays in receiving payments from payment processors or changes to rules or regulations concerning payment processing, our revenues, operating expenses, and results of operation could be adversely impacted.

We also do not have control over the security measures of our third-party payment service providers, and security breaches of the online payment systems that we use could expose us to litigation and possible liability for failing to secure confidential user information and could, among other things, damage our reputation and the perceived security of all of the online payment systems that we use. If a well-publicized internet security breach were to occur, users concerned about the security of their online payments may become reluctant to purchase our products and services through payment service providers even if the publicized breach did not involve payment systems or methods used by us. We may also be subject to fraud and other illegal activities in connection with the various payment methods that we offer, including online payment options. We may also be subject to various rules, regulations, and requirements, regulatory or otherwise, governing electronic fund transfers and online payment, which could change or be reinterpreted to make it difficult or impossible for us to comply with. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees, and lose our ability to accept credit and debit card payments from our users, process electronic fund transfers, or facilitate other types of online payments. If any of the above were to occur and damage our reputation or the perceived security of the payment systems that we use, we may lose users as they may be discouraged from purchasing products or services on our platform, which may adversely affect our business and results of operations.

If our ecosystem partners or users provide us with untrue information or misrepresentations regarding the users' consumption of our ecosystem partners' products and services, we may not be able to recognize and collect revenues to which we are entitled.

We recognize revenues primarily based on commissions earned from our ecosystem partners. Accordingly, we rely on our ecosystem partners and users to provide us with truthful information regarding the users' consumption of our ecosystem partners' products and services through our platform, which forms the basis for calculating the commissions that we are entitled to receive from our ecosystem partners. For example, we generate substantially all of our accommodation reservation revenue through commissions from hotel reservation partners through our platform. To confirm whether an order has been completed, we routinely make inquiries with the hotel and, occasionally, with the user. If our hotel partners and users bypass our platform and transact directly, we may be provided with untrue information or misrepresentations with respect to our users' length of stay at the hotels. As a result, we would not be able to collect revenues to which we are entitled. In addition, using such untrue information may lead to inaccurate business projections and plans, which may adversely affect our business planning and strategy.

We may suffer losses if we are unable to predict the amount of inventory we will need to purchase during the peak holiday seasons.

During the peak holiday seasons, we establish limited merchant business relationships with selected ecosystem partners, in order to secure adequate supplies for our users. In merchant business relationships, we buy hotel rooms and transportation tickets before selling them to our users and thereby incur inventory risk. If we are unable to correctly predict demand for hotel rooms and transportation tickets that we are committed to purchase, we may be responsible for covering the cost of the hotel rooms and transportation tickets we are unable to sell, and our financial condition and results of operations would be adversely affected.

If tax benefits available to our subsidiaries are reduced or repealed, our results of operations could suffer.

We enjoy various tax benefits in the jurisdictions where we operate. In particular, under the PRC Enterprise Income Tax Law, certain enterprises may benefit from a preferential tax rate if they qualify as "high and new technology enterprises" or if they are located in certain regions of China where favorable policies encouraging economic development are in place, subject to certain restrictions. Eight of our PRC subsidiaries and three of the VIEs have been recognized by the local authorities as high and new technology enterprises under the PRC Enterprise Income Tax Law. Therefore, these entities are entitled to enjoy a preferential tax rate as long as they maintain their qualifications. This qualification must be renewed every three years. The preferential tax treatment is subject to periodic review and may be adjusted or revoked at any time. We cannot assure you that these entities will continue to qualify as high and new technology enterprises when they are subject to reevaluation in the future. In addition, pursuant to a preferential tax policy to encourage economic development in China's western regions, nine of our PRC subsidiaries are entitled to enjoy a preferential tax rate until 2030, as long as their revenue composition meets certain requirements. In the event that the preferential tax treatment for these entities is discontinued, these entities will become subject to the standard tax rate, which would materially increase our tax obligations.

We may be subject to legal or administrative proceedings regarding information provided on our online portals or other aspects of our business operations, which may be time-consuming to defend.

Our online portals contain information about hotels, transportation, popular vacation destinations, and other travel-related topics posted by us as well as third parties. It is possible that if any information accessible on our online portals contains errors or false or misleading information, third parties could take actions against us for losses incurred in connection with the use of such information. From time to time, we have become and may in the future become a party to various legal or administrative proceedings arising in the ordinary course of our business, including actions with respect to breach of contract claims, intellectual property infringement, unfair competition claims, claims relating to our online ride-hailing services, advertising services and pricing information we provided, and other matters. Although such proceedings are inherently uncertain and their results cannot be predicted with certainty, we believe that the resolution of our current pending matters will not have a material adverse effect on our business, consolidated financial position, results of operations, or cash flow. Regardless of the outcome and merit of such proceedings, any legal action can have an adverse impact on us because of defense costs, negative publicity, diversion of management's attention, and other factors. In addition, it is possible that an unfavorable resolution of one or more legal or administrative proceedings could materially and adversely affect our financial position, results of operations, or cash flows in a particular period or damage our reputation.

We could be liable for breaches of internet security or fraudulent transactions by users of our online platforms and our websites.

Internet industry is facing significant challenges regarding information security and privacy, including the storage, transmission, and sharing of confidential information. In recent years, PRC government authorities have enacted legislation, such as the Cyber Security Law, on internet use to protect personal information from any unauthorized disclosure. The Cyber Security Law requires that a network operator, which includes among others, internet information services providers, to take technical measures and other necessary measures to safeguard the safe and stable operation of its networks, imposing a relatively vague but broad obligation to provide technical support and assistance to the public and state security authorities in connection with criminal investigations or for reasons of national security. The law further requires internet information service providers to formulate contingency plans for network security incidents, report to the competent departments immediately upon the occurrence of any incident endangering cyber security, and take corresponding remedial measures. Any violation of the PRC Cyber Security Law may subject us to warnings, fines, confiscation of illegal gains, revocation of licenses, cancelation of filings, shutdown of websites, or criminal liabilities. See "Item 4. Information on the Company—B. Business Overview—Government Regulations— PRC Regulations —Regulations Relating to Internet Information Security and Privacy Protection."

We conduct a significant portion of our transactions through the internet, including our online platforms and websites. In such transactions, secured transmission of confidential information (such as users' itineraries, hotel and other reservation information, credit card information, and personal information) over public networks and ensuring the confidentiality, integrity, availability, and authenticity of the information of our users, hotel partners, and airline partners are essential to maintaining their confidence in our online products and services. Our security measures may not be adequate temporarily and may contain deficiencies that we fail to identify, and advances in technology, increased levels of expertise of hackers, new discoveries in the field of cryptography or others could increase our vulnerability. Our business, results of operations, user experience, and reputation may be materially and adversely affected if our platforms or websites experience any breach of internet security.

We strive to comply with applicable data protection laws and regulations, as well as our privacy policies pursuant to our terms of use and other obligations that we may have with respect to privacy and data protection. Significant capital, managerial, and human resources are required to enhance information security and to address any issues caused by security failures. If we are unable to protect our systems and the information stored in our systems from unauthorized access, use, disclosure, disruption, modification, or destruction, such problems or security breaches may cause loss, expose us to litigation and possible liability to the owners of confidential information, disrupt our operations, and may harm our reputation and ability to attract users.

Any lack of requisite approvals, licenses, or permits applicable to our business or any failure to comply with applicable laws or regulations may materially and adversely affect our business, financial condition, and results of operations.

We are required to obtain applicable permits or approvals from different regulatory authorities to conduct our business, including separate licenses for value-added telecommunications, travel agency, and internet-related activities. If we fail to obtain or maintain any of the required permits or approvals in the future, we may be subject to various penalties, such as fines or suspension of operations in these regulated businesses, which could severely disrupt our business operations. As a result, our financial condition and results of operations may be adversely affected.

In particular, the laws and regulations related to the internet and related industry are complex, evolving, subject to change and vary across jurisdictions globally. Any failure or claim of our failure to comply could cost us substantial resources, result in liabilities and harm our reputation. Any changes in these rules could require a change in our business operations. Some jurisdictions regulate the internet and related industry extensively and the internet-related laws and regulations may be relatively new and evolving. New laws and regulations applicable to internet business and activities may be promulgated, and their interpretation and enforcement involve uncertainties. If these new laws and regulations are promulgated, additional licenses may be required for our online operations. As a result, under certain circumstances it may be difficult to determine what actions or omissions constitute violations of applicable laws and regulations. If our operations do not comply with these new regulations at the time they become effective, or if we fail to obtain any licenses required under these new laws and regulations, we could be subject to penalties.

For example, the PRC government has implemented a series of regulations requiring providers of generative artificial intelligence services and algorithmic recommendation services to complete filings for those services that might shape public opinions. As of the date of this annual report, we have completed the necessary filing for our searching algorithms in our Ctrip mobile application, and have completed certain relevant generative artificial intelligence services filing for our WenDao AI assistant, among other things, and we are still in the process of completing the other necessary filings for WenDao AI assistant and other algorithms and AI services that are subject to the filing requirements. There is no guarantee that we will be able to complete the required filings in time or at all.

In addition, the PRC government and regulatory authorities have adopted regulations governing content contained within videos, live streaming, and other information over the internet. Any failure to comply with these regulations may subject us to liability. We conduct content reviews regularly to ensure that the live streaming and other content on our platform complies with the laws and regulations, but we cannot assure you that our review process will always guarantee zero violation of the content related laws and regulations. Reports or publicity of content on our platform that is fraudulent, obscene, superstitious, or otherwise inappropriate may result in negative publicity, harm to our brand, or a regulatory response that might have a material and adverse impact on our business.

Furthermore, we provide online consumer finance services incidental to our core businesses. Due to the relatively short history of China's online consumer finance industry, the PRC regulatory framework governing this industry may further evolve. We cannot assure you that we will be able to obtain all permissions and approvals necessary for providing our online consumer finance services. In addition, we may have to make significant changes to our operations from time to time in order to comply with changing laws, regulations, and policies governing the online and travel industries in general and many aspects of our business in particular, which may increase our cost of operation or limit our options of service offering, which in turn may adversely affect our results of operations.

We face regulatory risks related to our air ticketing business.

The Civil Aviation Administration of China and the NDRC regulate pricing of air tickets. The Civil Aviation Administration also supervises commissions payable to air-ticketing agencies together with the China Air Transport Association. If restrictive policies are adopted by the Civil Aviation Administration, the NDRC, or the China Air Transport Association, or any of their regional branches, our air-ticketing revenue may be adversely affected.

Our failure to comply with privacy and data protection laws and regulations in various jurisdictions could subject us to sanctions, damages, and litigation, and could harm our reputation and business.

We collect and process certain personal data of our users, including email addresses, usage data, identification information, and additional information. We also collect and process billing information and phone numbers of our users. As such, we are subject to the privacy and data protection laws and regulations in various jurisdictions. Privacy laws provide restrictions and guidance in connection with our storage, use, processing, disclosure, transfer, and protection of personal information. We strive to comply with all applicable laws, regulations, and policies relating to privacy and data protection. We are also subject to privacy and data security-related obligations deriving from our privacy policy and terms of use with our users, and we may be liable to third parties in the event we are deemed to have wrongfully processed, used, stored, disclosed, or otherwise disposed of personal data.

Data security and protection has become one of the policy focuses of many jurisdictions in which operate. Substantial uncertainties remain with respect to the interpretation and enforcement of the data security and privacy protection regulations of some jurisdictions and their impact to us, which makes it difficult to determine what actions or inactions may be deemed to be in violation of the applicable laws and regulations in certain circumstances. The relevant government authorities may have wide discretion in the interpretation and enforcement of these laws. For example, in China as a major internet platform, we are exposed to risks of being deemed to be a critical information infrastructure operator or a network platform operator. If we are identified as a critical information infrastructure operator, we would be required to fulfill various obligations that are currently not applicable to us. Moreover, we may need to follow cybersecurity review procedure and apply with Cybersecurity Review Office before making certain purchases of network products and services. During cybersecurity review, we may be required to undertake certain business adjustments, which may cause disruptions to our business and operations. The cybersecurity review could lead to a diversion of time and attention of our management and our other resources. Furthermore, we cannot assure you that we will obtain the clearance or approval for these applications from the Cybersecurity Review Office and the government authorities in a timely manner, or at all. If we are found to be in violation of cybersecurity requirements in China, the government authorities may conduct investigations, levy fines, request app stores to take down our apps, and cease to provide viewing and downloading services related to our apps, prohibit the registration of new users on our platform, or require us to change our business practices in a manner materially adverse to our business. Any of these actions may disrupt our operations and materially and adversely affect our business, financial condition, and results of operations.

The European Union traditionally takes a broader view as to what is considered personal information and has imposed greater obligations under their privacy and data protection laws. In particular, the European Union adopted the General Data Protection Regulation in April 2016, which came into effect in May 2018. The General Data Protection Regulation results in more stringent requirements for data processors and controllers, including more fulsome disclosures about the processing of personal information, data retention limits, and deletion requirements, mandatory notification in the case of a data breach, and elevated standards regarding valid consent in some specific cases of data processing. The General Data Protection Regulation also includes substantially higher penalties for failure to comply with the requirements. For example, in the event of violations, a fine up to 20 million Euros or up to 4% of the annual worldwide turnover, whichever is greater, may be imposed. In addition to the General Data Protection Regulation, when other future laws and regulations relating to data privacy come into effect, the more stringent requirements on privacy user notifications and data handling will require us to adapt our business and incur additional costs.

In addition, to the extent we have accessed data in Hong Kong and Macao, we have been in compliance with the laws and regulations in both jurisdictions regarding data security, such as the Personal Data (Privacy) Ordinance and the Unsolicited Electronic Messages Ordinance, which impose protocols and obligations regarding the handling of personal data in Hong Kong including, among other things, that (i) personal data must be collected for a lawful purpose, necessary, and not excessive, (ii) personal data must be collected by means that are lawful and fair in the circumstances of the case, and (iii) the person from whom personal data is collected is informed of the purpose of collecting the data. As of the date of this annual report, we believe that these laws and regulations in Hong Kong and Macao regarding data security do not, nor would any non-compliance therewith, if any, have any material adverse impact on our business. However, if certain laws and regulations in Hong Kong or Macao were to result in oversight over data security that materially impacts our business in the applicable jurisdiction, we may be required to incur additional cost to ensure our compliance with such laws and regulations, and any violation could result in a material adverse impact on our business, financial condition, and results of operations.

Privacy and data protection concerns are becoming more widely acknowledged and may cause our users to resist providing the personal data necessary to allow them to use our platform effectively. We have implemented multiple measures and security protocols to maintain and improve our privacy protection capability. However, since the privacy and data protection laws and regulations are relatively new, there are uncertainties as to the interpretation and application of these laws and regulations, and it is possible that our privacy and data protection practices are or will be incompliant with the applicable regulatory requirements and/or our terms of use with our users. Any violation of the provisions and requirements under these laws, regulations, obligations or our terms of use with our users may subject us to warnings, fines, confiscation of illegal gains, revocation of licenses, suspension of business, shutting down of websites or even criminal liabilities. Complying with such requirements could cause us to incur substantial expenses or to alter or change our practice in a manner that could harm our business. Any systems failure or security breach or lapse that results in the unauthorized release of our user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability.

We may face greater risk of doubtful accounts as our business increases in scale.

We provide credit terms to certain ecosystem partners, and also extend credit to our users by making payments on behalf of them when they book travel products on our platform. Our accounts receivable and other receivables have increased as our business grows. We cannot assure you that we will be able to collect payment fully and in a timely manner on our outstanding receivables from our ecosystem partners and users. As a result, we may face a greater risk of non-payment of our receivables and, as our business grows in scale, we may need to make higher allowance for credit losses. For the years ended December 31, 2022, 2023, and 2024, we provided provisions for credit losses of RMB296 million, RMB79 million and RMB330 million (US$45 million), respectively. Our operating results and financial condition may be materially and adversely affected if we are unable to successfully manage our receivables.

The determination of the fair value changes of certain financial assets requires significant management judgment and estimation based on unobservable inputs, which may lead to valuation uncertainty and a change in the fair value of our long-term investments.

As of December 31, 2024, we had investments of RMB0.9 billion (US$129 million) classified under Level 3 in the fair value hierarchy. The fair values of these investments were determined by us based on an income approach utilizing various unobservable inputs which required significant judgment, determined by us, with respect to the assumptions and estimates for the revenue growth rate, weighted average cost of capital, lack of marketability discounts, expected volatility, and probability in equity allocation. Accordingly, such determination requires us to make estimates and assumptions, which may be subject to material changes, and therefore inherently involves a certain degree of uncertainty. Factors beyond our control, such as general economic condition, changes in market interest rates, and stability of the capital markets, can significantly influence and cause adverse changes to the estimates we used and thereby affect the fair value of these investments. Should any of the estimates and assumptions changed, there may be a change in the fair value of our financial assets, which would materially and adversely affect our results of operation and financial condition.

For further details, see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Critical Accounting Policies and Estimates—Fair value of Available-for-sale Debt Investments."

We sustained losses in the past and may experience earnings declines or net losses in the future.

In 2022, 2023, and 2024, we recorded net income of RMB1.4 billion, RMB10.0 billion, and RMB17.2 billion (US$2.4 billion), respectively. However, we have recorded net losses in the past. Substantial uncertainties remain with respect to our business outlook, results of operations, and financial condition in the future. We cannot assure you that we can sustain profitability or avoid net losses in the future. Our operating expenses may still increase in the future and the degree of increase in these expenses is largely based on anticipated growth, revenue trends, and competitive pressure. As a result, any decrease or delay in generating additional sales volume and revenues and increase in our operating expenses may result in substantial operating losses.

We incurred net current liabilities and net operating cash outflows in the past, and may not assure you that we will continue to achieve or maintain net current assets or net operating cash inflow in the future.

We had net current assets of RMB196 million, RMB16 billion, and RMB38 billion (US$5.2 billion) as of December 31, 2022, 2023, and 2024, respectively. However, we have had net current liabilities in the past. There can be no assurance that we will not experience liquidity problems in the future. We may not be able to fulfill our obligation in providing travel products or services to our users, the failure of which may negatively affect our cash flow position. If we fail to generate sufficient revenue from our operations, or if we fail to maintain sufficient cash and financing, we may not have sufficient cash flows to fund our business, operations, and capital expenditure, and our business and financial position will be adversely affected.

We had net cash provided by operating activities of RMB2.6 billion, RMB22 billion, and RMB19.6 billion (US$2.7 billion) in 2022, 2023, and 2024, respectively. However, we have had net operating cash outflows in the past. While we believe that we have sufficient working capital to fund our current operations, we cannot guarantee that we will not experience cash outflow from our operating activities in the future. If we are unable to maintain adequate working capital, we may default on our payment obligations and may not be able to meet our capital expenditure requirements, which may have a material adverse effect on our business, financial condition, and results of operations.

Failure to maintain effective internal control over financial reporting could result in errors in our published financial statements, which in turn could have a material adverse effect on the trading price of our ADSs or ordinary shares.

We are subject to the reporting obligations under the U.S. securities laws. As required under Section 404 of the Sarbanes-Oxley Act of 2002, the SEC has adopted rules requiring public companies to include a report of management on the effectiveness of such companies' internal control over financial reporting in its annual report. In addition, an independent registered public accounting firm for a public company must issue an attestation report on the effectiveness of the company's internal control over financial reporting. Our management conducted an evaluation of the effectiveness of our internal control over financial reporting and concluded that our internal control over financial reporting was effective as of December 31, 2024. In addition, our independent registered public accounting firm attested the effectiveness of our internal control and reported that our internal control over financial reporting was effective as of December 31, 2024. If we fail to maintain the effectiveness of our internal control over financial reporting, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with the Sarbanes-Oxley Act. Moreover, effective internal control over financial reporting is necessary for us to produce reliable financial reports. As a result, any failure to maintain effective internal control over financial reporting could result in the loss of investor confidence in the reliability of our financial statements, which in turn could negatively impact the trading price of our ADSs or ordinary shares. Furthermore, we may need to incur additional costs and use additional management and other resources in an effort to comply with Section 404 of the Sarbanes-Oxley Act and other requirements going forward.

We may need additional capital and we may not be able to obtain it.

We believe that our current cash and cash equivalents, short-term investments, cash flow from operations and proceeds from our financing activities will be sufficient to meet our anticipated cash needs for the foreseeable future. We may, however, require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If these resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities or obtain a credit facility. The sale of additional equity securities could result in additional dilution to our shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

In addition, the terms of future debt financing could result in more restrictive covenants, which could further restrict our business operations. If we cannot raise additional funds when we need them, our ability to continue to support our business and to respond to business challenges would be significantly limited, and our business, results of operations, and financial condition would be materially and adversely affected.

Fluctuation of fair value change of short-term investments we made may affect our results of operations.

Historically, we made short-term investments, representing (i) held-to-maturity investments which are due in one year and stated at amortized cost; (ii) the investments issued by commercial banks or other financial institutions with a variable interest rate indexed to the performance of underlying assets within one year measured at fair value; and (iii) foreign currency forward contracts measured at fair value which are short-term. Changes in the fair value are reflected in our consolidated statements of income and comprehensive income. The methodologies that we use to assess the fair value of the short-term investments involve a significant degree of management judgment and are inherently uncertain. In addition, we are exposed to credit risks in relation to our short-term investments, which may adversely affect the net changes in their fair value. We cannot assure you that market conditions will create fair value gains on our short-term investments or we will not incur any fair value losses on our short-term investments in the future. If we incur such fair value losses, our results of operations, financial condition and prospects may be adversely affected.

We have limited business insurance coverage.

We maintain insurance coverage that we consider necessary and sufficient for our business, and customary for the industry in which we operate. However, in the markets where we operate, service providers typically offer limited business insurance products and do not, to our knowledge, offer business liability insurance. We cannot assure you that our insurance coverage is sufficient to prevent us from any loss to be sustained or that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition, and results of operations could be materially and adversely affected.

Risks Relating to Multi-jurisdictional Operations

We are subject to the risks of doing business globally.

We operate in many jurisdictions across the globe, and may in the future continue expanding, or seek to expand, our operations to additional jurisdictions. The global operation and expansion plan exposes us to international political, legal and economic risks, which are complex, fluid and unpredictable. Our ability to operate in multiple countries and regions may be adversely affected by changes in international and local laws, regulations and government policies, such as those related to e-commerce, data privacy, cybersecurity, travel industry, sanctions, consumer protection, payment, intellectual property protection, investment, taxation and other matters, as well as changes in the enforcement of the above laws, regulations and policies. Many, if not all of the above-mentioned risks apply to our operations in multiple jurisdictions across the globe. If any of these risks were to occur, our business, financial condition and results of operations could be materially and adversely affected by any of the risks above.

We cannot guarantee that we will be able to successfully carry out our global expansion strategy. We will face certain risks inherent in doing business globally, including, but not limited to, difficulties in developing, staffing and simultaneously managing global operations as a result of distance, language and cultural differences; challenges in formulating effective local sales and marketing strategies targeting users from various jurisdictions and cultures, who have a diverse range of preferences and demands; challenges in identifying appropriate local business partners and establishing and maintaining good working relationships with them; challenges in recruiting and retaining talented and capable management and employees in various markets; challenges in obtaining and maintaining sufficient intellectual property protection and rights in various jurisdictions; dependence on local marketing channels; challenges in selecting suitable geographical regions for international business; political or social unrest or economic instability; compliance with applicable laws and regulations in multiple regions across the globe and unexpected changes in laws or regulations, including, but not limited to, investment restrictions and ownership requirements; exposure to different tax jurisdictions that may subject us to greater fluctuations in our effective tax rate and potentially adverse tax consequences; and increased costs associated with doing business in multiple jurisdictions across the globe.

New geographic markets may have competitive conditions, user preferences, and discretionary spending patterns that are more difficult to predict or satisfy than our existing markets. Local companies may have a substantial competitive advantage because of their greater understanding of, and focus on, the local users, as well as their more established local brand names, requiring us to build brand awareness in that market through greater investments in advertising and promotional activity. International expansion may also require significant capital investment, which could strain our resources and adversely impact current performance, while adding complexity to our current operations.

We have limited experience in international markets. If we fail to meet the challenges presented by our increasingly globalized operations, our business, financial condition and results of operations may be materially and adversely affected.

We have limited experience in international markets. Our international operation exposes us to a number of risks relating to our ability to address challenges in local markets, including:

- lack of acceptance of our products and services, and challenges of localizing our offerings to appeal to local tastes;
- conforming our products and services to local regulatory requirements;
- challenges of maintaining efficient and consolidated internal systems, including technology infrastructure, and of achieving customization and integration of these systems with the other parts of our technology platform;

- challenges in replicating or adapting our company policies and procedures to operating environments different from that of China;
- national security policies that restrict our ability to utilize technologies that are deemed by local governmental regulators to pose a threat to their national security;
- the need for increased resources to manage regulatory compliance across our international businesses;
- compliance with privacy laws and data security laws and compliance costs across different legal systems;
- heightened restrictions and barriers on the transfer of data between different jurisdictions;
- business licensing or certification requirements of the local markets;
- exchange rate fluctuations;
- political instability and general economic or political conditions in particular countries or regions, including territorial or trade disputes, war and terrorism; and
- significant capital required for entering into new geographical markets, including cost of promoting our current and future brands in the new markets and building sales and services networks.

There is no assurance we will be able to manage these risks and challenges as we continue to grow our international businesses. Failure to manage these risks and challenges could negatively affect our ability to expand our international businesses and operations as well as materially and adversely affect our business, financial condition and results of operations.

Our business is subject to various laws across many jurisdictions, many of which are complex and evolving.

We are subject to a variety of laws and regulation across the many jurisdictions where we operate, including without limitation those relating to e-commerce, data privacy, cybersecurity, travel industry, sanctions, consumer protection, payment, intellectual property protection, investment and taxation.

These laws and regulations can be significantly different across different jurisdictions and are continually evolving. Compliance with these laws and regulations is costly, requires significant management time and effort and may require changes to our business practices for local adaptation. We may also be subject to inconsistent compliance obligations across jurisdictions. In addition, if enhanced enforcement of laws and regulations require us to expend significant resources in response or result in the imposition of new obligations, our business and results of operations could be adversely affected.

A variety of laws and regulations govern or apply to collection, processing, sharing, disclosure, transfer and other use of data regarding consumers. We are subject to laws, regulations, contractual obligations and industry standards relating to privacy, data protection, information security and consumer protection, which are evolving and subject to potentially differing interpretations. The regulatory environment in these areas is becoming increasingly rigorous and is likely to remain uncertain for the foreseeable future. For the major data and privacy laws and regulations applicable to our business, including in the European Union, and their related risks, see "—Risks Relating to Our Business and Industry—Our failure to comply with privacy and data protection laws and regulations in various jurisdictions could subject us to sanctions, damages, and litigation, and could harm our reputation and business."

Government regulation of the internet and e-commerce is also evolving around the world, and unfavorable changes or failure by us to comply with these regulations could harm our business and results of operations. For example, the EU Digital Services Act (DSA) mandates the disclosure of merchant information and the implementation of enhanced transparency measures related to recommendation systems used to present product options to users. If an online platform presents product information in a manner that leads an average consumer to believe the platform directly provides the product, it may be directly liable under consumer protection laws. Similar legislation is being considered and may be adopted in other jurisdictions in which we operate.

We strive to comply with all laws and regulations that are applicable to our operations around the world. Despite our efforts, we may not have fully complied in the past, and may not be able to fully or timely comply in the future, with all applicable laws and regulations. Relatedly, in the ordinary course of our business and in light of the scale of our global operations, we may be subject to formal and informal reviews, queries, investigations, proceedings or other types of administrative actions by governmental and regulatory authorities in the jurisdictions in which we operate under existing laws, regulations, or interpretations or pursuing new and novel approaches to regulate our operations. Unfavorable regulations, laws, decisions, or interpretations by government or regulatory authorities applying those laws and regulations, or inquiries, investigations, or enforcement actions threatened or initiated by them could expose us to unanticipated civil and criminal liability or penalties; subject us to sanctions; harm our brands and reputation; increase our cost of doing business; require us to change the way we operate in a way adverse to our business, including by discontinuing certain services or restricting our operations in one or more jurisdictions; impede our growth; or otherwise have a material effect on our business. All of these could materially and adversely affect our business, prospects, financial condition, reputation, and the trading price of our listed securities.

Adverse changes in economic and political policies of the PRC government could have a material adverse effect on the overall economic growth of China, which could adversely affect our business.

Our business, prospects, financial condition, and results of operations are influenced to a significant degree by the political, economic and social conditions in China generally.

The Chinese economy differs from the economies of most developed countries in many respects, including the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the Chinese government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China are still owned by the government. In addition, the Chinese government continues to play a significant role in regulating industry development by imposing industrial policies. The Chinese government also plays a significant role in China's economic growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Chinese economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations. In addition, certain measures implemented by the PRC government based on the overall economic situation, such as interest rate adjustment, may affect economic activity in China. The growth rate of the Chinese economy has gradually slowed since 2010, and the COVID-19 pandemic had a severe impact on the Chinese and global economy between 2020 and 2022. Any prolonged slowdown in the Chinese economy may reduce the demand for our products and services and materially and adversely affect our business and results of operations.

The PRC government's significant oversight and discretion over our business operations and uncertainties with respect to the PRC legal system could result in a material adverse change in our operations and the value of our ADSs and ordinary shares.

We conduct our business in China primarily through our wholly-owned PRC subsidiaries, which are governed by PRC laws and regulations applicable to foreign investment in China and, in particular, laws applicable to wholly foreign-owned enterprises. In addition, we depend on several VIEs in China to honor their service agreements with us. Almost all of these agreements are governed by PRC law and disputes arising out of these agreements are expected to be decided by arbitration in China. The PRC legal system is based on written statutes, and prior court decisions may be cited for reference but have limited precedential value. The PRC laws and regulations have significantly enhanced the protections afforded to various forms of foreign investments in China for the past decades. However, since the PRC legal system is still evolving, the interpretations of many laws, regulations, and rules may not always be uniform and enforcement of these laws, regulations and rules involve uncertainties, which may limit remedies available to us and may evolve quickly with little advance notice. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. If we and the VIEs are found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities would have broad discretion in dealing with such violations, including restructuring. See "—Risks Relating to Our Corporate Structure—PRC laws and regulations restrict foreign investment in certain businesses, and substantial uncertainties exist with respect to the application and implementation of PRC laws and regulations."

For example, China enacted its amended Company Law, which came into effect on July 1, 2024. The changes are considerable in many respects and will have profound implications for companies incorporated in China, such as the five-year capital contribution timeframe for shareholders of limited liability companies to make their capital contributions in full. In response to these changes, we may need to devote significant efforts and resources to adapt and conform our PRC corporate practices to the new regulatory regime. Moreover, because these laws, regulations, and standards are subject to interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continued uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalties and our business may be harmed.

Furthermore, the PRC government has significant oversight and discretion over the conduct of our business, and may intervene or influence our operations as the government deems appropriate to advance regulatory and societal goals and policy positions. The PRC government has published new policies that significantly affected certain industries and we cannot rule out the possibility that the PRC government will in the future release regulations or policies that directly or indirectly affect our industry or require us to seek additional permission to continue our operations, which could result in a material adverse change in our operations and the value of our ADSs and ordinary shares.

In addition, the PRC government has rolled out a new filing-based regime to regulate overseas offerings and listings by PRC domestic companies. For further details, see "—Risks Relating to Multi-jurisdictional Operations—The approval of and the filing with the CSRC or other PRC government authorities may be required in connection with our offshore offerings in the future under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing" and "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to M&A and Overseas Listings." Any such action could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of our shares and the ADSs to significantly decline or become worthless. Therefore, investors of our company face potential uncertainty from actions taken by the PRC government affecting our business.

Restrictions on currency exchange may adversely affect our operations.

As we operate globally, we collect payments from customers around the world. We may need to convert the currencies we receive into other currencies to fund our global operations and to make dividend payments. Foreign exchange controls in countries in which we operate may limit our ability to exchange currencies. Should relevant regulatory bodies institute protectionist and interventionist laws and policies or restrictive exchange rate policies, such policies could have a material adverse effect on our results of operations or liquidity. For example, because the majority of our revenues are denominated in Renminbi, any restrictions on currency exchange may limit our ability to use Renminbi-denominated revenues to fund our business activities outside China or to make dividend payments in U.S. dollars. The principal PRC regulation governing foreign currency exchange is the Regulations on Administration of Foreign Exchange, as amended. Under these regulations, Renminbi is freely convertible for trade- and service-related foreign exchange transactions, but not for direct investment, loan or investment in securities outside China unless prior approval of SAFE is obtained. Although the PRC regulations now allow greater convertibility of Renminbi for current account transactions, restrictions and limitations still remain. For example, foreign exchange transactions under our subsidiaries' capital account, including principal payments in respect of foreign currency-denominated obligations, remain subject to foreign exchange restrictions and the approval of SAFE. These regulations could affect our ability to obtain foreign exchange for capital expenditures. We cannot be certain that the PRC regulatory authorities will not impose more stringent restrictions on the convertibility of Renminbi, especially with respect to foreign exchange transactions. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange restriction prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including our ADS holders. As a result, the funds in our PRC subsidiaries or the VIEs in China may not be available to fund operations or for other use outside of China due to interventions in, or the imposition of restrictions and limitations on the ability of our holding company, our subsidiaries, or the VIEs by the PRC government on currency conversion.

We face uncertainties with respect to the interpretation and implementation of the Anti-Monopoly Guidelines for the Internet Platform Economy Sector and other anti-monopoly and competition laws and how it may impact our business operations.

In February 2021, the Anti-Monopoly Guidelines for the Internet Platform Economy Sector were promulgated by the Anti-Monopoly Commission of the State Council. The guidelines are consistent with the PRC Anti-Monopoly Law and prohibit monopoly agreements, abuse of dominant position and concentration of undertakings that may have the effect of eliminating or restricting competitions in the field of platform economy. More specifically, the guidelines outline certain practices that may, if without justifiable reasons, constitute abuse of dominant position, including without limitation, tailored pricing using big data and algorithms, actions or arrangements seen as exclusivity arrangements, using technology means to exclude or restrict market competition, using bundled services to sell services or products, and compulsory collection of unnecessary user data. The guidelines also expressly state that concentration involving variable interest entities will also be subject to antitrust filing requirements.

In April 2021, the SAMR convened an administrative guidance meeting together with certain other PRC government authorities, focusing on unfair competition acts in community group buying, self-inspection and rectification by major internet companies of possible violations of anti-monopoly, anti-unfair competition, tax and other related laws and regulations, and requesting such companies to comply with the applicable laws and regulations strictly and be subject to public supervision. In addition, many internet companies, including over 30 companies which attended such administrative guidance meeting, are required to conduct a comprehensive self-inspection and make necessary rectification accordingly. The SAMR stated that it will organize and conduct inspections on the companies' rectification results. If a company is found to conduct illegal activities, more severe penalties are expected to be imposed in accordance with the laws.

On June 24, 2022, the Standing Committee of the National People's Congress adopted an amendment to the PRC Anti-Monopoly Law, which introduced a "safe harbor" for vertical monopoly agreements entered into by operators whose market share falls below a specific threshold to be set by the SAMR, granted the SAMR the power to suspend the review period in merger investigations under specified circumstances, allowed public prosecutors to bring a civil public interest lawsuit based on monopolistic behaviors, and significantly increased the penalties for violation of PRC Anti-Monopoly Law, among others. This amendment emphasized the enforcement of PRC Anti-Monopoly Law in the internet and other key industries. The strengthened enforcement of the PRC Anti-Monopoly Law could result in investigations on our acquisitions or investments conducted in the past and make our acquisitions or investments in the future more difficult due to the prior filing requirement.

In 2024, the SAMR and the Standing Committee of the National People's Congress continued to issue regulations and draft laws related to unfair competition. For details, see "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to Anti-Monopoly and Anti-Unfair Competition." Since the regulatory and enforcement regime in relation to anti-monopoly and competition is relatively new and may change from time to time, uncertainties remain in relation to its interpretation and implementation. We cannot assure you that our business operations will comply with such regulation in all respects, and any failure or perceived failure by us to comply with such regulation may result in governmental investigations, fines and/or other sanctions on us.

Future movements in exchange rates between U.S. dollars and Renminbi may adversely affect the value of our ordinary shares or ADSs.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is largely based on rates set by the People's Bank of China. Renminbi has fluctuated against U.S. dollars, at times significantly and unpredictably. The value of Renminbi against U.S. dollars and other currencies is affected by changes in global economic conditions and foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against U.S. dollars in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate in the future.

The majority of our revenues and cost are denominated in Renminbi, while a portion of our financial assets, financial liabilities, and our dividend payments are denominated in U.S. dollars. Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. We may use foreign exchange spot, forward, or other contracts to help hedge our exposure to foreign currency risk where we deem necessary, and may adopt additional measures in the future to manage such risk. Any significant revaluation of Renminbi or U.S. dollars may adversely affect our cash flows, earnings and financial position, and the value of, and any dividends payable on, our ADSs. For example, an appreciation of Renminbi against U.S. dollars would make any new Renminbi-denominated investments or expenditures more costly to us, to the extent that we need to convert U.S. dollars into Renminbi for such purposes. An appreciation of Renminbi against U.S. dollars would also result in foreign currency translation losses for financial reporting purposes when we translate our U.S. dollar-denominated financial assets into Renminbi, our reporting currency. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments relating to financial liabilities or making payments for dividends on our ordinary shares or the ADSs or for other business purposes, appreciation of U.S. dollars against Renminbi would have a negative effect on the U.S. dollar amount available to us.

PRC regulations relating to the establishment of offshore special purpose vehicles by PRC residents and the grant of employee stock options by overseas-listed companies may subject our PRC resident shareholders to personal liability and limit our ability to inject capital into our PRC subsidiaries, limit our subsidiaries' ability to distribute profits to us, or otherwise adversely affect us.

On July 4, 2014, SAFE issued the Circular of SAFE on Foreign Exchange Administration of Overseas Investments and Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles, or SAFE Circular 37, which states that (i) a PRC resident, including a PRC domestic resident individual or a PRC domestic institution, must register with the local branch of SAFE before contributing its assets or equity interest in domestic enterprises, or offshore assets or interests into a special purpose vehicle, for the purpose of investment and financing; and (ii) when the special purpose vehicle undergoes changes in basic information, such as changes of its PRC resident natural person shareholders, name or operating period, or occurrence of a material event, such as change in share capital, transfer or replacement of equity of a PRC resident natural person, performance of merger or split, the PRC resident must register such change with the local branch of SAFE in a timely manner. If any PRC shareholder fails to make the required registration or update the previously filed registration, the PRC subsidiary of that offshore parent company may be prohibited from distributing their profits and the proceeds from any reduction in capital, share transfer, or liquidation to their offshore parent company, and the offshore parent company may also be prohibited from injecting additional capital into its PRC subsidiary. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions.

We have notified holders of our ordinary shares who we know are PRC residents to register with the local SAFE branches as required under the applicable foreign exchange regulations. The failure or inability of our PRC resident shareholders to comply with the registration procedures set forth therein may subject them to fines and legal sanctions and may also limit our ability to contribute additional capital into our PRC subsidiaries, limit our PRC subsidiaries' ability to distribute profits to our company or otherwise adversely affect our business.

PRC resident individuals who participate in a share incentive plan of an overseas publicly listed company are required to register with SAFE and complete certain other procedures pursuant to the Circular on Relevant Issues Concerning Foreign Exchange Administration for Domestic Individuals Participating in an Employees Share Incentive Plan of an Overseas-Listed Company promulgated by SAFE on February 15, 2012. All such participants need to retain a PRC agent through PRC subsidiaries to register with SAFE and handle foreign exchange matters such as opening accounts, transferring and settlement of the proceeds. This circular further requires an offshore agent to be designated to handle matters in connection with the exercise of share options and sale of shares for the participants of share incentive plans. We and our PRC employees who have been granted stock options are subject to the this circular. If we or our PRC optionees fail to comply with these regulations, we or our PRC optionees may be subject to fines and legal sanctions.

Certain PRC regulations may make it more difficult for us to pursue growth through acquisitions.

Among other things, the Regulation on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, adopted by six PRC regulatory agencies in 2006 and amended in 2009, and certain other regulations and rules concerning mergers and acquisitions established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time-consuming and complex, including requirements in some instances that the anti-monopoly law enforcement authority be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise.

Moreover, the PRC Anti-Monopoly Law and Provisions of the State Council on Thresholds for Reporting of Concentrations of Operators require that transactions which are deemed concentrations and involve parties with specified turnover thresholds (for example, during the previous fiscal year, (i) the total global turnover of all operators participating in the transaction exceeds RMB12.0 billion and at least two of these operators each had a turnover of more than RMB800 million within China, or (ii) the total turnover within China of all the operators participating in the concentration exceeded RMB4.0 billion and at least two of these operators each had a turnover of more than RMB800 million within China) must be cleared by the anti-monopoly law enforcement authority before they can be completed. On February 7, 2021, the Anti-Monopoly Commission of the State Council further issued the Anti-Monopoly Guidelines for the Internet Platform Economy Sector, which aim at specifying some of the circumstances under which activities of internet platforms may be identified as monopolistic acts as well as setting out merger controlling filing procedures involving variable interest entities. On June 24, 2022, the Standing Committee of the National People's Congress adopted an amendment to the PRC Anti-Monopoly Law, which introduced a "safe harbor" for vertical monopoly agreements entered into by operators whose market share falls below a specific threshold to be set by the SAMR, granted the SAMR the power to suspend the review period in merger investigations under specified circumstances, allowed public prosecutors to bring a civil public interest lawsuit based on monopolistic behaviors, and significantly increased the penalties for violation of PRC Anti-Monopoly Law, among others. This amendment emphasized the enforcement of PRC Anti-Monopoly Law in the internet and other key industries. The strengthened enforcement of the PRC Anti-Monopoly Law could result in investigations on our acquisitions or investments conducted in the past and make our acquisitions or investments in the future more difficult due to the prior filing requirement. Due to the uncertainties associated with the evolving legislative activities and varied local implementation practices of anti-monopoly and competition laws and regulations in China, it may be costly to adjust some of our business practice in order to comply with these laws, regulations, rules, guidelines and implementations. If we are found to have carried out a concentration of undertakings in violation of the PRC Anti-Monopoly Law, we could be subject to restrictive measures including an order to cease the concentration activities, a fine of up to 10% of our sales revenue from the previous year where such concentration has or may have the effect of excluding or restricting competition, or a fine of up to RMB5 million where such concentration does not have the effect of excluding or restricting competition, or more severe punitive fine for particularly serious circumstances, and the parts of the transaction causing the prohibited concentration could be ordered to be unwound. The aforesaid penalties and restrictive measures could affect our business and financial results, and harm our reputation. See "—Risks Relating to Our Business and Industry—Our strategy to invest in complementary businesses and assets and establish strategic alliances involves significant risks and uncertainties that may have a material adverse effect on our business, reputation, financial condition, and results of operations."

In addition, the Circular of the General Office of the State Council on the Establishment of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors issued on February 3, 2011 and the Rules on Implementation of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors issued by the Ministry of Commerce that came into effect on September 1, 2011 require acquisitions by foreign investors of PRC companies engaged in military-related or certain other industries that are crucial to national security be subject to security review before consummation of any such acquisition. In December, 2020, the NDRC and the Ministry of Commerce further promulgated the Foreign Investment Security Review Measures, which came into effect on January 18, 2021. These measures require direct or indirect investment by foreign investors of PRC companies engaged in military-related or certain other industries be subject to security review before consummation of any such investment. "Certain other industries" refer to, among others, important transportation services, important culture products and services, important information technology and internet products and services, and important finance services that are crucial to national security.

In order to grow our business, we may pursue potential strategic acquisitions that are complementary to our business and operations. Complying with the requirements of these regulations to complete such transactions could be time-consuming, and any required approval processes, including obtaining approval or clearance from the Ministry of Commerce, may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

The PCAOB had historically been unable to inspect registered public accounting firms headquartered in mainland China (including our independent auditor). The inability of the PCAOB to inspect such registered public accounting firms headquartered in mainland China (including our independent auditor) in the past has deprived our investors with the benefits of such inspections.

Our auditor, the independent registered public accounting firm that issues the audit report included elsewhere in this annual report, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. The auditor is located in mainland China, a jurisdiction where the PCAOB was historically unable to conduct inspections and investigations completely before 2022. As a result, we and investors in the ADSs were deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in China in the past has made it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to the PCAOB inspections. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. However, if the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong, and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we and investors in our ADSs would be deprived of the benefits of such PCAOB inspections again, which could cause investors and potential investors in the ADSs to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment.

Pursuant to the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our shares or ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong and our auditor was subject to that determination. In May 2022, the SEC conclusively listed Trip.com Group Limited as a Commission-Identified Issuer under the HFCAA following the filing of our annual report on Form 20-F for the fiscal year ended December 31, 2021. On December 15, 2022, the PCAOB removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. For this reason, we were not identified as a Commission-Identified Issuer under the HFCAA after we filed our annual report on Form 20-F for the fiscal year ended December 31, 2022 and 2023, and we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F for the fiscal year ended December 31, 2024.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in mainland China and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the HFCAA, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. Although our ordinary shares have been listed on the Hong Kong Stock Exchange since April 19, 2021 and the ADSs and ordinary shares are fully fungible, we cannot assure you that an active trading market for our ordinary shares on the Hong Kong Stock Exchange will be sustained or that the ADSs can be converted and traded with sufficient market recognition and liquidity, if our shares and ADSs are prohibited from trading in the United States. A prohibition of being able to trade in the United States would substantially impair your ability to sell or purchase our ADSs when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our ADSs. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

The approval of and the filing with the CSRC or other PRC government authorities may be required in connection with our offshore offerings in the future under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing.

On February 17, 2023, the CSRC promulgated the Overseas Offering and Listing Measures and published a series of guidance rules and Q&As in connection with the implementation of the Overseas Offering and Listing Measures. These regulations established a filing-based regime to regulate overseas offerings and listings by PRC domestic companies. According to regulations, an overseas offering of securities by a PRC domestic company, either in direct or indirect manner, has to be filed with the CSRC. As advised by Commerce & Finance Law Offices, our PRC legal counsel, we are not required to complete the filing procedures with the CSRC for our historical securities offering. Nevertheless, in the event that we conduct any securities offerings that will be captured by the Overseas Offering and Listing Measures in the future, we will have to complete the filing procedures with the CSRC within three business days following the closing of the securities issuance or offering on the Nasdaq Global Select Market or the Hong Kong Stock Exchange, or within three business days following the submission of application for overseas offering and listing on any other overseas market(s). In addition, the implementation of the Overseas Offering and Listing Measures is still subject to interpretation and evolvement. We cannot assure you that we will be able to strictly comply with the regulatory requirements. If we fail to do so, our business operation, financial condition, results of operations, and business prospect may be materially and adversely affected. For details of the effective and draft regulations relating to offshore offering by PRC domestic companies, see "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to M&A and Overseas Listings."

In addition, we cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements on us. Any failure to obtain or delay in obtaining requisite approval(s) or completing requisite filing procedures for our offshore offerings, or a rescission of any such approval or filing if obtained by us, would subject us to sanctions by the CSRC or other PRC government authorities for failure to seek CSRC approval or filing or other government authorization for our offshore offerings. These government authorities may impose fines and penalties on our operations in China, limit our ability to pay dividends outside of China, limit our operating privileges in China, delay or restrict the repatriation of the proceeds from our offshore offerings into China or take other actions that could materially and adversely affect our business, financial condition, results of operations, and prospects, as well as the trading price of our listed securities. The CSRC or other PRC government authorities also may take actions requiring us, or making it advisable for us, to halt our offshore offerings before settlement and delivery of the shares offered. Consequently, if investors engage in market trading or other activities in anticipation of and prior to settlement and delivery, they do so at the risk that settlement and delivery may not occur. In addition, if the CSRC or other government authorities later promulgate new rules or explanations requiring that we obtain their approvals or accomplish the required filing or other regulatory procedures for our prior offshore offerings, we may be unable to obtain a waiver of such approval requirements, if and when procedures are established to obtain such a waiver. Any uncertainties or negative publicity regarding such approval requirement could materially and adversely affect our business, prospects, financial condition, results of operations, reputation, and the trading price of our listed securities.

It may be difficult for overseas regulators to conduct cross-border investigation or collect evidence within China.

Shareholder claims or regulatory investigation that are common in the United States may be difficult to pursue as a matter of law or practicality in foreign countries. For example, the Circular on Strengthening the Confidentiality and Archives Administration Relating to Overseas Issuance and Listing of Securities by Domestic Companies was jointly promulgated by the CSRC, the Ministry of Finance, the National Administration of State Secrets Protection and the National Archives Administration of China, and came into effect on March 31, 2023, pursuant to which, a PRC domestic company must obtain approvals and make filings with the authorities when providing or publicly disclosing, by itself or through the overseas listing entity, any document or material that involves state secret or state organs work secret. In addition, pursuant to this circular, any investigation, collection of evidence or inspection targeting China-based issuers, securities companies and security service institutions proposed by overseas securities regulatory authorities and the competent departments must be carried out through cross-border regulatory cooperation mechanism and obtain approval from the CSRC or the competent departments. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the Unities States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law, which came into effect in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the PRC territory, and, without the consent by the PRC securities regulatory authorities and the other competent government agencies, no entity or individual may provide documents or materials related to securities business overseas. In addition, the PRC Data Security Law and the PRC Personal Information Protection Law provide that no entity or individual within the PRC territory must provide any foreign judicial body and law enforcement body with any data or any personal information stored within the PRC territory without the approval of the competent PRC government authority. While detailed interpretation of or implementation rules under these laws have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase the difficulties you face in protecting your interests.

PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent us from using the proceeds from the offerings of any securities to make loans or additional capital contributions to our PRC operating subsidiaries.

As an offshore holding company, our ability to make loans or additional capital contributions to our PRC operating subsidiaries is subject to PRC regulations and approvals. These regulations and approvals may delay or prevent us from using the proceeds we received in the past or will receive in the future from the offerings of securities to make loans or additional capital contributions to our PRC operating subsidiaries and the VIEs, and impair our ability to fund and expand our business which may adversely affect our business, financial condition and result of operations. See "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to Foreign Exchange Supervision" for details.

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary government registrations or obtain the necessary government approvals on a timely basis, if at all, with respect to future loans by us to our PRC subsidiaries or with respect to future capital contributions by us to our PRC subsidiaries. If we fail to complete such registrations or obtain such approvals, our ability to use the proceeds we received from our various offerings and to capitalize or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

Certain of our leasehold interests in leased properties have not been registered with the PRC government authorities as required by PRC law, which may expose us to potential fines.

Certain of our leasehold interests in leased properties have not been registered with the PRC government authorities as required by PRC law, which may expose us to potential fines if we fail to remediate after receiving any notice from the PRC government authorities. In case of failure to register or file a lease, the parties to the unregistered lease may be ordered to make rectifications (which would involve registering such leases with the authority) before being subject to penalties. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the authority. We are unable to control whether and when the applicable lessors will complete or cooperate with us to complete the registration in a timely manner. In the event that a fine is imposed on both the lessor and lessee, and if we are unable to recover from the lessor any fine paid by us, such fine will be borne by us.

Risks Relating to Our Corporate Structure

PRC laws and regulations restrict foreign investment in certain businesses, and substantial uncertainties exist with respect to the application and implementation of PRC laws and regulations.

Trip.com Group Limited is an exempted company with limited liability incorporated in the Cayman Islands and a foreign person under PRC law. PRC laws and regulations restrict foreign investment in certain businesses, including the value-added telecommunications industries. As a result, we conduct part of our business through contractual arrangements with the VIEs. These VIEs hold the licenses and approvals that are essential for our business operations. However, as Trip.com Group Limited is a Cayman Islands holding company with no equity ownership in the VIEs, investors in our ADSs or the ordinary shares thus are not purchasing equity interest in the VIEs in China but instead are purchasing equity interest in a Cayman Islands holding company. If the PRC government deems that our contractual arrangements with the VIEs do not comply with PRC regulatory restrictions on foreign investment in the industries that our business may relate to, or if these regulations or the interpretation of existing regulations change or are interpreted differently in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. We may not be able to repay the notes and other indebtedness, and our shares may decline in value or become worthless, if we are unable to assert our contractual rights over the assets of the VIEs, which constituted 5% of our total assets as of December 31, 2024. Our holding company in the Cayman Islands, the VIEs, and investors of our company face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a group. The PRC regulatory authorities could disallow the VIE structure, which would likely result in a material change in our operations and cause the value of our securities, including those that we may register for sale, to significantly decline or become worthless.

In the opinion of our PRC legal counsel, Commerce & Finance Law Offices, our current ownership structure, the ownership structure of our subsidiaries and the VIE structure, and the contractual arrangements among us, our subsidiaries, the VIEs and their shareholders, as described in this annual report, are in compliance with existing PRC laws, rules, and regulations. There are, however, substantial uncertainties regarding the interpretation and application of current or future PRC laws and regulations. Accordingly, we cannot assure you that PRC government authorities will not ultimately take a view contrary to the opinion of our PRC legal counsel.

If we and the VIEs are found to be in violation of any existing or future PRC laws or regulations, the governmental authorities may exercise their broad discretion in accordance with the applicable laws and regulations in dealing with such violation, including, without limitation, levying fines, confiscating our income or the income of the VIEs, revoking our business licenses or the business licenses of the VIEs, requiring us and the VIEs to restructure our ownership structure or operations, and requiring us or the VIEs to discontinue any portion or all of our value-added telecommunications businesses. In particular, if the PRC government authorities impose penalties that cause us to lose our rights to direct the activities of and receive economic benefits from the VIEs, we may lose the ability to consolidate and reflect in our financial statements the operation results of the VIEs in accordance with the U.S. GAAP, which would have a material adverse effect on our operations and result in the value of the securities diminishing substantially. Our shares may decline in value if we are unable to assert our contractual rights over the assets of the VIEs that conduct a substantial part of our operations. Our holding company in the Cayman Islands, the VIEs, and investors of our company face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a group. Any of these actions could cause significant disruption to our business operations, and may materially and adversely affect our business, financial condition, and results of operations.

In addition, the PRC Foreign Investment Law does not touch upon the concepts and regulatory regimes that were historically suggested for the regulation of VIE structures, and thus this regulatory topic remains unclear thereunder. Therefore, uncertainties with respect to its implementation and interpretation exist, and it is also possible that the VIE entities will be deemed as foreign-invested enterprises and be subject to restrictions in the future. Such restrictions may cause interruptions to our operations and may incur additional compliance cost, which may in turn materially and adversely affect our business, financial condition, and results of operations.

Furthermore, although we are not aware of any actual or threatened investigation, inquiry or other action by SEC, Nasdaq, or any other regulatory authority with respect to consolidation of the VIEs, we cannot assure you that we will not be subject to any such investigation or inquiry in the future. In the event we are subject to any regulatory investigation or inquiry relating to the VIEs, including the consolidation of such entities into our financial statements, or any other matters, we may need to spend significant amount of time and expenses in connection with the investigation or inquiry, our reputation may be harmed regardless of the outcome, and the trading price of our ADS or ordinary share may materially decline or fluctuate.

If the VIEs violate our contractual arrangements with them, our business could be disrupted, our reputation may be harmed and we may have to resort to litigation to enforce our rights, which may be time-consuming and expensive.

As the PRC government restricts foreign ownership of the value-added telecommunications businesses in China, we depend on the VIEs, in which we have no ownership interest, to conduct part of our business activities through a series of contractual arrangements, which provide us with a "controlling financial interest" in the VIEs as defined in FASB ASC 810 by entitling us to (i) the power to direct activities of the VIEs that most significantly affect their economic performance, and (ii) the right to receive the economic benefits from the VIEs that could be significant to them. Although we have been advised by our PRC legal counsel, Commerce & Finance Law Offices, that the contractual arrangements as described in this annual report are valid, binding, and enforceable under current PRC laws, these arrangements are not as effective in providing control as direct ownership of these businesses. For example, the VIEs could violate our contractual arrangements with them by, among other things, failing to pay us for our consulting or other services. In any such event, we would have to rely on the PRC legal system for the enforcement of those agreements, which could have uncertain results. Any legal proceeding could result in the disruption of our business, damage to our reputation, diversion of our resources and incurrence of substantial costs. See "—Risks Relating to Multi-jurisdictional Operations—The PRC government's significant oversight and discretion over our business operations and uncertainties with respect to the PRC legal system could result in a material adverse change in our operations and the value of our ADSs and ordinary shares."

The principal shareholders of the VIEs have potential conflict of interest with us, which may adversely affect our business.

Some of our employees and senior consultants were also the principal shareholders of the VIEs as of the date of this annual report. Thus, conflict of interest between their duties to our company and their interests in the VIEs may arise. We cannot assure you that when conflict of interest arises, these persons will act entirely in our interests or that the conflict of interest will be resolved in our favor. In addition, these persons could violate their non-competition obligations under service contracts with us or their legal duties by diverting business opportunities from us to others, resulting in our loss of corporate opportunities. In any such event, we would have to rely on the PRC legal system for the enforcement of these agreements, which could have uncertain results. Any legal proceeding could result in the disruption of our business, diversion of our resources and incurrence of substantial costs. See "—Risks Relating to Multi-jurisdictional Operations—The PRC government's significant oversight and discretion over our business operations and uncertainties with respect to the PRC legal system could result in a material adverse change in our operations and the value of our ADSs and ordinary shares."

Our contractual arrangements with the VIEs may result in adverse tax consequences to us.

As a result of our corporate structure and the contractual arrangements between us and the VIEs, we are effectively subject to the 6% PRC value-added tax on both revenues generated by the VIEs' operations in China and revenues derived from our contractual arrangements with the VIEs. We might be subject to adverse tax consequences if the PRC tax authorities were to determine that the contracts between us and the VIEs were not made on an arm's length basis and therefore constitute favorable transfer pricing arrangements. If this occurs, the PRC tax authorities could request that the VIEs adjust their taxable income upward for PRC tax purposes. Such an adjustment could adversely affect us by increasing the VIEs' tax expenses without reducing our tax expenses, which could subject the VIEs to late payment fees and other penalties for underpayment of taxes, and/or result in the loss of the tax benefits available to our subsidiaries in China. The PRC Enterprise Income Tax Law requires every enterprise in China to submit its annual enterprise income tax return together with a report on transactions with its affiliates to the tax authorities. The tax authorities may impose reasonable adjustments on taxation if they have identified any related party transactions that are inconsistent with arm's length principles. As a result, our contractual arrangements with the VIEs may result in adverse tax consequences to us.

Our PRC subsidiaries are subject to restrictions on paying dividends or making other payments to us while the VIEs can only make payments to us in accordance with the contractual arrangements, which may restrict our ability to satisfy our liquidity requirements.

We are a holding company incorporated in the Cayman Islands. We rely on dividends from our PRC subsidiaries and service fees paid to us by the VIEs. Under the PRC laws and regulations, our PRC subsidiaries cannot distribute any dividends until any losses from prior fiscal years have been offset. Also, our PRC subsidiaries cannot distribute their statutory reserve, which refers to the statutory reserve funds that PRC entities are required to set aside in accordance with PRC laws and regulations from their respective after-tax profit each year, if any, until such statutory reserve funds reach 50% of the registered capital of the respective PRC subsidiaries, as cash dividends. Meanwhile, the VIEs can only make payments to us in accordance with the contractual arrangements that we entered into with them. Moreover, as our PRC subsidiaries and the VIEs may incur debt on their own behalf, some of the instruments governing the debt may also restrict their ability to pay dividends or make other payments to us, which may in turn restrict our ability to satisfy our liquidity requirements.

Pursuant to the PRC Enterprise Income Tax Law, its implementing rules, and a circular of Taxation on Several Preferential Policies on Enterprise Income Tax issued by the Ministry of Finance and the State Taxation Administration in February 2008, the dividends declared out of the profits earned after January 1, 2008 by a foreign-invested enterprise to its immediate offshore holding company are subject to a 10% withholding tax unless such offshore holding company's jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement, and certain supplementary requirements and procedures stipulated by the State Taxation Administration for such tax treaty are met and observed. Some of our PRC subsidiaries are considered foreign-invested enterprises that are directly or indirectly held by our subsidiaries in Hong Kong. According to the currently effective tax treaty between mainland China and Hong Kong, dividends payable by a foreign-invested enterprise in China to a company in Hong Kong that directly holds at least 25% of the equity interests in the foreign-invested enterprise will be subject to a withholding tax of 5%.

Under the Notice of the State Taxation Administration on Issues regarding the Implementation of the Dividend Provision in Tax Treaties promulgated in February 2009, the taxpayer needs to satisfy certain conditions to enjoy the benefits under a tax treaty. These conditions include, but are not limited to: (i) the taxpayer must be the beneficial owner of the dividends, and (ii) the corporate shareholder to receive dividends from the PRC subsidiaries must have met the direct ownership thresholds during the 12 consecutive months preceding the receipt of the dividends. Further, the State Taxation Administration promulgated the Announcement of the Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties in February 2018, which sets forth certain detailed factors in determining "beneficial owner" status, and specifically, if an applicant's business activities do not constitute substantive business activities, the applicant will not qualify as a "beneficial owner."

Entitlement to a lower tax rate on dividends according to tax treaties or arrangements between the PRC central government and governments of other countries or regions is further subject to the Administrative Measures for Non-Resident Taxpayers to Enjoy Treatments under Tax Treaties promulgated by the State Taxation Administration on October 14, 2019 and came into effect on January 1, 2020, which provides that non-resident enterprises are not required to obtain pre-approval from the tax authority in order to enjoy the reduced withholding tax. Instead, non-resident enterprises and their withholding agents may, by self-assessment and on confirmation that the prescribed criteria to enjoy the tax treaty benefits are met, directly apply the reduced withholding tax rate, collect and retain materials for reference in accordance with these treaties, and accept supervision and management from the tax authorities afterwards. As a result, we cannot assure you that we will be entitled to any preferential withholding tax rate under tax treaties for dividends received from our PRC subsidiaries.

If we are classified as a tax resident of certain jurisdictions for income tax purposes, such classification could result in unfavorable tax consequences to us and our shareholders or ADS holders.

Certain jurisdictions in which we conduct business have adopted tax laws and regulations that impose income tax or other adverse tax consequences on foreign enterprises if they are deemed to be tax residents of such jurisdictions. The tax resident status is generally subject to determination by the local tax authorities, and there can be uncertainties with such determination. If the tax authorities of a certain jurisdiction other than Cayman Islands determine that we are a tax resident there for income tax purposes, we could be subject to tax on our worldwide income or other adverse tax consequences, which could materially reduce our net income. In addition, our shareholders (including our ADS holders) may be subject to tax on gains realized on the sale or other disposition of ADSs or ordinary shares or on the dividends we pay to them. Any such tax may reduce the returns on your investment in the ADSs or ordinary shares.

If we exercise the option to acquire equity ownership in the VIEs, such ownership transfer requires approval from or filings with PRC governmental authorities and subject to taxation, which may result in substantial costs to us.

Pursuant to the contractual arrangements, the primary beneficiaries of the VIEs have their respective exclusive rights to purchase all or any part of the equity interests in the applicable VIEs from the respective shareholders of these VIEs for a price that is the higher of (i) the amount of capital contribution to such VIEs, or the consideration paid in exchange for the equity interests in such VIEs, or (ii) another minimum price as permitted by the then applicable PRC laws. Such equity transfers may be subject to approvals from, or filings with, the PRC authorities. In addition, the equity transfer prices may be subject to review and adjustment for tax determination by the tax authorities. Moreover, the shareholders of the VIEs, under the circumstances of such equity transfers, will be subject to PRC individual income tax on the difference between the equity transfer prices and the then current registered capital of the VIEs. The shareholders of such VIEs will pay, after deducting such taxes, the remaining amount to the primary beneficiaries of the VIEs, as appropriate, under the applicable contractual arrangements. The amount to be received by the primary beneficiaries of the VIEs may also be subject to enterprise income tax.

We face uncertainty with respect to indirect transfer of equity interests in PRC resident enterprises by their non-PRC holding companies.

We face uncertainties regarding the reporting on and consequences of previous private equity financing transactions involving the transfer and exchange of shares in our company by non-PRC resident investors. On February 3, 2015, the State Taxation Administration issued Announcement on Several Issues Concerning the Enterprise Income Tax on Indirect Property Transfers by Non-RPC Resident Enterprises, or STA Notice No. 7. Pursuant to STA Notice No. 7, an "indirect transfer" of PRC assets, including a transfer of equity interests in an unlisted non-PRC holding company of a PRC resident enterprise by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of the underlying PRC assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise by non-RPC resident enterprise except for certain circumstances. On October 17, 2017, the State Taxation Administration issued a Notice Concerning Withholding Income Tax of Non-Resident Enterprise, or STA Notice No. 37, which abolishes certain provision of STA Notice 7. STA Notice No. 37 further reduces the burden of withholding obligator, such as revocation of contract filing requirements and tax liquidation procedures, strengthens the cooperation of tax authorities in different places, and clarifies the calculation of tax payable and mechanism of foreign exchange.

There is uncertainty as to the application of STA Notice No. 7 and STA Notice No. 37. In the event that non-PRC resident investors were involved in our private equity financing transactions and such transactions were determined by the competent tax authorities as lack of reasonable commercial purposes, we and our non-PRC resident investors may become at risk of being taxed under and STA Notice No. 7 and STA Notice No. 37 and may be required to expend costly resources to comply with STA Notice No. 7 and STA Notice No. 37, or to establish a case to be tax exempt under STA Notice No. 7 and STA Notice No. 37, which may cause us to incur additional costs and may have a negative impact on the value of your investment in us.

The PRC tax authorities have discretion under STA Notice No. 7 and STA Notice No. 37 to adjust the taxable capital gains based on the difference between the fair value of the transferred equity interests and the investment cost. We may pursue acquisitions in the future that may involve complex corporate structures. If we are deemed as a non-PRC resident enterprise under the PRC Enterprise Income Tax Law and if the PRC tax authorities adjust the taxable income of the transactions under STA Notice No. 7 and STA Notice No. 37, our income tax expenses associated with such potential acquisitions will increase, which may have an adverse effect on our financial condition and results of operations.

General Risks Relating to Our Ordinary Shares and ADSs

The trading prices of our listed securities have been and are likely to continue to be volatile, which could result in substantial losses to our investors.

The trading price of our listed securities have been and are likely to continue to be volatile and could fluctuate widely in response to a variety of factors, many of which are beyond our control. In addition, the performance and fluctuation of the market prices of other companies with business operations in China, especially internet and technology companies, that have listed their securities in the United States and/or Hong Kong, may affect the overall investor sentiment. The securities of some of these companies have experienced and may continue to experience significant volatility, resulting from, among other things, underperformance and deteriorating financial results, negative news or perceptions about inadequate corporate governance practices, and fraudulent behaviors of such companies.

Consequently, the trading performance of our listed securities may be adversely and materially affected, regardless of our actual operation performance.

In addition to market and industry factors, the prices and trading volume for listed securities may be highly volatile for factors specific to our operation, including the followings:

- outbreak of contagious diseases or similar adverse public health developments, extreme unexpected bad weather, or severe natural disasters and their impacts on the travel industry;
- actual or anticipated fluctuations in our quarterly operating results and variations in our results of operations that are not in line with market or research analyst expectations or changes in financial estimates by securities research analysts;
- conditions in the internet or travel industries;
- announcements of studies and reports relating to the quality of our product and service offerings or those of our competitors;
- changes in major business terms between our ecosystem partners and us;
- announcements made by us or our competitors of new features or functionalities or other product and service offerings, investments, acquisitions, strategic relationships, joint ventures, or capital commitments;
- press and other reports, whether or not true, about our business, our directors, senior management, or other key employees, including negative reports published by short sellers, regardless of their veracity or materiality to us;
- litigation and regulatory allegations or proceedings that involve us and our directors;
- additions to or departures of our management;
- political or market instability or disruptions, and actual or perceived social unrest in the markets where we operate;
- fluctuations of exchange rates among the Renminbi, the Hong Kong dollar, and the U.S. dollar;
- sales or perceived potential sales or other dispositions of existing or additional shares and/or ADSs or other equity or equity-linked securities;
- any actual or alleged illegal acts of our directors, senior management, or other key employees;
- any share repurchase program;

- regulatory developments affecting us or our industry, users, licensors and other ecosystem partners; and
- market and volume fluctuations in the stock market in general.

In addition, the stock market in general experiences price and volume fluctuations that are often unrelated or disproportionate to the operating performance of individual companies. These market and industry fluctuations may significantly affect the trading prices of our listed securities. In the past, following periods of instability in the market price of a company's securities, shareholders have often instituted securities class action suits against that company. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, and, if adversely determined, could materially and adversely affect our business, financial condition, and results of operations.

We adopt different practices as to certain matters as compared with many other companies listed on the Hong Kong Stock Exchange.

We completed our public offering in Hong Kong in April 2021 and the trading of our ordinary shares on the Hong Kong Stock Exchange commenced on April 19, 2021 under the stock code "9961." As a company listed on the Hong Kong Stock Exchange pursuant to Chapter 19C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, or the Hong Kong Listing Rules, we are not subject to certain provisions of the Hong Kong Listing Rules pursuant to Rule 19C.11, including, among others, rules on notifiable transactions, connected transactions, share schemes, content of financial statements as well as certain other continuing obligations. In addition, in connection with the listing of our ordinary shares on the Hong Kong Stock Exchange, we have applied for, and been granted with, a number of waivers and/or exemptions from strict compliance with the Hong Kong Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Takeovers Codes and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time. As a result, we have adopted different practices as to those matters as compared with other companies listed on the Hong Kong Stock Exchange that do not enjoy those exemptions or waivers.

Furthermore, if 55% or more of the total worldwide trading volume, by dollar value, of our ordinary shares and ADSs over our most recent fiscal year takes place on the Hong Kong Stock Exchange, the Hong Kong Stock Exchange will regard us as having a dual primary listing in Hong Kong and we will no longer enjoy certain exemptions or waivers from strict compliance with the requirements under the Hong Kong Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Takeovers Codes and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time, which could result in us having to amend our corporate structure and memorandum and articles of association and we may incur incremental compliance costs.

Substantial future sales or perceived potential sales of our ordinary shares, ADSs or other equity securities in the public market could cause the prices of our listed securities to decline.

In the future, we may sell additional ordinary shares, ADSs, or other equity securities to raise capital, and our existing shareholders could sell substantial amounts of ordinary shares and ADSs, including those issued upon the exercise of outstanding options, in the public market. We cannot predict the size of such future issuance or the effect, if any, that they may have on the market prices for our listed securities. The issuance and sale of a substantial amounts of ordinary shares, ADSs, or other equity securities, or the perception that such issuances and sales may occur, could adversely affect the market price of our listed securities and impair our ability to raise capital through the sale of additional equity securities.

As a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq corporate governance listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with the Nasdaq corporate governance listing standards.

As a Cayman Islands company listed on Nasdaq, we are subject to the Nasdaq corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq corporate governance listing standards. As we have chosen, or may from time to time choose, to follow home country practice exemptions with respect to certain corporate matters such as the requirement of majority independent directors on our board of directors, our shareholders may be afforded less protection than they otherwise would under the Nasdaq corporate governance listing standards applicable to U.S. domestic issuers. See "Item 16G. Corporate Governance."

We are a foreign private issuer within the meaning of the rules under the U.S. Exchange Act, and as such we are exempt from certain provisions applicable to U.S. domestic public companies.

Because we qualify as a foreign private issuer under the U.S. Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the U.S. Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;
- the sections of the U.S. Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the U.S. Exchange Act;
- the sections of the U.S. Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of Nasdaq. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information that would be made available to you were you investing in a U.S. domestic issuer.

As a Cayman Islands exempted company listed on Nasdaq, we are subject to Nasdaq corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from Nasdaq corporate governance listing standards. For example, neither the Companies Act (As Revised) of the Cayman Islands, or the Companies Act, nor our fourth amended and restated memorandum and articles of association requires a majority of our directors to be independent and we could include non-independent directors as members of our compensation committee and nominating committee, and our independent directors would not necessarily hold regularly scheduled meetings at which only independent directors are present. If we choose to follow other home country practice in the future, our shareholders may be afforded less protection than they otherwise would under Nasdaq corporate governance listing standards applicable to U.S. domestic issuers.

It may be difficult to bring actions against us or our management in the jurisdictions where we operate.

We are incorporated in the Cayman Islands, and a substantial portion of our assets and operations are located outside the United States. All of our directors and officers are nationals or residents of non-U.S. jurisdictions and most of their assets are located outside of the United States. As a result, it may be difficult for you to effect service of process upon us or our directors and officers. It may be difficult for you to enforce in U.S. courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities law against us and our directors and officers. In addition, there is uncertainty as to whether the courts of the Cayman Islands, Singapore, the PRC or elsewhere would recognize or enforce judgments of U.S. courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States or any state.

There is no statutory recognition in the Cayman Islands of judgments obtained in the United States, although the courts of the Cayman Islands will, at common law, recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without any re-examination of the merits of the underlying dispute based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the liquidated sum for which such judgment has been given, provided such judgment (i) is final and conclusive, (ii) is not in respect of taxes, a fine or a penalty, (iii) is not inconsistent with a Cayman Islands judgment in respect of the same matter, and (iv) is not impeachable on the grounds of fraud and was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands (such as awards of punitive or multiple damages). However, the Cayman Islands courts are unlikely to enforce a judgment obtained from the U.S. courts under civil liability provisions of the U.S. federal securities law if such judgment is determined by the courts of the Cayman Islands to give rise to obligations to make payments that are penal or punitive in nature. A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere. You may also experience difficulties in enforcing judgments of the United States courts obtained against us or our directors or executive officers in mainland China or Hong Kong as the United States and mainland China or Hong Kong do not have a bilateral treaty or multilateral convention in force on reciprocal recognition and enforcement of judgments. As a result, any United States judgment may only be enforceable in mainland China or Hong Kong provided that the conditions set forth in the laws of these jurisdictions are determined by the courts of mainland China or Hong Kong, as applicable, to have been fulfilled. For details of the limitations relating to the enforceability of civil liabilities, see "Item 6. Directors, Senior Management and Employees—E. Share Ownership—Enforceability of Civil Liabilities."

Our corporate affairs are governed by our memorandum and articles of association, as amended from time to time and by the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take legal action against us and our directors, actions by minority shareholders, and the fiduciary duties of our directors are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which provides persuasive, but not binding, authority in a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedents in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws as compared to the United States. In addition, with respect to Cayman Islands companies, plaintiffs may face special obstacles, including but not limited to those relating to jurisdiction and standing, in attempting to assert derivative claims in United States federal or state courts.

As a result, our public shareholders may have more difficulties in protecting their interests in the face of actions by our management, directors or controlling shareholders than would shareholders of a corporation incorporated in a jurisdiction in the United States.

The voting rights of ADS holders are limited by the terms of the deposit agreement, and ADS holders may not be able to exercise their right to direct how the ordinary shares represented by the ADSs are voted.

Holders of our ADSs will not have any right to attend general meetings of our shareholders or to cast any votes directly at such meetings, and will only be able to exercise the voting rights that attach to the underlying ordinary shares represented by the ADSs indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, ADS holders may vote only by giving voting instructions to the depositary, as the registered holder of the underlying ordinary shares which are represented by your ADSs. Upon receipt of voting instructions from ADS holders, the depositary will endeavor to vote the underlying ordinary shares in accordance with such instructions. Holders of the ADSs will not be able to directly exercise any right to vote with respect to the underlying shares unless ADS holders withdraw the shares and become the registered holders of such shares prior to the record date for the general meeting. Under our memorandum and articles of association, the minimum notice period required to be given by our company to our registered shareholders for convening a general meeting is seven days. When a general meeting is convened, there may not be a sufficient advance notice to enable ADS holders to withdraw the underlying shares represented by the ADSs and become the registered holder of such shares prior to the record date for the general meeting to allow ADS holder to attend the general meeting and to vote directly with respect to any specific matter or resolution that is to be considered and voted upon at the general meeting. In addition, under our memorandum and articles of association, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the underlying shares which are represented by your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. Where any matter is to be put to a vote at a general meeting, if we ask it to, the depositary will endeavor to notify ADS holders of the upcoming vote and arrange to deliver our voting materials to ADS holders. We cannot assure that ADS holders will receive the voting materials in time to ensure that they can instruct the depositary to vote the underlying shares that are represented by their ADSs. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that ADS holders may not be able to exercise their right to direct the voting of the underlying shares that are represented by their ADSs and there may be nothing ADS holders can do if the shares underlying the ADSs are not voted as they requested.

Under our deposit agreement, the depositary will give us a discretionary proxy to vote the ordinary shares underlying the ADSs at shareholders' meetings if ADS holders do not vote, unless we have instructed the depositary that we do not wish a discretionary proxy to be given or any of the other situations specified under the deposit agreement takes place. The effect of this discretionary proxy is that ADS holders cannot prevent ordinary shares underlying the ADSs from being voted, absent the situations described above, and it may make it more difficult for shareholders to influence the management of our company. Holders of our ordinary shares are not subject to this discretionary proxy.

The right of ADS holders to participate in any future rights offerings may be limited, which may cause dilution to their holders.

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to the ADS holders unless we register the rights and the securities to which the rights relate under the Securities Act of 1933, as amended, or the Securities Act, or an exemption from the registration requirements is available. Also, under the deposit agreement, the depositary bank will not make these rights available to the ADS holders unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act, or exempt from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. Accordingly, ADS holders may be unable to participate in our rights offerings and may experience dilution in their holdings.

Holders of ADSs may not receive distributions on ordinary shares or any value for them if it is illegal or impractical to make them available to holders of ADSs.

The depositary has agreed to pay to ADS holders the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities after deducting its fees and expenses. ADS holders will receive these distributions in proportion to the number of ordinary shares their ADSs represent. However, the depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. We have no obligation to register ADSs, ordinary shares, rights or other securities under U.S. securities laws. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to ADS holders. This means that ADS holders may not receive the distribution we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to ADS holders. These restrictions may have a material adverse effect on the value of the ADSs.

Holders of the ADSs may be subject to limitations on transfer of their ADSs.

The ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary thinks it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

Provisions of our rights agreement could delay or prevent an acquisition of our company, even if the acquisition would be beneficial to our shareholders.

In November 2007, we implemented a defense mechanism against potential hostile takeovers through a shareholder rights plan pursuant to a rights agreement, which was subsequently amended. The shareholder rights plan will be accounted as dividend in our financial statements upon the exercise of the shareholder rights. Although the rights plan will not prevent a takeover, it is intended to encourage anyone seeking to acquire our company to negotiate with our board of directors prior to attempting a takeover by potentially significantly diluting an acquirer's ownership interest in our outstanding shares. As the shareholder rights plan generally allows shareholders, except for the acquirer who triggers the exercise of the rights, to purchase additional shares at a significantly discounted market price, the potential dilution effect is dependent on the number of shares purchased by the acquirer and other factors related to the acquisition, and may not be estimated at this time. In addition, the existence of the rights plan may also discourage transactions that otherwise could involve payment of a premium over prevailing market prices for the ADSs.

There can be no assurance that we will not be classified as a passive foreign investment company, or PFIC, which may result in adverse U.S. federal income tax consequences for U.S. holders of the ADSs or ordinary shares.

A non-U.S. corporation, such as our company, will be classified as a PFIC for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, net gains from the sale or exchange of property producing such income, and net foreign currency gains. For this purpose, cash is categorized as a passive asset and the company's unbooked intangibles associated with active business activity are taken into account as a non-passive asset.

Based on the market price of our ADSs and the nature and composition of our assets, we do not believe that we were a PFIC for the taxable year ended December 31, 2024, and we do not expect to be a PFIC for the foreseeable future. Although we do not anticipate becoming a PFIC, changes in the nature of our income or assets or the value of our ADSs may cause us to become a PFIC for the current or any subsequent taxable year. The market price of the ADSs and ordinary shares may continue to fluctuate considerably; consequently, we cannot assure you of our PFIC status for any taxable year. Under circumstances where revenues from activities that produce passive income significantly increase relative to our revenues from activities that produce non-passive income, or where we determine not to expend significant amounts of cash for working capital or other purposes, our risk of becoming classified as a PFIC may substantially increase.

If we were treated as a PFIC for any taxable year during which a U.S. Holder (as defined in "Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations") held our ADSs or ordinary shares, such U.S. Holder could be subject to adverse U.S. federal income tax consequences. For a more detailed discussion of U.S. federal income tax considerations to U.S. Holders if we are or become classified as a PFIC, see "Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations."

We may have exposure to greater than anticipated tax liabilities.

Due to shifting economic and political conditions, tax policies and laws, tax rates in various jurisdictions may be subject to significant changes that could impair our financial results. In December 2021, the Organization for Economic Cooperation and Development ("OECD") released model rules introducing a 15% global minimum tax rate for large multinational enterprises ("Pillar Two"). Large multinational enterprises within the scope of the rules are required to calculate their Pillar Two effective tax rate for each jurisdiction where they operate and are liable to pay a top-up tax for the difference between their Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate. Subsequently, multiple sets of administrative guidance have been issued. As of the date of this annual report, various tax jurisdictions have either enacted legislations to adopt certain components of the Pillar Two model rules beginning in 2024 or 2025 with the adoption of additional components in later years, or announced their plans to enact such legislation in future years. We have started and will continue to evaluate the impact of such legislative initiatives in the tax jurisdictions in which we operate. As the rules are still evolving, there might be changes and uncertainties regarding the interpretation of the rules and implementation details, and there is no guarantee that these changes will not affect our financial results.

The different characteristics of the capital markets in the U.S. and Hong Kong may negatively affect the trading prices of our ordinary shares and/or ADSs.

We are subject to Nasdaq and Hong Kong listing and regulatory requirements concurrently. Nasdaq and the Hong Kong Stock Exchange have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of our ordinary shares and our ADSs may not be the same, even allowing for currency differences. Fluctuations in the price of our ADSs due to circumstances peculiar to the U.S. capital markets could materially and adversely affect the price of our ordinary shares, or vice versa. Certain events having significant negative impact specifically on the U.S. capital markets may result in a decline in the trading price of our ordinary shares notwithstanding that such event may not impact the trading prices of securities listed in Hong Kong generally or to the same extent, or vice versa. Because of the different characteristics of the U.S. and Hong Kong capital markets, the historical market prices of our ADSs may not be indicative of the trading performance of our ordinary shares.

Exchange between our ordinary shares and our ADSs may adversely affect the liquidity and/or trading price of each other.

Our ADSs are currently traded on Nasdaq. Subject to compliance with U.S. securities law and the terms of the deposit agreement, holders of our ordinary shares may deposit ordinary shares with the depositary in exchange for the issuance of our ADSs. Any holder of ADSs may also withdraw the underlying ordinary shares represented by the ADSs pursuant to the terms of the deposit agreement for trading on the Hong Kong Stock Exchange. In the event that a substantial number of ordinary shares are deposited with the depositary in exchange for ADSs or vice versa, the liquidity and trading price of our ordinary shares on the Hong Kong Stock Exchange and our ADSs on Nasdaq may be adversely affected.

There is uncertainty as to whether Hong Kong stamp duty will apply to the trading of our ADSs or deposits of our ordinary shares in, or withdrawals of our ordinary shares from, the ADS facility following our initial public offering in Hong Kong and listing of our ordinary shares on the Hong Kong Stock Exchange.

In connection with the listing of our ordinary shares on the Hong Kong Stock Exchange, we have established a branch register of members in Hong Kong, which we refer to as the Hong Kong Share Register. Our ordinary shares that are traded on the Hong Kong Stock Exchange and those that may be withdrawn from the ADSs facility will be registered on the Hong Kong Share Register, and the trading of these ordinary shares on the Hong Kong Stock Exchange will be subject to the Hong Kong stamp duty. To facilitate ADS-ordinary share interchanges and trading between Nasdaq and the Hong Kong Stock Exchange, we also moved a portion of our issued ordinary shares from our principal register of members maintained in the Cayman Islands to our Hong Kong Share Register.

Under the Hong Kong Stamp Duty Ordinance, any person who effects any sale or purchase of Hong Kong stock, defined as stock the transfer of which is required to be registered in Hong Kong, is required to pay Hong Kong stamp duty. The stamp duty is currently set at a total rate of 0.2% of the greater of the consideration for, or the value of, shares transferred, with 0.1% payable by each of the buyer and the seller.

To the best of our knowledge, Hong Kong stamp duty has not been levied in practice on the trading of ADSs or deposits in or withdrawals of shares from the ADS facilities for companies that are listed in both the United States and Hong Kong and that have maintained all or a portion of their ordinary shares, including underlying ordinary shares represented by ADSs, in their Hong Kong share registers. However, it is unclear whether, as a matter of Hong Kong law, the trading of ADSs or deposits in or withdrawals of shares from the ADS facilities for these dual-listed companies constitutes a sale or purchase of the underlying Hong Kong-registered ordinary shares that is subject to Hong Kong stamp duty. We advise investors to consult their own tax advisors on this matter. If Hong Kong stamp duty is determined by the competent authority to apply to these transactions, the trading price and the value of your investment in our ordinary shares and/or ADSs may be affected.

The time required for the exchange between our ordinary shares and ADSs might be longer than expected and investors might not be able to settle or effect any sale of their securities during this period, and the exchange of ordinary shares into ADSs involves costs.

There is no direct trading or settlement between Nasdaq and the Hong Kong Stock Exchange on which our ADSs and our ordinary shares are respectively traded. In addition, the time differences between Hong Kong and New York, unforeseen market circumstances or other factors may delay the deposit of ordinary shares in exchange for ADSs or the withdrawal of ordinary shares underlying the ADSs. Investors will be prevented from settling or effecting the sale of their securities during such periods of delay. In addition, there is no assurance that any exchange for ordinary shares into ADSs (and vice versa) will be completed in accordance with the timelines that investors may anticipate.

Furthermore, the depositary for the ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancelation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. As a result, shareholders who exchange ordinary shares into ADSs, and vice versa, may not achieve the level of economic return the shareholders may anticipate.

ITEM 4. INFORMATION ON THE COMPANY

A. *History and Development of the Company*

We commenced our business in June 1999. In March 2000, we established an exempted company with limited liability under the Companies Act in the Cayman Islands, Ctrip.com International, Ltd., as our new holding company. We started to consolidate Qunar in December 2015 and Skyscanner in December 2016. In October 2019, we changed our company name to "Trip.com Group Limited." Since our inception, we have conducted the majority of our operations in China. We have also expanded our operations overseas since 2009.

On March 18, 2021, we effected a change to our authorized share capital by a one-to-eight subdivision of shares. Concurrently, we effected a proportionate change in our ADS to ordinary share ratio from eight ADSs representing one ordinary share to one ADS representing one ordinary share. Such changes have been reflected retrospectively throughout this document.

In April 2021, our ordinary shares commenced trading on the Main Board of the Hong Kong Stock Exchange under the stock code "9961."

Our principal executive offices are located at 30 Raffles Place, #29-01, Singapore 048622, and our telephone number is +65 3138-9736. Our principal website address is *group.trip.com*. The information on our websites should not be deemed to be part of this annual report. All information we file with the SEC can be obtained over the internet at the SEC's website at *www.sec.gov.*

B. *Business Overview*

We are a leading global one-stop travel service provider, integrating a comprehensive suite of travel products and services and differentiated travel content. Leveraging our one-stop-shop model, high-quality service, and advanced technology, we are consistently expanding our global reach. We are the go-to destination for travelers in Asia, and increasingly for travelers around the world, to explore travel, get inspired, make informed and cost-effective travel bookings, enjoy hassle-free on-the-go support, and share travel experience. Founded in 1999 and listed on Nasdaq in 2003 and Hong Kong Stock Exchange in 2021, we currently operate under a portfolio of brands, including (i) Ctrip, a leading provider of 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, with the mission "to pursue the perfect trip for a better world."

Our Platform

Our one-stop travel platform connects our users and our ecosystem partners. Leveraging our AI capabilities and travel insights accumulated over the past 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 and connecting users and ecosystem partners from around the world. 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 ecosystem partners across multiple sectors, including accommodation 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 committed to providing each user with a personalized, convenient, enjoyable, and inspirational travel experience. This philosophy has enabled us to become the go-to destination for travelers in Asia and to steadily increase our influence in target markets around the world. In particular, the Asia-Pacific region is among the fastest-growing regions for travel consumption globally, driven by a rapid shift from offline to online and mobile services. Our omni-channel approach is a natural fit for this paradigm shift and has enabled us to accomplish strong growth momentum in the Asia-Pacific region and elsewhere.

Online Channels. Our online channels consist of our mobile applications, other mobile access channels, and websites. Our online reservation and fulfillment infrastructure enables our users to explore, search, reserve, and purchase travel products and other value-added services through our online channels. For the year ended December 31, 2024, over 90% of our total transaction orders were executed through our mobile channels. Our Trip.com app has become one of the most downloaded online travel agent (OTA) apps in many markets, such as South Korea, Singapore, Thailand and Hong Kong. We also maintain localized websites across the world. We maintain our main PRC site of Ctrip through our subsidiaries and Ctrip Commerce (VIE). Qunar also maintains its main PRC site of Qunar through its subsidiaries and Qunar Beijing (VIE). As of December 31, 2024, our products and services through Trip.com were available in 24 languages, 35 local currencies and 40 local sites, and our products and services through Skyscanner were available in 35 languages and over 50 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 that are available to us in compliant with the applicable laws 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 nine customer service centers and 16 call centers located around the world, we have offline stores with our business partners to 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 2024, we streamlined and optimized our offline stores to strengthen our competitive advantage of online channels. As of December 31, 2024, we had approximately 6,000 offline stores across approximately 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.

Open Platform for Ecosystem Partners

We adopted an open platform business model to attract and facilitate customized travel offerings by ecosystem partners covering various sectors in the travel vertical. Our open platform strategy allows 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.

Our ecosystem partner base includes 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, 2024, our open platform provided approximately 1.5 million global accommodation listings, offered flights from over 640 airlines, and had a network of over 65,000 other ecosystem partners. With our global user base, we are well-positioned to forge partnerships with various participants in the global travel ecosystem and expand our global presence.

We carry out ecosystem partner selection process to ensure the quality of 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. We set high service standards and manage product and service quality of our ecosystem partners through screening and ratings. We 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.

Our Products and Services

We offer accommodation reservation, transportation ticketing, packaged tours, 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 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. We capture evolving user preferences and provide travel content as well as 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 both leisure and business travelers. Our users also have access to both user-generated and professionally-generated content through personalized content feeds and our 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 traveler ratings, reviews, recommendations, and tour guides.

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-cancelable, which is the point considered when we complete our performance obligation in accommodation reservation services.

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.

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, 2024, our transportation ticketing network covered over 220 countries and regions.

Air Tickets

We sell air tickets as an agent for substantially all PRC airlines and major international airlines operating flights. As of December 31, 2024, we offered flights from over 640 global airlines, covering over 3,400 airports in over 220 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, a computerized network system that has real-time link to our ecosystem partners' inventory.

In addition to selling air tickets, we also offer various options and services to help users travel with ease. Powered by our route planning algorithms and 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 at a package price. 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 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 as well as 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 on our platform provided by our ecosystem partners, 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 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 plenty 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, 2024, we offered over 300,000 in-destination activities around the world. As the needs of the market further evolve, we are enriching our offerings of in-destination products and services to further expand our business.

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. Among the approximately 1,000,000 corporate clients we have served, there are over 300 Fortune 500 companies and over 180 Top 500 Chinese Enterprises.

We provide our corporate clients with business visits, incentive trips, meetings and conferences, travel data collection and analysis, and industry benchmarking. We have been upgrading and iterating our corporate travel management system and rolled out Travel Management 5.0, which is an online platform integrating information management, online booking, online authorization, online inquiry, and travel reporting systems. Riding the waves of artificial intelligence and digitalization, we are building an "Employee + Digitalization + AI"-centric service matrix. Furthermore, we are establishing a digital intelligence solution, designed to be customizable, flexible, expandable, iterative, and fusible. This solution will be available to our customers, partners, and business travelers.

At the same time, we have reached collaborative agreements with a number of partners and are in the process of implementing strategic agreements to gradually enhance our global all-in-one solution.

Other Travel-Related Services

Our other travel-related services primarily include online advertising and financial services. We provide 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, 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, and a range of digital solutions for our users and ecosystem partners.

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 free access, through personalized content feeds and our search tools, to both user-generated content shared by travelers based on their real travel experiences and 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 detailed, authentic, and transparent information on our product and service offerings based on our users' in-depth reviews and detailed ratings. We have been 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 various 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, 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 content. In addition to our official channel, our live streaming platform also hosts 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 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. We have diversified our live streaming distribution channels by collaborating with leading live streaming platforms.

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. We are committed to maintaining high service standards worldwide. As of December 31, 2024, we had nine customer service centers located around the world, including in Shanghai, Nantong, Guangzhou, Manila, Bangkok, Kuala Lumpur, 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. Our workforce includes thousands of travel professionals across 28 countries. We also provide comprehensive aftersales services including aftersales support, pre-travel warnings, major incident compensation, a special situation refund policy, and emergency support, among others. All of these efforts have resulted in consistently improving customer service quality and a global customer satisfaction rate of nearly 90%.

In China, we have been a standard setter for user support in the travel industry. In 2016, we launched the first travel safety center in the region. The service center established seven 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 the subsidiaries with insurance license. In 2017, we launched the first global travel SOS service in the region. 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.

As we consistently expand our global reach, Trip.com has also been recognized for exceptional quality of service. At the 2024 International Customer Relations Excellence Awards presented by the Asia Pacific Customer Service Consortium, Trip.com was recognized as both Contact Center of the Year and Global Support Services of the Year. Trip.com has also been awarded as Asia's leading online travel agency in 2024 at the World Travel Awards. These recognition underscore our commitment to putting customers first, offering 24/7 global support and service to international travelers at every stage of their journey.

Technology

Since our inception, we have been able to support the growth in our online and offline traffic and transactions with our technology and infrastructure. Our IT infrastructure is able to support nearly every aspect of our business, including our travel platform, mobile and website operations, and customer service centers.

Technology-Empowered Platform

Our technology platform is empowered by AI and other proprietary technologies. Our platform processes a massive amount of travel-related data. We leverage various 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, a tourism knowledge graph, and especially, improved customer services to our global user base, among others. The application of the technologies benefits not only our users, but also our ecosystem partners.

For our users, our technologies enable personalized recommendations, a streamlined user experience, enhanced user engagement, and the sharing and viewing of user-generated content. We use both public and private cloud technologies to optimize operational efficiency. Some of the core technologies underlying our user support include (i) CtripIM, an instant messenger system developed in-house, 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, (iii) SoftPBX, a telephone system software that distributes calls through the intranet to different operators after the user's phone call is connected. These technologies enable 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, (iv) WenDao/TripGenie, a big-data-driven, intelligent travel assistant that provides users with questions and answers related to itinerary planning, information gathering, and others, and (v) TripBest, a ranking system for products in travelling destinations, which comprehensively evaluates factors such as user reviews, sales and popularity to provide users with the best product recommendations.

For the ecosystem partners, our technologies enable marketing and optimize operating efficiency based on traveler preference 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, 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

We apply proprietary 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 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. We have also built intelligent tools and machine learning technologies for ecosystem partners to 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 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, we are able to attract and retain users and improve their overall experiences.

Marketing and Brand Awareness

Through a combination of online and offline marketing, brand promotion, cross-marketing, and rewards program, we have created strong brands associated with travel products and services and 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. We are currently focused on the Asia-Pacific region in terms of marketing, as it is projected to witness the fastest growth in the coming years among the global travel industry.

Brand Advertising

We currently operate through four leading travel brands, namely (i) Ctrip, a leading provider of 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 liquid-crystal 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 opened approximately 6,000 offline stores as of December 31, 2024 to supplement our online marketing to acquire more consumers 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 will be 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.

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 users may redeem these points for discounted future bookings or gifts.

Seasonality

The travel service industry is characterized by seasonal fluctuations, and accordingly our revenues may vary from quarter to quarter. For example, in 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 "Item 5. Operating and Financial Review and Prospects—A. Operating Results."

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. We establish privacy policies to protect privacy of individuals and comply with laws and regulations enacted to protect personal information while conducting business activities.

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 collection, transmission, storage analytics, destruction, and disposition. We collect personal information with adherence to the principle of minimum necessity and obtain informed authorization from the users. We adopt a data encryption system to ensure data storage and transmission security. We establish an authorization mechanism to prevent any unauthorized member of the public or third parties from accessing or using our data in any unauthorized manner and timely remove unnecessary data privileges of the personnel who no longer needs access to our data. We establish supplier data security programs to evaluate and promote the data protection capabilities of suppliers who process our data. 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. Furthermore, we implement comprehensive data masking of user data for the purpose of fending off potential hacking or security attacks.

We engage legal counsel 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.

For information about laws and regulations relating to user privacy and data security, see "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to Internet Information Security and Privacy Protection."

Intellectual Property

Our intellectual property rights primarily include trademarks and domain names associated with the names of our travel brands 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. 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 December 31, 2024, we had over 1,600 patents registered with the PRC Intellectual Property Administration, including over 650 invention patents, and we had over 1,100 pending patent applications in China.

As of December 31, 2024, we owned over 1,750 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 200 registered trademarks in various jurisdictions outside of China. We have registered our major trademarks "Ctrip" and "携程" (simplified Chinese characters for Ctrip), "携程Ctrip" (a combination of the Chinese and English characters for Ctrip), "Trip.com," and "Trip.com Group" in various countries and regions.

As of December 31, 2024, we held over 1,400 computer software copyrights and over 250 other copyrights registered with the PRC Copyright Administration.

As of December 31, 2024, we had over 300 registered domain names in China, including ctrip.com, and approximately 30 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 date of this annual report, all of our registered domain names were in effect.

Competition

The global travel industry is highly competitive. In many markets where we operate, we compete with other travel agencies, including local and foreign consolidators of hotel accommodation and airline tickets as well as traditional travel agencies. As the global travel market continues to evolve, we may be faced with increased competition from new travel agencies operating locally or internationally. As our operation becomes increasingly globalized, we also expect to face increasing competition with local service providers who may be more familiar with local conditions in the various jurisdictions where we operate. 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 "Item 3. Key Information—D. 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."

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 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.

Strategic Investments and Acquisitions

To further strengthen our competitive position in global markets, we constantly evaluate opportunities for strategic investments in, and acquisitions of, complementary businesses, assets and technologies and have made such investments and acquisitions from time to time. However, we have not made any material acquisitions since 2020.

Health, Work Safety, and Sustainability Matters

We are dedicated to engaging our users and ecosystem partners as a responsible corporate citizen. We are committed to promoting sustainable tourism and introducing carbon mitigation measures and will continue to explore ways to further improve energy efficiency. For example, we launched certain initiative through which we encourage hotel partners to adopt sustainable practices such as utilizing green and clean energy sources, refraining from providing disposable items voluntarily, and implementing water-saving appliances. Our initiative also incentivizes users to commit to water and energy conservation, carbon emission and waste reduction, and community support with extra rewards. In addition, we launched the "Low Carbon Hotel Standard" to work with hotel partners to jointly implement low carbon emissions and promote sustainability. The low-carbon hotel evaluation standards are based on quantifiable, verifiable, and improvable principles, and are mainly based on the relative level of the unit carbon emissions among hotels of the same type. Currently, approximately 3,000 hotels have been selected as fulfilling the criteria for low-carbon hotel standards. Furthermore, 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 believe that rural tourism is an effective way to revitalize villages. As our entry point for village revitalization, we introduced high-end rural accommodation benchmark initiative "Country Retreats," combining agriculture, culture, and tourism, to create a wonderful vacation experience for users. Since the inception of this initiative, we have established 34 country retreats, resulting in an increase in local annual income per capita and the development of talents skilled in rural tourism. We aim to further create employment opportunities and increase income for local residents through this initiative, thereby contributing to the goal of common prosperity.

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.

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 the labor and safety laws and regulations. For the year ended December 31, 2024 and up to the date of this annual report, we had not been subject to any material fines or other penalties due to non-compliance with health, work safety, social, or environmental regulations.

Government Regulations

As a global business, we are subject to changing government regulations across multiple jurisdictions. New laws and regulations may be adopted from time to time. This section sets forth the most important laws and regulations that govern our current business activities in multiple jurisdictions across the globe, including the PRC, the European Union, Singapore, the United Kingdom and certain other jurisdictions.

PRC Regulations

Current PRC laws and regulations impose restrictions on foreign ownership of certain businesses in China. As a result, we conduct these businesses in China through contractual arrangements with the VIEs as well as certain independent travel agencies. Some of our employees and senior consultants, all of whom are PRC citizens, directly or indirectly own all or most of the equity interests in the VIEs as of the date of this annual report.

According to our PRC legal counsel, Commerce & Finance Law Offices, the ownership structures, as described in this annual report, comply with all existing PRC laws, rules, and regulations.

Regulations Relating to Foreign Investment in China

Foreign Investment Industrial Policy

Investments activities in China by foreign investors are principally governed by the Catalog for the Encouragement of Foreign Investment Industries (2022 Edition) and the 2024 Negative List promulgated by the Ministry of Commerce and the NDRC, which set forth the industries in which foreign investments are encouraged, restricted, and prohibited. Industries that are not listed in the Catalog for the Encouragement of Foreign Investment Industries (2022 Edition) and the 2024 Negative List are generally open to foreign investment unless otherwise specifically restricted by other PRC rules and regulations.

According to the 2024 Negative List, the foreign equity interests ownership of entities that engage in value-added telecommunications business (except for e-commerce, domestic multi-party communication, storage and forwarding and call center) must not exceed 50%, and foreign investors are allowed to hold up to 100% of equity interests in an online data processing and transaction processing business (including e-commerce business operation) in China.

PRC Foreign Investment Law and its Implementation Measures

The PRC Foreign Investment Law, effective since January 1, 2020, provides the definition of "foreign-invested enterprises" and "foreign investment". The Measures on Reporting of Foreign Investment Information, jointly promulgated by the Ministry of Commerce and the SAMR and effective since January 1, 2020, provide that foreign investors or foreign-invested enterprises must submit investment information to the commerce administrative authorities through the Enterprise Registration System and the National Enterprise Credit Information Publicity System.

The Circular of the General Office of the State Council on the Establishment of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors issued on February 3, 2011 and the Rules on Implementation of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors issued by the Ministry of Commerce that came into effect on September 1, 2011 require acquisitions by foreign investors of PRC companies engaged in military-related or certain other industries that are crucial to national security be subject to security review before consummation of any such acquisition. The Foreign Investment Security Review Measures came into effect on January 18, 2021, which require direct or indirect investment by foreign investors of PRC companies engaged in military-related or certain other industries be subject to security review before consummation of any such investment. "Certain other industries" refer to, among others, important transportation services, important culture products and services, important information technology and internet products and services, and important finance services that are crucial to national security.

Regulations Relating to Value-Added Telecommunications Services

The PRC Telecommunications Regulations, most recently amended in February 2016, provide the regulatory framework for telecommunications service providers in China and require a telecommunications service provider to obtain an operating license prior to commencing its operations. The Telecommunications Regulations categorize all telecommunications services as either basic telecommunications services or value-added telecommunications services. Providers of value-added telecommunications services are required to obtain a license for value-added telecommunications services. Pursuant to the Catalog of Telecommunications Services, an attachment to the Telecommunications Regulations, which was most recently amended on June 6, 2019, information services provided via public telecommunication network or the internet and the online data processing and transaction processing services provided via public telecommunication network or the internet by utilizing various kinds of data and transaction processing application platforms that are connected to public telecommunication network or the internet fall within value-added telecommunications services.

According to the Administrative Measures on Internet Information Services last amended on January 8, 2011, the internet information services is classified into commercial internet information services and non-commercial internet information services; an operator of commercial internet information services must obtain a value-added telecommunications operating license for the provision of internet information services from the appropriate telecommunications authorities. The Administrative Measures for Telecommunications Operating Licenses came into effect on September 1, 2017 and further regulate the telecommunications operating licenses.

Restrictions Relating to Travel Agency

The PRC Tourism Law, which was last amended in 2018, aims to protect tourists' and tour operators' legal rights, regulate travel market, protect and make a reasonable use of travel resources, and promote the development of travel industry, and sets forth specific requirements for the operation of travel agencies and the activities in which travel agencies are prohibited to engage.

The travel industry is subject to the supervision of the Ministry of Culture and Tourism and local tourism administrations. The principal regulations governing travel agencies in China include the Travel Agency Regulations, most recently amended on November 29, 2020, and the Implementing Rules of Travel Agency Regulations, most recently amended on December 12, 2016. Under these regulations, a travel agency must obtain a license for outbound travel agency business from the National Tourism Administration or its authorized provincial-level tourism administration, and a license for domestic and inbound travel agency business from the provincial-level tourism administration or its authorized municipal tourism administration.

The Travel Agency Regulations permit foreign investors to establish foreign invested travel agencies. Foreign-owned travel agencies are allowed to open branches nationwide, but are restricted from engaging in outbound tourism business for mainland China residents, unless otherwise determined by the State Council, or provided under a free trade agreement between the country and China, or any closer economic partnership arrangements between mainland China, Hong Kong, and Macao. Since 2009, a series of policies are published to gradually allow foreign invested travel agencies to engage in the business of arranging PRC residents to travel to overseas destinations on a trial basis, including the Opinion on Accelerating Development of Travel Industry, the Interim Measures for Supervising Pilot Operation of Overseas Travel Business, the Plan to Strengthen the Reform and Open-up Policy in China (Shanghai) Pilot Free Trade Zone, the Approval to the Work Plan on Fully Promoting the Comprehensive Pilot Program for Expanding the Opening-Up of the Service Industry of Beijing Municipality and the Approval of the State Council on Agreeing to Temporarily Adjust the Implementation of Relevant Administrative Regulations and Departmental Rules Approved by the State Council.

On August 20, 2020, the Ministry of Culture and Tourism promulgated a Tentative Administrative Measure on Online Travel Operation, which intends to standardize the online travel operation business. The online travel operation services mean provision of travel services to the travelers via the information network such as internet and such services include package tour, transportation, accommodation, dining, sightseeing, entertainment, and so on. The operator of online travel business must provide real and accurate travel services information without false promotion and advertisement. The operator of online travel platform must verify the identification, license, quality standard, and credit rating of all travel business operator registered on the platform. The online travel business operator must protect the personal data privacy of travelers and must not set unfair trading conditions based on traveler's consumption records and preferences by abusing data analyzing technology. The platform operator must examine the license and qualification of travel business operators inside the platform and alert the travelers for safety warning, and should take the liability if it fails to perform the obligations requested by such administrative measures.

Regulations Relating to Air-Ticketing

The air-ticketing business is subject to the supervision of the China Air Transport Association and its branches. The Self-Discipline Measures for Air Transportation Sales Agency Industry promulgated by the China Air Transport Association came into effect on March 1, 2019, which encourages self-discipline administration for air transportation sale agency industry. The China Air Transport Association has further promulgated the Business Standards of Air Passenger Transportation Sales Agencies and the Business Standards of Air Freight Transportation Sales Agencies, which introduce general business standards applied by airlines for selecting and authorizing their air-ticketing sales agents.

In August 2017, the Civil Aviation Administration of China issued the Notice on Regulating Online Air-ticketing, pursuant to which online air-ticketing platform cannot conduct bundle sales of any other services and products by default along with selling air tickets. The online air-ticketing platform must display ancillary air-ticket-related services and products (such as VIP lounge coupon and insurance) in an explicit and accurate manner and can only offer such services and products to customers as options in addition to their air ticket purchases.

The Administrative Provisions on Public Air Transport Passenger Services, promulgated by the Ministry of Transport and came into effect on September 1, 2021, stipulate certain obligations of aviation sales online platform operators and agents.

Regulations Relating to E-Commerce

The Measures for the Supervision and Administration of Online Trading, effective in May 2021, stipulate the obligations of online trading operators. Social networking, live streaming, or other network services providers who provide online trading platform services for operators must perform the obligations in accordance with the laws and regulations. On December 24, 2014, the Ministry of Commerce promulgated the Provisions on the Procedures for Formulating Transaction Rules of Third-Party Online Retail Platforms (Trial) to regulate the formulation, revision, and enforcement of transaction rules for online retail marketplace platforms.

The PRC E-Commerce Law, which came into effect on January 1, 2019, imposes a series of requirements on e-commerce operators including e-commerce platform operators, merchants operating on the platform and the individuals and entities carrying out business online. According to the PRC E-commerce Law, e-commerce operators who provide search results based on consumers' characteristics, such as hobbies and consumption habits, must also provide consumers with options that are not targeted at their personal characteristics at the same time, respect and fairly protect the legitimate interests of the consumers. In addition, e-commerce platform operators are not allowed to impose unreasonable restrictions over or add unjustified conditions to transactions concluded on their platforms by merchants, or charge merchants operating on its platform any unreasonable fees. The Interim Measures for Collaborating with Law Enforcement regarding Online Transactions, which came into effect on January 20, 2025, stipulate that relevant authorities have the right to require platform operators to provide information of online transactions within its platform and collaborate with law enforcement activities.

An e-commerce platform operator must obtain a license for value-added telecommunications services with the specification of online data processing and transaction processing business from appropriate telecommunications authorities, pursuant to the PRC Telecommunications Regulations and the Catalog of Telecommunications Services.

Regulations Relating to Consumer Protection

The PRC Consumer Protection Law was last amended on October 25, 2013 and effective on March 15, 2014. The PRC Consumer Protection Law sets out the obligations of business operators and the rights and interests of consumers. Business operators must guarantee the quality, function, usage and term of validity of the goods or services they sell or provide, if these goods and services are consumed under normal standards. The consumers whose interests have been damaged due to their purchase of goods or acceptance of services on online platforms may claim damages from the sellers or service providers. Online platform operators may be subject to liabilities if the lawful rights and interests of consumers are infringed in connection with consumers' purchase of goods or acceptance of services on online platforms if the platform operators fail to provide consumers with authentic contact information of the sellers or service providers. The Implementation Rules of the PRC Consumer Protection Law came into effect on July 1, 2024, according to which, if the business operators adopt automatic extension, automatic renewal, or other similar mechanisms in connection with the provisions of their services, the business operators must prominently draw the attention of the consumers before they accept the service and before the dates of automatic extension, automatic renewal, or effectiveness of other mechanisms. The business operators cannot send commercial information to consumers or make commercial telephone calls without the consent of the consumers. In the event that a consumer consents to receiving commercial information and/or commercial telephone calls, the business operators must provide clear and convenient means of cancellation and must immediately stop these behaviors if the consumer chooses to cancel.

Regulations Relating to Internet Information Security and Privacy Protection

Internet content in China is also regulated and restricted from a state security point of view. A series of laws and regulations were promulgated to regulate Internet security, including but not limited to, the Decision Regarding the Safeguarding of Internet Security, the Administrative Measures for the Security Protection of International Connections to Computer Information Network, the Several Provisions on Regulating the Market Order of Internet Information Services, the Order for the Protection of Telecommunication and Internet User Personal Information, the Administrative Provisions on Mobile Internet Applications Information Services, the Administrative Provisions on Internet Follow-up Comment Services, the Notice on Special Governance of Illegal Collection and Use of Personal Information via Apps, the Measures to Identify Illegal Collection and Usage of Personal Information by Apps, the Notice on Carrying out Special Rectification Actions in Depth against the Infringement on Users' Rights and Interests by Apps and the Provision on Scope of Necessary Personal Information for Common Types of Mobile Internet Applications.

On November 7, 2016, the Standing Committee of the National People's Congress issued the PRC Cyber Security Law, which came into effect on June 1, 2017. The PRC Cyber Security Law provides that network operators must set up a classified protection system for cyber security. The PRC Cyber Security Law imposes a relatively vague but broad obligation to provide technical support and assistance to the public and state security authorities in connection with criminal investigations or for reasons of national security. The PRC Cyber Security Law also requires network operators that provide network access or domain name registration services, landline, or mobile phone network access, or that provide users with information publication or instant messaging services, to require users to provide a real identity when they sign up. On August 29, 2015, the Standing Committee of the National People's Congress issued the Ninth Amendment to the PRC Criminal Law, effective on November 1, 2015. Any internet service provider that fails to comply with obligations related to internet information security administration as required by applicable laws and refuses to rectify upon order will be subject to criminal penalty.

Since 2021, the CAC and other government authorities promulgated a series of laws and regulations relating to information protection and data security, including but not limited to, the PRC Data Security Law, the Guidance on Strengthening the Comprehensive Governance of Internet Information Service Algorithms, the Administrative Provisions on Internet Information Service Algorithm-Based Recommendation, the Administrative Provisions on Internet Information Service Deep Synthesis, the PRC Personal Information Protection Law, the Cybersecurity Review Measures, the Regulations on the Security Protection of Critical Information Infrastructure, the Security Assessment Measures for Data Outbound Transfer, the Provisions on Facilitating and Regulating Cross-border Data Flow, the Administrative Regulations on Network Data Security, the Administrative Measures on Data Security in the Field of Industry and Information Technology (Trial) and the Administrative Measures for Personal Information Protection Compliance Audit.

The PRC Data Security Law established a tiered system for data protection in terms of their importance. Data categorized as "important data", which will be determined by governmental authorities in the form of catalogs, are required to be treated with higher level of protection. In addition, such operator is required to evaluate the risks of its data activities periodically and file assessment reports with the regulatory authorities.

The PRC Personal Information Protection Law integrates a variety of rules with respect to personal information rights and privacy protection and applies to the processing of personal information within mainland China and certain personal information processing activities outside mainland China, including those for the provision of products and services to natural persons within China or for the analysis and assessment of acts of natural persons within China. According to this law, the CAC promulgated the Security Assessment Measures for Data Outbound Transfer to outline the requirements and procedures for security assessments on export of important data or personal information collected or generated within the territory of China. In March, 2024, the CAC further issued the Provisions on Facilitating and Regulating Cross-border Data Flow, according to which data processors who transfer personal information outbound may be exempt from the requirements for security assessment, standard contract filing and obtaining security certification under certain circumstances, including when it is necessary to transfer personal data overseas for the purpose of executing and performing a contract to which the individual is a party, such as air ticket and hotel reservation.

The Cybersecurity Review Measures set forth that, where the activity affects or may affect national security, a critical information infrastructure operator that purchases network products and services, or an internet platform operator that conducts data process activities, must be subject to the cybersecurity review; "internet platform operators" in possession of personal information of over one million users are also subject to the cybersecurity review requirement if such operators intend to pursue a foreign listing. Additionally, PRC governmental authorities may initiate cybersecurity review if they determine an internet platform operator's network products or services or data processing activities affect or may affect national security. According to the Regulations on the Security Protection of Critical Information Infrastructure, the critical information infrastructure operator must perform certain obligations to protect the critical information infrastructure's security, including but not limited to, conducting network security test and risk assessment at least once a year. The security protection departments are responsible for organizing the identification of critical information infrastructure in their respective industries and areas in accordance with the identification rules, and will inform the identification results to the operators in a timely manner and report such results to the public security department of the State Council. According to the Administrative Regulations on Network Data Security, network data processors who carry out network data processing activities that affect or may affect national security shall go through national security review in accordance with relevant regulations. In addition, the service providers of large network platforms, i.e., platforms with more than 50 million registered users or more than 10 million monthly active users with complex business types and whose network data processing activities have significant impact on national security, economic operation, national economy and people's livelihood or other aspects, shall issue annual reports on their social responsibility for personal information protection.

The Administrative Measures for Personal Information Protection Compliance Audit were promulgated by the CAC on February 12, 2025, and will take effect on May 1, 2025. According to these measures, personal information processors who process personal information of more than 10 million individuals should conduct personal information protection compliance audit (the "Compliance Audit") at least every two years, who process personal information of more than 1 million individuals shall designate a person responsible for the Compliance Audit, and who provide important Internet platform services, with large number of users and have complex business types shall establish an independent organization composed mainly of external members to supervise the Compliance Audit. Under certain circumstances, the CAC and other departments that perform the duty of personal information protection may require the personal information processors to entrust professional organizations to conduct Compliance Audit.

The PRC government authorities have wide discretion in the interpretation and enforcement of these laws. As a major internet platform, we are exposed to risks of being deemed to be a critical information infrastructure operator or a network platform operator meeting the above criteria under the PRC cybersecurity laws.

Regulations Relating to Advertising Business

The PRC Advertisement Law, which was last amended on April 29, 2021, requires advertisers to ensure that the content of the advertisements are true. The content of advertisements cannot contain prohibited information.

The Internet Advertisement Interim Measures, which came into effect on September 1, 2016, regulate any advertisement published on the internet, including but not limited to, those on websites, webpage, and apps, those in the forms of word, picture, audio, video, and others. According to the Internet Advertisement Measures, internet information service providers must stop any person from using their information services to publish illegal advertisements if they are aware of, or should reasonably be aware of, such illegal advertisements even if the internet information service provider merely provides information services and has not involved in the internet advertisement businesses. On February 25, 2023, the SAMR promulgated the Measures for Administration of Internet Advertising, which stipulate the obligations of the advertisers, the internet advertising operators, and the internet information service providers. According to these measures, the product seller or the service provider who markets any product or service through live streaming on the internet, which constitutes a commercial advertisement, must take the corresponding responsibilities and perform obligations of advertisers in accordance with the laws and regulations, and the live streaming operators and marketers should also take corresponding responsibilities and perform obligations if they provide advertising design, production, agency, or publishing services or constitutes an advertising endorsement.

Regulations Relating to Insurance Business

According to the Administrative Measures for Licenses of Banking and Insurance Institutions, which came into effect on July 1, 2021, insurance agencies must obtain an insurance intermediary license.

The Provisions on the Supervision and Administration of Insurance Agencies, which came into effect on January 1, 2021, provide that an "insurance agency" refers to an agent that is instructed by and receives commissions from insurance companies to handle insurance services to the extent authorized by the insurance companies, including professional insurance agencies, sideline insurance agencies, and individual insurance agents. Professional insurance agencies and the sideline insurance agencies who are legal persons must obtain license relating to insurance agency operations from the China Banking and Insurance Regulatory Commission.

Pursuant to the Measures on the Supervision and Administration of Internet Insurance Business, which came into effect on February 1, 2021, internet insurance businesses should be carried out by insurance institutions legally established, including insurance companies and insurance intermediaries, and the insurance institutions are required to run an online platform operated in-house that satisfy certain conditions.

Regulations Relating to Intellectual Property Rights

Trademark

Trademarks are protected by the PRC Trademark Law and the Implementation Regulation of the PRC Trademark Law. In China, registered trademarks include commodity trademarks, service trademarks, collective marks, and certification marks. The Trademark Office of China National Intellectual Property Administration handles trademark registrations and grants a term of 10 years to registered trademarks commencing from the date of registration and the registered trademarks can be renewable every 10 years where a registered trademark needs to be used after the expiration of its validity term.

Patent

Pursuant to the PRC Patent Law and the Implementing Rules of the PRC Patent Law , there are three types of patents in China: invention patents, utility model patents, and design patents. The protection period of a patent right for invention patents is 20 years and the protection period of a patent right for utility model patents and design patents is 10 years, both commencing from the filing date. Any entity or individual that seeks to exploit a patent owned by another party should enter into a patent license contract with the patent owner concerned and pay patent royalties to the patent owner. Pursuant to the Measures for the Filing of Patent Licensing Contracts, the State Intellectual Property Office is responsible for filing of patent licensing contracts nationwide and the parties concerned must complete filing formalities within three months from the effective date of a patent licensing contract.

Copyright

Under the currently effective PRC Copyright Law, Chinese citizens, legal persons, or other organizations are entitled to, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology, and computer software. The purpose of the PRC Copyright Law aims to encourage the creation and dissemination of works which is beneficial for the construction of socialist spiritual civilization and material civilization and promote the development and prosperity of socialist cultural and scientific undertakings.

According to the Computer Software Copyright Registration Measures, the National Copyright Administration is the competent authority for the nationwide administration of software copyright registration and the Copyright Protection Center of China is designated as the software registration authority. The Copyright Protection Center of China will grant registration certificates to the Computer Software Copyrights applicants if the applications conform to the provisions of both the Computer Software Copyright Registration Measures and the Computer Software Protection Regulations.

Domain Names

The Administrative Measures on Internet Domain Names regulate that ".CN" and "zhongguo (in Chinese character)" are China's national top level domains. Any party that engages in internet information services must use its domain name in compliance with laws and regulations and in line with the provisions of the telecommunications authority, and cannot use its domain name to commit any illegal act.

Regulations Relating to Anti-Monopoly and Anti-Unfair Competition

According to the PRC Anti-Unfair Competition Law, which was last amended on April 23, 2019, unfair competition refers to that the operator disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the PRC Anti-Unfair Competition Law in the production and operating activities.

The PRC Anti-Monopoly Law, which was last amended on June 24, 2022, introduced a "safe harbor" for vertical monopoly agreements entered into by operators whose market share falls below a specific threshold to be set by the SAMR, granted the SAMR the power to suspend the review period in merger investigations under specified circumstances, allowed public prosecutors to bring a civil public interest lawsuit based on monopolistic behaviors, and significantly increased the penalties for violation of PRC Anti-Monopoly Law, among others. This amendment emphasized the enforcement of PRC Anti-Monopoly Law in the internet and other key industries. The Anti-Monopoly Guidelines for the Internet Platform Economy Sector outline certain practices that may, if without justifiable reasons, constitute abuse of dominant position. The guidelines also expressly state that concentration involving variable interest entities will also be subject to antitrust filing requirements. The Provisions on the Review of Concentrations of Undertakings further clarified the factors that should be considered to determine whether an undertaking acquires control over, or may exercise decisive influence on, other undertakings. The Interim Provisions on Anti-Unfair Online Competition specified certain online unfair competition practices that should not be implemented by operators to disrupt market competition order, affect fair market transactions or infringe the legitimate rights and interests of other operators or consumers. The Guidelines for Review of Horizontal Concentration of Undertakings specified the definition of horizontal concentration and introduced market share and relevant index to determine the scope of "safe harbor".

Regulations Relating to Labor and Social Security

According to the PRC Labor Law, the PRC Labor Contract Law and the Implementation Regulations on PRC Labor Contract Law, labor contracts in written form must be executed to establish labor relationships between employers and employees. In addition, wages cannot be lower than local minimum wage. The employers must establish a system for labor safety and sanitation, strictly abide by national rules and standards, provide education regarding labor safety and sanitation to its employees, provide employees with labor safety and sanitation conditions and necessary protection materials in compliance with state rules and carry out regular health examinations for employees engaged in work involving occupational hazards.

According to the PRC Social Insurance Law the Provisional Regulations on the Collection and Payment of Social Insurance Premium and the Regulations on the Administration of Housing Fund, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, maternity insurance and housing funds. Any employer who fails to contribute may be fined and ordered to make up for the deficit within a stipulated time limit.

Regulations Relating to Taxation

Enterprise Income Tax

According to the PRC Enterprise Income Tax Law and the Implementation Regulations on the Enterprise Income Tax Law, a uniform income tax rate of 25% should be applied to resident enterprises and non-resident enterprises that have "establishment or place" situated in China. Besides enterprises established within China, enterprises established in accordance with the laws of other jurisdictions whose "de facto management bodies" are within China are considered "resident enterprises" and subject to the uniform 25% enterprise income tax rate for their global income. A non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within China but which have an establishment or place of business in China, or which do not have an establishment or place of business in China but have income sourced within China. An income tax rate of 10% should normally be applicable to dividends declared to or any other gains realized on the transfer of shares by non-PRC resident enterprise investors that do not have an establishment or place of business in China, or that have such establishment or place of business but the income is not substantially connected with the establishment or place of business, to the extent such dividends or other gains are derived from sources within China.

According to the Arrangement for the Avoidance of Double Taxation and Tax Evasion between Mainland China and Hong Kong entered into between mainland China and Hong Kong on August 21, 2006, if the non-PRC parent company of a PRC enterprise is a Hong Kong resident which directly owns 25% or more of the equity interest of the PRC foreign-invested enterprise which pays the dividends, the 10% withholding tax rate applicable under the PRC Enterprise Income Tax Law may be lowered to 5% if a Hong Kong resident enterprise is determined by the competent PRC tax authority to have satisfied the conditions and requirements under such Arrangement for the Avoidance of Double Taxation and Tax Evasion between Mainland China and Hong Kong and other applicable laws. The aforementioned tax treaty also provides a benefit for interest payments made by a PRC enterprise to a Hong Kong resident, allowing for a reduction in the withholding tax rate from 10% to 7%. However, according to the Notice on the Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, which came into effect on February 20, 2009, if the PRC tax authorities determine, in their discretion, that a company benefits unjustifiably from such reduced income tax rate due to a transaction or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement of the Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties effective on April 1, 2018, if an applicant's business activities do not constitute substantive business activities, it could result in the negative determination of the applicant's status as a "beneficial owner," and consequently, the applicant could be precluded from enjoying the above-mentioned reduced income tax rate of 5% under the Arrangement for the Avoidance of Double Taxation and Tax Evasion between Mainland China and Hong Kong.

Value-Added Tax

All taxpayers selling goods or providing processing, repairing, or replacement labor services, sales of services, intangible assets and real property and importing goods in China must pay a value-added tax in accordance with the Provisional Regulations on Value-added Tax and its implementation rules. The Provisional Regulations on Value-added Tax were last amended on November 19, 2017. The regulations applicable to the prevailing value-added tax are the Notice of the Ministry of Finance and the State Taxation Administration on Adjusting Value added Tax Rates and the General Administration of Customs on Relevant Policies for Deepening Value Added Tax Reform. According to a series of announcements published by the Ministry of Finance and the State Taxation Administration, the value-added tax levy rate applicable to the small-scale taxpayers is reduced to 1% until December 31, 2027. The Value-Added Tax Law of the People's Republic of China was promulgated by the Standing Committee of the National People's Congress on December 25, 2024 and will come into effect on January 1, 2026, which provides the definition of taxable transactions, specifies how to determine whether the taxable income took place in China, and renews the tax rates. As of the date of this annual report, the rate of value-added tax applicable to our PRC subsidiaries and the variable interest entities generally varies from 1% to 13% depending on the product type.

Regulations Relating to Foreign Exchange Supervision

The principal regulations governing foreign currency exchange in China are the PRC Regulation on the Foreign Exchange Control, which was last amended on August 5, 2008, and the Regulations on the Administration of Foreign Exchange Settlement, Sale and Payment, which came into effect on July 1, 1996. According to these regulations, Renminbi for current account items is freely convertible, including the distribution of dividends, interest payments, trade and service-related foreign exchange transactions, but not for capital account items, such as direct investments, loans, and investments in securities outside of China, unless the prior approval or record-filing of SAFE or its local counterpart is obtained.

Since 2015, SAFE issued a series of notices and circulars to reform the administrative methods regarding foreign exchange capital settlement of foreign-invested enterprises and promote the facilitation of cross-border trade and investment, including the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment, the Circular on Reforming and Regulating the Administrative Policy of the Settlement under Capital Accounts, the Circular on the Reforming of Administrative Methods Regarding the Foreign Exchange Capital Settlement of Foreign-Invested Companies, the Circular on Further Promoting the Facilitation of Cross-Border Trade and Investment, the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business and the Notice on Further Deepening Reforms to Facilitate Cross-Border Trade and Investment. According to these notices and circulars, banks are to review and carry out foreign exchange registration under foreign direct investment. Eligible enterprises are allowed to make domestic payments by using their income under capital accounts, such as capital funds, foreign debts and the proceeds from overseas listing, without submitting the evidentiary materials concerning authenticity of such capital for banks in advance; provided that their capital use is authentic and in compliance with administrative regulations on the use of income under capital accounts. The bank in charge must conduct post spot checking in accordance with the requirements. The proportion of willingness-based foreign exchange settlement of capital for foreign-invested enterprises is temporarily set at 100%. SAFE can adjust such proportion in due course based on the circumstances of the international balance of payments. Non-investment foreign-invested enterprises are also permitted to make domestic equity investments with their capital funds in foreign currency provided that such investments do not violate the Negative List and the target investment projects are genuine and in compliance with laws. The equity transfer consideration in foreign currency received by a PRC transferor from a PRC entity or the funds in foreign currency raised by a PRC enterprise through overseas listing may be directly remitted into the settlement account under the capital account and be settled and used autonomously.

The Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed Companies provide the registration procedures and relevant requirements for PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year (except for foreign diplomatic personnel in China and representatives of international organizations in China) to participate in any stock incentive plan of an overseas publicly listed company.

The Circular of SAFE on Foreign Exchange Administration of Overseas Investments and Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles promulgated by SAFE on July 4, 2014, effective on the same date, states that (i) a PRC resident, including a PRC domestic resident individual or a PRC domestic institution, must register with the local branch of SAFE before it contributes its assets or equity interest in domestic enterprises or offshore assets or interests into a special purpose vehicle for the purpose of investment and financing; and (ii) when the special purpose vehicle undergoes change of basic information, such as change in PRC resident natural person shareholder, name or operating period, or occurrence of a material event, such as change in share capital of a PRC resident natural person, performance of merger or split, the PRC resident must register such change with the local branch of SAFE in a timely manner.

Regulations Relating to Dividend Distributions

The principal laws and regulations regulating the dividend distribution of dividends by foreign-invested enterprises in China include the PRC Company Law and the PRC Foreign Investment Law. Under the current PRC regulatory regime, foreign-invested enterprises in China may pay dividends only out of their accumulated profit, if any, determined in accordance with PRC accounting standards and regulations. A PRC company, including foreign-invested enterprise, is required to set aside as statutory reserve funds at least 10% of its after-tax profit, until the cumulative amount of such reserves funds reaches 50% of its registered capital, and cannot distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

Regulations Relating to M&A and Overseas Listings

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors were last amended on June 22, 2009. Foreign investors must comply with these regulations when they purchase equity interests of a domestic company or subscribe the increased capital of a domestic company, and thus changing of the nature of the domestic company into a foreign-invested enterprise; or when the foreign investors establish a foreign-invested enterprise in China, purchase the assets of a domestic company by agreement and utilize the assets through the foreign-invested enterprise; or when the foreign investors purchase the assets of a domestic company by agreement, establish a foreign-invested enterprise by injecting such assets, and utilize the assets. According to Article 11 of the regulations, where a domestic enterprise, or a domestic natural person, through an overseas company established or controlled by it/him/her, acquires a domestic enterprise which is related to or connected with it/him/her, approval from the Ministry of Commerce is required. The regulations, among other things, further purport to require that an overseas special purpose vehicle directly or indirectly controlled by PRC domestic individuals or entities for the purpose of overseas listing to obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange.

Pursuant to the Negative List, if a PRC domestic company engaging in the prohibited business stipulated in the Negative List seeks an overseas offering and listing, it must obtain the approval from the competent governmental authorities. Besides, the foreign investors of the company cannot be involved in the company's operation and management, and their shareholding percentages should be subject, mutatis mutandis, to the regulations on the domestic securities investments by foreign investors. At a press conference held on January 18, 2022, the NDRC clarified that the requirement as mentioned above would only apply to PRC domestic company's direct overseas offerings.

Under the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, or the Overseas Offering and Listing Measures, and a series of guidance rules and Q&As published by the CSRC in connection with the implementation of the Overseas Offering and Listing Measures, an overseas offering and listing by a PRC domestic company, either in director or indirect manner, has to be filed with the CSRC. Specifically, the examination and determination of an indirect offering and listing will be conducted on a substance-over-form basis. The issuer or its affiliated PRC domestic company, as the case may be, must file with the CSRC for its initial public offering, follow-on offering and other equivalent offing activities. Particularly, the issuer must submit the filing with respect to its initial public offering and listing within three business days after its initial filing of the listing application, and submit the filing with respect to its follow-on offering in the same overseas market(s) within three business days after the completion of such follow-on offering. Failure to comply with the filing requirements may result in fines to the PRC domestic companies and the controlling shareholder, and other responsible persons. The responsible persons may be prohibited from entering the securities market by the CSRC in cases of serious violations and may be held criminally liable. The Overseas Offering and Listing Measures also set forth certain regulatory red lines for overseas offerings and listings by PRC domestic enterprises.

As advised by Commerce & Finance Law Offices, our PRC legal counsel, due to the fact that our ADSs have been listed on the Nasdaq Global Select Market and our ordinary shares have been listed on the Hong Kong Stock Exchange, we are deemed as an "Existing Issuer" pursuant to the Overseas Offering and Listing Measures and the implementation guidance and are not required to complete the filing procedures with the CSRC for our historical securities offering. Nevertheless, in the event that we conduct any securities offerings that will be captured by the Overseas Offering and Listing Measures in the future, we will have to complete the filing procedures with the CSRC within three business days following the closing of the securities issuance or offering on the Nasdaq Global Select Market or the Hong Kong Stock Exchange, or within three business days following the submission of application for overseas offering and listing on any other overseas market(s).

Regulations of Other Jurisdictions

Regulations in Europe

In the European Union and the United Kingdom, we are subject to laws and regulations regarding data privacy and protection, including the General Data Protection Regulation, known as the EU GDPR, on the protection of natural persons with regard to the processing and free movement of personal data. The EU GDPR applies directly in all European Union member states from May 25, 2018 and applies to companies with an establishment in the European Economic Area and to certain other companies not in the European Economic Area that offer or provide goods or services to individuals located in the European Economic Area or monitor individuals located in the European Economic Area. In the United Kingdom, we are subject to the United Kingdom General Data Protection Regulation and Data Protection Act 2018, collectively known as the UK GDPR. We refer to the EU GDPR and UK GDPR as the GDPR. The GDPR implements stringent operational requirements for controllers of personal data, including, for example, maintaining a record of data processing activities, expanded disclosures about how personal data is to be collected and processed, limitations on retention of personal data (including pseudonymized data), increased cybersecurity requirements, possible mandatory data breach notification requirements, a requirement for controllers to demonstrate that they have obtained a valid legal basis for certain data processing activities, complying with rights for data subjects in regard to their personal data (including data access, erasure (the right to be "forgotten") and portability), ensuring appropriate safeguards are in place where personal data is transferred out of the European Economic Area and the United Kingdom, and complying with the principle of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit. The activities of data processors are also regulated, and companies undertaking processing activities are required to offer certain guarantees in relation to the security of processing and the handling of personal data. Contracts between data controllers and data processors will also need to be updated to include certain terms prescribed by the GDPR, and negotiating these updates may not be fully successful in all cases. Failure to comply with the European Union laws, including failure under the GDPR and other laws relating to the security of personal data may result in fines up to €20,000,000 (£17,500,000 under the UK GDPR) or up to 4% of the total worldwide annual turnover of the preceding financial year, if greater, and other administrative penalties including regulatory investigations, reputational damage, orders to cease/change our data processing activities, enforcement notices, assessment notices (for a compulsory audit),civil claims (including class actions) and, in certain EU jurisdictions, criminal liability.

In June 2024, the European Union legislators formally signed the EU Artificial Intelligence Act, or the EU AI Act, which came into effect on August 1, 2024. The EU AI Act sets a comprehensive legal framework for the development, provision, marketing and use of AI in the EU market, establishing a detailed classification for AI systems through a risk-based approach. Companies that develop, provide, or use AI in the EU are subject to a series of obligations under the EU AI Act, varying from risk levels of their AI use case, such as conformity assessments, transparency requirements, information provision, human oversight, accuracy and security. Violation of the provisions under the EU AI Act could result in fines of up to €35 million or 7% annual worldwide turnover from the preceding financial year, whichever is higher.

In the European Union, the Digital Services Act, which is known as the DSA, came into force on November 16, 2022. The act governs, among other things, potential liability for illegal products on online platforms as well as obligations around traceability of merchants/business users and require enhanced transparency measures including in relation to any recommendation systems used to present product options to a user, including the main parameters used by such systems and any available options for recipients to modify or influence them. In particular, if an online platform presents information about products in a way that would lead an average consumer to understand the product is provided by the platform directly, rather than by a third-party merchant, the platform may be liable directly under consumer protection law. Further, the DSA contains general requirements that user interfaces may not deceive or manipulate users. Failure to comply with the DSA can result in fines of up to 6% of total annual worldwide turnover and recipients of services have the right to seek compensation from providers in respect of damage or loss suffered due to infringement by the provider to comply with the DSA.

Our operations in the United Kingdom are also subject to increasing regulatory obligations, such as the Online Safety Act and the Digital Markets, Competition and Consumers Bill. There is a heightened risk of legal challenges or consumer backlash if regulatory frameworks are not adhered to, leading to damage to brand image and possible fines or sanctions. Increased oversight from regulatory bodies may restrict operational flexibility and innovation.

Regulations in Asia

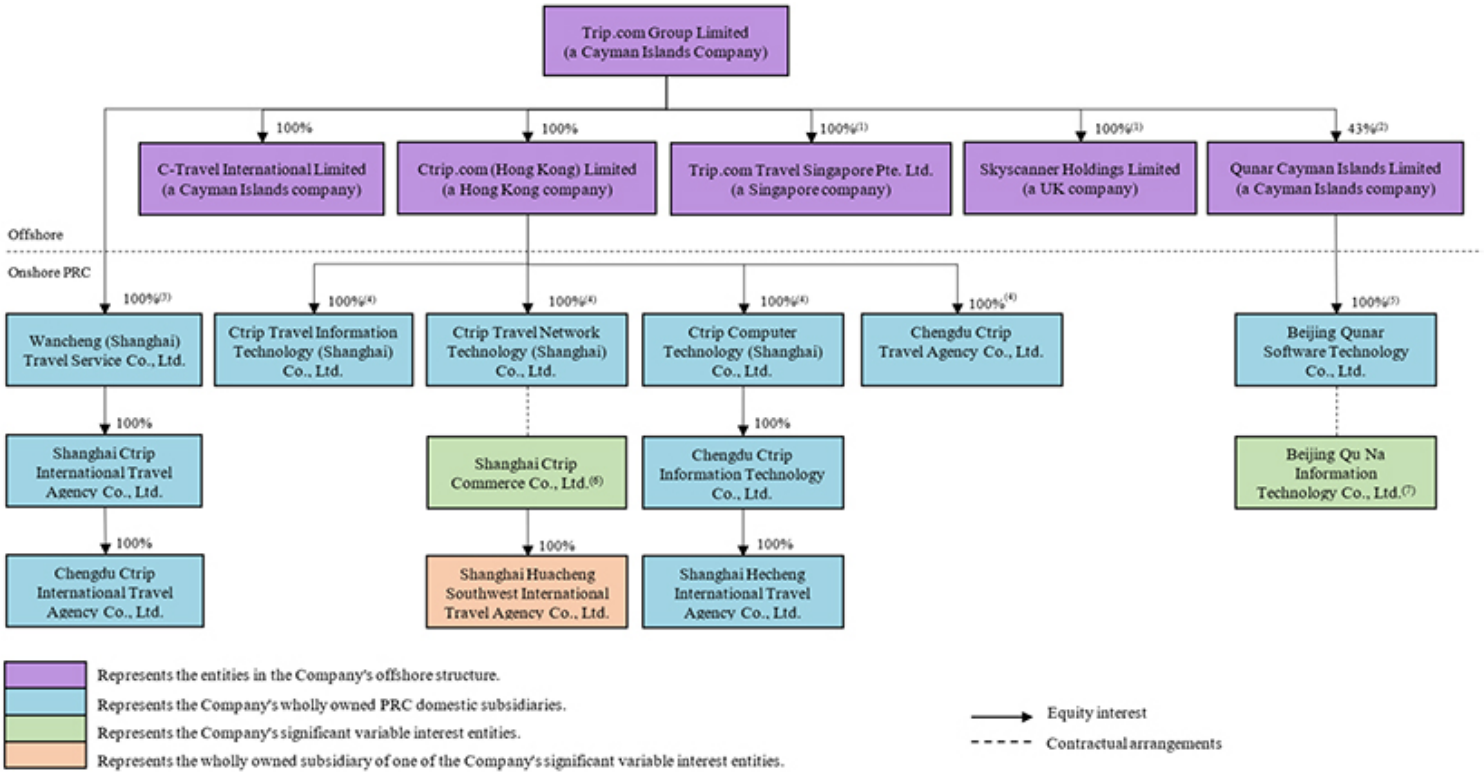
We maintain operations in a number of jurisdictions in Asia, including Singapore, South Korea, and various other jurisdictions in Southeast Asia.

In Singapore, the Personal Data Protection Act 2012, which is known as the PDPA, governs the collection, use and disclosure of the personal data of individuals by organizations, and is administered and enforced by the Personal Data Protection Commission, which is known as the PDPC. The PDPA sets out certain obligations which all organizations are required to comply with relating to the collection, use or disclosure of personal data, unless exceptions apply. Amongst other things, unless exceptions apply, the PDPA requires organizations to obtain consent from individuals, inform them of the purposes for which the organization will be collecting, using, or disclosing personal data, make reasonable security arrangements to protect the personal data in its possession or control from unauthorized access, modification, loss, or similar risks, only transfer personal data out of Singapore in accordance with prescribed requirements to ensure that the personal data is protected to a standard comparable to the protection under the PDPA, and notify the PDPC (and, unless exceptions apply, affected individuals) in the event of a notifiable data breach.

In South Korea, we are also subject to applicable privacy and data security regulations, regulations relating to the use of artificial intelligence, and regulations on e-commerce platforms. Various jurisdictions in Southeast Asia are also implementing additional regulations on privacy and data security and e-commerce platforms. For example, Vietnam adopted new regulations relating to the cross-border transfer of data in 2024, and Thailand, Indonesia, and Vietnam have each adopted filing requirements for e-commerce platforms.

C. *Organizational Structure*

The following diagram illustrates our corporate structure, including our significant subsidiaries and the VIEs as of December 31, 2024.



Notes:

(1) Indirectly owned through Blossom International Holding (formerly known as Trip.com International), a Cayman Islands company.

(2) The 57% owners of Qunar Cayman Islands Limited are several non-U.S. investment entities, namely M Strat Holdings, L.P., Momentum Strategic Holdings, L.P., Ocean Management Limited, and Earthly Paradise Investment Fund L.P., which are consolidated by us under U.S. GAAP.

(3) Indirectly owned through Ctrip Travel Holding (Hong Kong) Limited and Ctrip.com (Hong Kong) Limited, both of which are Hong Kong companies.

(4) Indirectly owned through Ctrip Investment (Shanghai) Co., Ltd., a PRC company.

(5) Indirectly owned through Queen's Road Travel Information Limited, a Hong Kong company.

(6) Bo Sun and Maohua Sun hold 89.8% and 10.2% of the equity interest in Shanghai Ctrip Commerce Co., Ltd., respectively.

(7) Hui Cao and Hui Wang hold 60% and 40% of the equity interest in Beijing Qu Na Information Technology Co., Ltd., respectively.

We are a holding company incorporated in the Cayman Islands and rely on dividends from our subsidiaries in China and globally and consulting and other fees paid to our subsidiaries by the VIEs in China. We conduct a majority of our business through our wholly-owned subsidiaries in China. PRC laws and regulations restrict foreign investment in certain businesses, including the value-added telecommunications industry. As a result, we conduct part of our business through a series of contractual arrangements between our PRC subsidiaries and the VIEs. As of December 31, 2024, significant VIEs and VIEs' subsidiaries included Ctrip Commerce (VIE), Shanghai Huacheng (VIE), and Qunar Beijing (VIE). The contractual arrangements that we entered into with the VIEs may be amended and/or restated from time to time. We optimize the functions of various VIEs from time to time to avoid duplicative operations among these VIEs.

As of the date of this annual report, some of our employees and senior consultants are principal record owners of the VIEs. Each of them has signed an irrevocable power of attorney to appoint the primary beneficiary of the applicable VIE or its designated person, as attorney-in-fact to vote, by itself or any other person to be designated at its discretion, on all matters of the VIEs. Each power of attorney will remain effective during the existence of the applicable VIE.

D. *Property, Plants and Equipment*

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

As of the date of this annual report, we leased offices and data centers with an aggregate gross floor area of over 100,000 square meters.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our financial condition and results of operations is based upon and should be read in conjunction with our consolidated financial statements and their related notes included in this annual report on Form 20-F. This annual report contains forward-looking statements. See "Forward-Looking Statement." In evaluating our business, you should carefully consider the information provided under the caption "Item 3. Key Information—D. Risk Factors" in this annual report. We caution you that our businesses and financial performance are subject to substantial risks and uncertainties.

A. *Operating Results*

We are a leading one-stop travel service provider globally, integrating a comprehensive suite of travel products and services and differentiated travel content. We are the go-to destination for travelers in Asia, 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.

In 2024, we derived approximately 40% of our total revenues from our accommodation reservation, 38% from transportation ticketing, 8% from packaged tour, 5% from corporate travel, and 9% from other products and services.

Major Factors Affecting Our Results of Operations

Economy and travel industry trends

As a leading travel service provider globally, our business is driven by the demand for travel services in our key markets. Demand for travel services primarily depends on the growth of the economy. Economic growth generally stimulates willingness to pay for travel services and their affordability, thus helping increase travel frequency and spending.

We also benefit from certain other key trends in the travel industry that affect how and how often users choose to purchase travel services, such as the increasing consumption potential in the rising middle class, user preference for diverse travel options, the booming demand for high-quality travel experience, and technology-driven enhancement in the travel industry supply chain.

Our business and results of operations can be adversely affected by disruptions in the travel industry, such as (i) the outbreaks of pandemics, epidemics, or fear of spread of contagious diseases, (ii) geopolitical uncertainty, political unrest, or civil strife, (iii) natural disasters or poor weather conditions, such as hurricanes, earthquakes, or tsunamis, and (iv) any travel restrictions or other security procedures implemented in connection with any major events in key markets.

The depth and breadth of our travel offerings

Our results of operations depend on the effectiveness of our product and service offerings and our ability to broaden our offerings to appeal to a wider audience and fuel our GMV growth. We offer a comprehensive suite of travel products and services leveraging our network of ecosystem partners. Our relationships with our expanding pool of ecosystem partners enable us to provide a diverse selection of travel offerings from budget to premium products and services, including long-tail and customized products, to satisfy the needs of our user base. In addition, we have been upgrading our open platform that connects us with domestic and international travel partners, search engines, e-commerce platforms, and other ecosystem partners to expand our business opportunities.

Our financial performance is also affected by our product and service mix. Our products and services have different, sometimes contrasting, GMV contribution and take rates. For example, transportation ticketing is a relatively low take rate service, while accommodation reservation is typically a high take rate service. In addition, GMVs, take rates, and terms of travel products and service may vary depending on the specific ecosystem partners providing them. Any material changes in our product and service mix could materially affect our results of operations.

Our ability to strengthen our brand recognition and maintain market position

We operate some well-recognized travel brands, including Ctrip, Qunar, Trip.com, and Skyscanner. Our ability to strengthen our brand recognition and maintain our market position in travel market is critical for us to build and maintain relationships with our users and ecosystem partners. We have solidified our market position over the past two decades. In order to strengthen our brand recognition and maintain our market position, we may need to increase our investments in marketing activities, product and service development, and user and ecosystem partner engagement, which may affect our operating margin.

Our market position and our ability to attract new users and continue to retain and engage our existing users also depends on our ability to continue to provide users with superior experiences. For years, we have been consistently enhancing our technology, our product, service, and content offerings, and our user interfaces to offer a personalized, convenient, enjoyable, and inspirational user experience. We have also been catering to our users' diverse needs and evolving preferences.

Our ability to enhance operating efficiency

Our results of operations have been, and will continue to be, affected by our ability to improve our operating efficiency, especially through investment in technology. As our business continues to scale up, it is essential to improve operating efficiency to enhance the competitiveness of our platform. For example, our AI capabilities coupled with our in-depth travel insights accumulated throughout our operating history allow us to curate suitable travel products and offer personalized recommendations to individual users, which enables significant cross-selling opportunities on our platform. In addition, we apply various AI technologies to achieve effective and precise marketing with reduced cost. In the future, we will continue to invest in technology to further enhance our operations, which may increase our capital expenditure or operating costs but should improve our operating and cost efficiency and service quality in the long run.

Seasonality

Our users generally come to our platform for travel products and services to satisfy their leisure and business trip needs. Therefore, our business is subject to seasonal fluctuations, and our revenues may vary from quarter to quarter throughout a year. In 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. Our future results may continue to be affected by such seasonal fluctuations.

Key Components of Our Results of Operations

Revenues

We generate our revenues primarily from the accommodation reservation and transportation ticketing businesses. The table below sets forth the revenues from our principal lines of business as a percentage of our total revenues for the periods indicated.

	For the Years Ended December 31,		
	2022	2023	2024
Revenues:			
Accommodation reservation	37%	39%	40%
Transportation ticketing	41%	41%	38%
Packaged tours	4%	7%	8%
Corporate travel	5%	5%	5%
Others	13%	8%	9%
Total revenues	100%	100%	100%

Under most circumstances, we do not take ownership of the products and services being sold. Instead, we act as an agent in substantially all of our transactions. Our risk of loss due to obligations for canceled hotel and airline ticket reservations is thus relatively remote. Accordingly, we recognize revenues primarily based on commissions earned rather than transaction value.

PRC laws and regulations restrict foreign investment in certain businesses, including value-added telecommunications industry. As a result, we conduct part of our business through the VIEs. Historically, we generated a portion of our revenues from fees charged to these entities. See "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Arrangements with the VIEs" for a description of our relationship with these entities.

Accommodation Reservation. Accommodation reservation revenue constitutes a significant source of our revenues. In 2022, 2023, and 2024, our accommodation reservation revenue was RMB7.4 billion, RMB17.3 billion, and RMB21.6 billion (US$3.0 billion), representing 37%, 39%, and 40% of our total revenues, respectively.

We generate substantially all of our accommodation reservation revenue through commissions from hotel reservation partners through our platform. We recognize revenues when the reservation becomes non-cancelable, which is the point at which we complete our performance obligation in accommodation reservation services.

Transportation Ticketing. In 2022, 2023, and 2024, our transportation ticketing revenue was RMB8.3 billion, RMB18.4 billion, and RMB20.3 billion (US$2.8 billion), representing 41%, 41% and 38% of our total revenues, respectively.

We operate our transportation ticketing business primarily through our wholly-owned subsidiaries, the VIEs and VIEs' subsidiaries, and a network of ecosystem partners. Commissions from ticketing reservations rendered are recognized when tickets are issued as this is when our performance obligation is satisfied. Revenues from other related services are recognized at the time when the services are rendered.

Packaged tours. In 2022, 2023, and 2024, our packaged-tour revenue was RMB797 million, RMB3.1 billion, and RMB4.3 billion (US$594 million), respectively. We bundle the packaged-tour products and services and receive referral fees from ecosystem partners for packaged-tour products and services through our platform. Referral fees are recognized on the departure date of the packaged tours as this is when our performance obligation is satisfied.

Corporate Travel. Our corporate travel revenue primarily includes commissions from transportation ticketing booking, accommodation reservation, and packaged-tour services rendered to corporate clients. In 2022, 2023, and 2024, revenue from our corporate travel services was RMB1.1 billion, RMB2.3 billion, and RMB2.5 billion (US$343 million), respectively. We contract with corporate clients based on a service fee model. Travel reservations are made via online and offline services for transportation ticketing booking, accommodation reservation, and packaged-tour services. Corporate travel revenue is recognized on a net basis after the services are rendered and collections are reasonably assured.

Other Businesses. Our other businesses primarily consist of online advertising services and financial services. In 2022, 2023, and 2024, revenue from other business was RMB2.5 billion, RMB3.5 billion, and RMB4.6 billion (US$634 million), respectively. Advertising revenue is recognized ratably over the fixed term of the agreement as services are provided or upon relevant performance obligations being fulfilled through the display of the advertisements. The financial service revenue mainly represents the platform service fees from third-party financial institutions that are recognized ratably over the service period as well as the interest income from the receivables due from the users that are recognized over the credit period.

Cost of Revenues

Cost of revenues primarily consists of payroll compensation of customer service center personnel, credit card service fees, payments to travel suppliers, telecommunication expenses, direct costs of principal travel tour services, depreciation, rentals, direct costs of financial service and related expenses incurred by us that are directly attributable to our user orders and the rendering of travel related services and other businesses.

Cost of revenues as a percentage of our net revenues was 23%, 18%, and 19% in 2022, 2023, and 2024, respectively. We believe our relatively low ratio of cost of revenues to revenues is primarily due to competitive labor costs, high efficiency of our customer service system and efficiency of our enhanced website operations.

Operating Expenses

Operating expenses primarily consist of product development expenses, sales and marketing expenses, and general and administrative expenses, all of which include share-based compensation expense. In 2024, we recorded share-based compensation expense of RMB2.0 billion (US$281 million), compared to RMB1.8 billion in 2023 and RMB1.2 billion in 2022. Share-based compensation expense is included in the same income statement category as the cash compensation paid to the recipient of the share-based award.

Product development expenses primarily include payroll compensation of product development personnel, consulting expenses, and other expenses incurred by us that are directly attributable to developing our travel supplier networks as well as to maintaining, monitoring, and managing our transaction and service platforms. Product development expenses as a percentage of our net revenues were 42%, 27%, and 25% in 2022, 2023, and 2024, respectively.

Sales and marketing expenses primarily include payroll compensation and benefits for our sales and marketing personnel, advertising expenses, and other related marketing and promotion expenses. Sales and marketing expenses as a percentage of our net revenues were 21%, 21%, and 22% in 2022, 2023, and 2024, respectively.

General and administrative expenses primarily include payroll compensation, benefits and travel expenses for our administrative staff, credit losses, professional service fees, and administrative office expenses. General and administrative expenses as a percentage of our net revenues were 14%, 8%, and 8% in 2022, 2023, and 2024, respectively.

Taxation

Our effective income tax rate was 26%, 16%, and 15% for 2022, 2023, and 2024, respectively.

We are subject to various rates of income tax under different jurisdictions. The following summarizes major factors affecting our applicable tax rates in the Cayman Islands, Singapore, Hong Kong, and mainland China:

Cayman Islands

The Cayman Islands currently levies no taxes on corporations based upon profits, income, gains, or appreciation. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties, which may be applicable on instruments executed in, or brought within the jurisdiction of, the Cayman Islands. In addition, the Cayman Islands does not impose withholding tax on dividend payments.

Singapore

Our subsidiaries incorporated in Singapore are subject to Singapore tax law at the corporate tax rate at 17% on the assessable income arising in Singapore during its tax year.

Hong Kong

The first HK$2 million of profits of the entities incorporated in Hong Kong is taxed at 8.25%, and the remaining profits above HK$2 million is taxed at 16.5%. However, for two or more connected entities, only one of them may elect the two-tiered profits tax rates regime.

Mainland China

Pursuant to the PRC Enterprise Income Tax Law, companies established in mainland China are generally subject to enterprise income tax at a statutory rate of 25%. The 25% rate applies to most of our subsidiaries and the VIEs established in mainland China. Seventeen of our PRC subsidiaries and three of the VIEs benefit from a preferential tax rate of 15% by either qualifying as high and new technology enterprises or qualifying under the Catalog of Encouraged Industries in Western Regions under the PRC Enterprise Income Tax Law.

If the PRC tax authorities determine that our Cayman Islands holding company is a "resident enterprise" for PRC enterprise income tax purposes, a withholding tax of 10% may be imposed on dividends that non-PRC resident enterprise holders of our ordinary shares or ADSs receive from us and on gains realized on their sale or other disposition of ordinary shares or ADSs, if such income is considered income derived from within mainland China.

Critical Accounting Policies and Estimates

We prepare financial statements in conformity with U.S. GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities on the date of the balance sheet and the reported amounts of revenues and expenses during the financial reporting period. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experiences and various other assumptions that are believed to be reasonable under the circumstances, which together form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from those estimates. Some of our accounting policies require higher degrees of judgment than others in their application. We consider the policies discussed below to be critical to an understanding of our financial statements as their application places the most significant demands on management's judgment.

Revenue Recognition. We recognize revenues in accordance with ASC 606, "Revenue from Contracts with Customers." Under which, our revenues are substantially reported on a net basis as the travel supplier is primarily responsible for providing the underlying travel services and we do not control the service provided by the travel supplier to the traveler. Revenues are recognized at gross amounts for merchant business where we undertake substantive inventory risks by pre-purchasing inventories. Revenue from accommodation reservation services, transportation ticketing services, packaged tours, and corporate travel are substantially recognized at a point of time when the performance obligations are satisfied. Revenue from other businesses comprise primarily of online advertising services and financial services, which are recognized ratably over the time or upon relevant performance obligations being fulfilled.

Business Combination. We apply ASC 805 "Business Combination," which requires that all business combinations not involving entities or business under common control be accounted for under the acquisition method. The cost of an acquisition is measured as the aggregate of fair values at the date of exchange of assets given, liabilities incurred and equity instruments issued. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of (i) the total of cost of acquisition, fair value of non-controlling interests and acquisition date fair value of any previously held equity interest in an acquiree over (ii) the fair value of identifiable net assets of an acquiree is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of a subsidiary acquired, the difference is recognized directly in the consolidated statements of income and comprehensive income.

The determination and allocation of fair values to the identifiable assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment. The most significant variables in these valuations are discount rates, terminal values, growth rates, the number of years on which to base the cash flow projections, as well as the assumptions and estimates used to determine the cash inflows and outflows.

Fair Value of Available-for-sale Debt Investments. We had available-for-sale debt investments as set out in Note 7 to our audited consolidated financial statements included elsewhere in this annual report. We report available-for-sale debt investments at fair value at each balance sheet date with the aggregate unrealized gains and losses, net of tax, reflected in "Accumulated other comprehensive loss" in the consolidated balance sheets.

Management determined the fair value of these Level 3 Investments based on valuation models using various unobservable inputs. Valuation techniques are reviewed by an independent and recognized international business valuer before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. Valuation models established with the assistance from the valuer make the use of market inputs and rely as little as possible on our own specific data. However, it should be noted that some inputs, such as revenue growth rate and lack of marketability discounts, require management estimates. Management estimates and assumptions are reviewed periodically and are adjusted if necessary. Should any of the estimates and assumptions changed significantly, it may lead to a material change in the fair value of available-for-sale debt investments. The fair values of the available-for-sale debt investments are set out in Note 7 to the audited consolidated financial statements included elsewhere in this annual report.

In relation to the valuation of the available-for-sale debt investments, we, based on the professional advice received, adopted the following procedures: (i) obtained and reviewed the capability statements and credentials provided by Avista. Based on which, we believe that Avista has significant experience and adequate expertise in valuation services and are therefore qualified to assist us in evaluating the appropriateness of the valuations; (ii) provided the independent valuers with necessary financial and non-financial information as required so as to enable the valuers to perform the pertinent valuation assessment. For the forecast of operation results and cash flow performances, we take a prudently reasonable approach as to determine the significant estimates, including the revenue growth rate, and makes necessary adjustments on periodical basis to reflect the actual development of the underlying business; (iii) keep frequent discussion with valuers and review their valuation work papers and reports. During which, we carefully understand and evaluate the appropriateness and reasonableness of the overall valuation methodologies, computation basis, significant assumptions and estimates therein, including weighted average cost of capital, lack of marketability discounts, expected volatilities and probabilities in equity allocation; and (iv) review the results of the fair value assessments to understand the reasonableness of the changes of the fair values of the investments. Based on the above procedures, we are of the view that the valuation analysis performed by the valuer is fair and reasonable, and the financial statements of our group are properly prepared.

Details of the fair value measurement of available-for-sale debt investments, particularly the fair value hierarchy, the valuation techniques and key inputs, including significant unobservable inputs, the relationship of unobservable inputs to fair value are disclosed in Note 8 of the audited consolidated financial statements included elsewhere in this annual report.

Investment. Our investments include equity method investments, equity securities without readily determinable fair values, equity securities with readily determinable fair values, held to maturity debt securities, and available-for-sale debt securities. We apply equity method in accounting for the investments in entities in which we have the ability to exercise significant influence but do not have control and the investments are in either common stock or in-substance common stock. Unrealized gains on transactions between an affiliated entity and us are eliminated to the extent of our interest in the affiliated entity; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Equity securities without readily determinable fair values are measured and recorded using a measurement alternative that measures the securities at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes. Equity securities with readily determinable fair values are measured and recorded at fair value on a recurring basis with changes in fair value, whether realized or unrealized, recorded through the income statement. Debt securities that we have positive intent and ability to hold to maturity are classified as held to maturity debt securities and are stated at amortized cost.

We have classified our investments in debt securities, other than the held to maturity debt securities, as available-for-sale securities. Available-for-sale debt securities are reported at estimated fair value with the aggregate unrealized gains and losses, net of tax, reflected in "Accumulated other comprehensive loss" in the consolidated balance sheets. If the amortized cost basis of an available-for-sale security exceeds its fair value and if we have the intention to sell the security or it is more likely than not that we will be required to sell the security before recovery of the amortized cost basis, an impairment is recognized in the consolidated statements of income. If we do not have the intention to sell the security and it is not more likely than not that we will be required to sell the security before recovery of the amortized cost basis and we determine that the decline in fair value below the amortized cost basis of an available-for-sale security is entirely or partially due to credit-related factors, the credit loss is measured and recognized as an allowance for credit losses in the consolidated statements of income. The allowance is measured as the amount by which the debt security's amortized cost basis exceeds our best estimate of the present value of cash flows expected to be collected.

We monitor our investments for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, the operating performance of the companies including current earnings trends and other company-specific information. When indicators of impairment exist, we also prepare quantitative measurements of the fair value of our investments using income or market approach, which requires the use of unobservable inputs, such as revenue growth rate, weighted average cost of capital, selection of comparable companies and multiples, expected volatility, discount for lack of marketability and probability of exit events as it relates to liquidation and redemption preferences when applicable. The fair value information is sensitive to changes in the unobservable inputs used to determine fair value and such changes could result in the fair value at the reporting date to be different from the fair value presented.

Goodwill, Intangible Assets and Long-Lived Assets. Goodwill represents the excess of the purchase price over the fair value of the identifiable assets and liabilities acquired as a result of our acquisitions of interests in our subsidiaries and the VIEs. Goodwill is not amortized but is reviewed at least annually for impairment or earlier. We first assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test, by taking into consideration of macroeconomics, overall financial performance, industry and market conditions and the share price of our company. If determined to be necessary, the quantitative impairment test should be used to identify goodwill impairment. Based on the qualitative assessment, if it is more likely than not that the fair value of a reporting unit is less than the carrying amount, the quantitative impairment test is performed. For the quantitative assessment of goodwill impairment, we compare the fair value of the unit to its carrying amount, including goodwill. If the fair value of the reporting unit exceeds its carrying amount, goodwill is not considered to be impaired. If the carrying amount of a reporting unit exceeds its fair value, the amount by which the carrying amount exceeds the reporting unit's fair value is recognized as impairment. Judgment in estimating the fair value of reporting units includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of fair value for each reporting unit. We perform the annual goodwill impairment test as of December 31, or when an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. As of December 31, 2024, we qualitatively assessed various events and circumstances, including macroeconomics conditions, industry and market considerations, our overall financial performance as well as the share price, and concluded by weighing all these factors in their entirety that it was not more likely than not the fair value of our single reporting unit was lower than its carrying value. There was no impairment of goodwill during the years ended December 31, 2022, 2023, and 2024. Separately identifiable intangible assets that have determinable lives continue to be amortized and consist primarily of non-compete agreements, customer list, supplier relationship, technology, business relationship and payment business license as of December 31, 2023 and 2024. We amortize intangible assets on a straight-line basis over their estimated useful lives, which is 2 to 15 years. The estimated life of amortized intangibles is reassessed if circumstances occur that indicate the life has changed. Other intangible assets that have indefinite useful life primarily include trademark and domain names. We evaluate indefinite-lived intangible assets for impairment on an annual basis as of December 31, or an interim basis if events or other circumstances suggest that related fair value is below carrying value. An assessment is made on each December 31 as well to determine whether events and circumstances continue to support an indefinite useful life. Judgment in estimating the fair value of these intangible assets includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of fair value for each asset group. Long-lived assets (including intangible with definite lives) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Reviews are performed to determine whether the carrying value of asset group is impaired, based on comparison to undiscounted expected future cash flows. If this comparison indicates that there is impairment, we recognize impairment of long-lived assets to the extent the carrying amount of such assets exceeds the fair value. In 2022, 2023, and 2024, we did not recognize any impairment charges for goodwill, intangible assets or long-lived assets. If different judgments or estimates had been utilized, however, material differences could have resulted in the amount and timing of the impairment charge.

Share-Based Compensation. We follow ASC 718 "Stock Compensation," to account for the share-based payments. We recognize share-based compensation net of an estimated forfeiture rate and therefore only recognize compensation cost for those shares expected to vest over the service period of the award. We applied the Black-Scholes valuation model in determining the fair value of options granted. Risk-free interest rates are based on US Treasury yield for the terms consistent with the expected life of award at the time of grant. Expected life is based on historical exercise patterns. Expected dividend yield is determined in view of our historical dividend payout rate and future business plan. We estimate expected volatility at the date of grant based on historical volatilities. We recognize compensation expense on all share-based awards on a straight-line basis over the requisite service period. Forfeiture rate is estimated based on historical forfeiture patterns and adjusted to reflect future change in circumstances and facts, if any. If actual forfeitures differ from those estimates, we may need to revise those estimates used in subsequent periods. If the fair value of the underlying equity and any of the assumptions used in the Black-Scholes model changes significantly, share-based compensation expense for future awards may differ materially compared with the awards granted previously.

We calculate incremental compensation cost of a modification as the excess of the fair value of the modified option over the fair value of the original option immediately before its terms are modified, measured based on the share price and other pertinent factors at the modification date. For vested options, we would recognize incremental compensation cost in the period the modification occurs and for unvested options, we would recognize, over the remaining requisite service period, the sum of the incremental compensation cost and the remaining unrecognized compensation cost for the original award on the modification date.

Deferred Tax Valuation Allowances. We provide a valuation allowance on our deferred tax assets to the extent we consider it to be more likely than not that we will be unable to realize all or part of such assets. In assessing the realizability of deferred tax assets, we generally consider cumulative pre-tax losses for recent years to be a significant negative indicator regarding future profitability. We also consider the strength and trend of earnings, as well as other relevant factors. Our future realization of our deferred tax assets also depends on certain other factors, including our ability to generate taxable income within the period during which temporary differences reverse or before our tax loss carry-forwards expire and the outlook for the economy and our industry. We consider these factors at each balance sheet date and determine whether valuation allowances are necessary. Changes in these factors and assumptions could materially affect the valuation allowance on our deferred tax assets. As of December 31, 2022, 2023, and 2024, we recorded deferred tax assets, net of valuation allowances, of RMB1.3 billion, RMB2.6 billion, and RMB3.3 billion (US$446 million), respectively. If, however, unexpected events occur in the future that would prevent us from realizing all or a portion of our net deferred tax assets, an adjustment would result in a charge to income in the period in which such determination was made. As of December 31, 2022, 2023, and 2024, a valuation allowance of RMB1.5 billion, RMB922 million and RMB712 million (US$98 million), respectively, was provided primarily for net operating losses where it is more likely than not that the deferred tax assets resulting from such losses of certain subsidiaries will not be realized. Hence, we recorded valuation allowance against our gross deferred tax assets in order to reduce the deferred tax assets to the amount that is more likely than not to be realized.

Allowance for Expected Credit Losses. Our accounts receivable, prepayments and other current assets (including the receivables of financial services), due from related parties, long-term prepayments and other assets, and long-term receivables due from related parties are within the scope of ASC Topic 326. We have identified the relevant risk characteristics of our customers and the related receivables and prepayments, which include size, type of the reservation services we provide or geographic location of the customer, or a combination of these characteristics. Receivables with similar risk characteristics have been grouped into pools. For each pool, we consider the historical credit loss experience, current economic conditions, supportable forecasts of future economic conditions, and any recoveries in assessing the lifetime expected credit losses. Other key factors that influence the expected credit loss analysis include customer demographics, payment terms offered in the normal course of business to customers, and industry-specific factors that could impact our receivables. Additionally, external data and macroeconomic factors are also considered. This is assessed at each quarter based on our specific facts and circumstances.

Judgments and assumptions are required to estimate the allowance for expected credit losses on receivables from and prepayments to customers and such assumptions may change in future periods. As of December 31, 2022, 2023, and 2024, the allowance for expected credit losses was RMB770 million, RMB496 million, and RMB622 million (US$85 million), respectively.

Results of Operations

The following table sets forth a summary of our consolidated statements of operations for the periods indicated both in amount and as a percentage of total revenues.

	For the Years Ended December 31,						
	2022		2023		2024		
	RMB	%	RMB	%	RMB	US$	%
	(in millions, except for percentages)						
Revenues:							
Accommodation reservation	7,400	37	17,257	39	21,612	2,961	40
Transportation ticketing	8,253	41	18,443	41	20,301	2,781	38
Packaged tours	797	4	3,140	7	4,336	594	8
Corporate travel	1,079	5	2,254	5	2,502	343	5
Others	2,526	13	3,468	8	4,626	634	9
Total revenues	20,055	100	44,562	100	53,377	7,313	100
Less: Sales tax and surcharges	(16)	(0)	(52)	(0)	(83)	(11)	(0)
Net revenues	20,039	100	44,510	100	53,294	7,302	100
Cost of revenues	(4,513)	(23)	(8,121)	(18)	(9,990)	(1,368)	(19)
Gross profit	15,526	77	36,389	82	43,304	5,934	81
Operating expenses:							
Product development[(1)]	(8,341)	(42)	(12,120)	(27)	(13,139)	(1,800)	(25)
Sales and marketing[(1)]	(4,250)	(21)	(9,202)	(21)	(11,902)	(1,631)	(22)
General and administrative[(1)]	(2,847)	(14)	(3,743)	(8)	(4,086)	(560)	(8)
Total operating expenses	(15,438)	(77)	(25,065)	(56)	(29,127)	(3,991)	(55)
Income from operations	88	0	11,324	25	14,177	1,943	27
Interest income	2,046	10	2,090	5	2,341	321	4
Interest expense	(1,514)	(8)	(2,067)	(5)	(1,735)	(238)	(3)
Other income/(expense)	2,015	10	(667)	(1)	2,220	304	4
Income before income tax expense and equity in (loss)/income of affiliates	2,635	12	10,680	24	17,003	2,330	32
Income tax expense	(682)	(3)	(1,750)	(4)	(2,604)	(357)	(5)

	For the Years Ended December 31,						
	2022		2023		2024		
	RMB	%	RMB	%	RMB	US$	%
	(in millions, except for percentages)						
Equity in (loss)/income of affiliates	(586)	(3)	1,072	2	2,828	387	5
Net income	1,367	6	10,002	22	17,227	2,360	32
Net loss/(income) attributable to non-controlling interests and mezzanine classified non-controlling interests	36	0	(84)	(0)	(160)	(22)	(0)
Net income attributable to Trip.com Group Limited	1,403	6	9,918	22	17,067	2,338	32

Note:

(1) Share-based compensation was included in the associated operating expense categories as follows:

	For the Years Ended December 31,						
	2022		2023		2024		
	RMB	%	RMB	%	RMB	US$	%
	(in millions, except for percentages)						
Product development	(567)	(3)	(870)	(2)	(976)	(134)	(2)
Sales and marketing	(115)	(1)	(158)	(0)	(171)	(24)	(0)
General and administrative	(506)	(3)	(806)	(2)	(895)	(123)	(2)

Any discrepancies in the above table between the amounts or percentages identified as total amounts or percentages and the sum of the amounts or percentages listed therein are due to rounding.

2024 compared to 2023

Revenues

Total revenues increased by 20% to RMB53.4 billion (US$7.3 billion) in 2024 from RMB44.6 billion in 2023, primarily driven by resilient travel demand and consumption throughout the year.

Accommodation Reservation. Accommodation reservation revenue increased by 25% to RMB21.6 billion (US$3.0 billion) in 2024 from RMB17.3 billion in 2023. This was in line with the 19% increase in accommodation reservation GMV, primarily driven by robust growth across our domestic, outbound and international markets.

Transportation Ticketing. Transportation ticketing revenue increased by 10% to RMB20.3 billion (US$2.8 billion) in 2024 from RMB18.4 billion in 2023. This was in line with the 8% increase in transportation ticketing GMV, primarily driven by an increase in market demands in transportation reservations.

Packaged Tours. Packaged tours revenue increased by 38% to RMB4.3 billion (US$594 million) in 2024 from RMB3.1 billion in 2023, primarily driven by an increase in market demands in packaged-tour reservations.

Corporate Travel. Corporate travel revenue increased by 11% to RMB2.5 billion (US$343 million) in 2024 from RMB2.3 billion in 2023, primarily driven by more companies adopting our managed corporate travel services.

Others. Other revenues increased to RMB4.6 billion (US$634 million) in 2024 from RMB3.5 billion in 2023.

Cost of Revenues

Cost of revenues increased by 23% to RMB10.0 billion (US$1.4 billion) in 2024 from RMB8.1 billion in 2023, which was in line with the increase in our total revenues.

Operating Expenses

Operating expenses include product development expenses, sales and marketing expenses, and general and administrative expenses.

Product Development. Product development expenses increased by 8% to RMB13.1 billion (US$1.8 billion) in 2024 from RMB12.1 billion in 2023, primarily due to an increase in product development personnel related expenses.

Sales and Marketing. Sales and marketing expenses increased by 29% to RMB11.9 billion (US$1.6 billion) in 2024 from RMB9.2 billion in 2023, primarily due to an increase in sales and marketing related activities .

General and Administrative. General and administrative expenses increased by 9% to RMB4.1 billion (US$560 million) in 2024 from RMB3.7 billion in 2023, primarily due to an increase in general and administrative personnel related expenses.

Interest Income

Interest income remained stable and amounted to RMB2.3 billion (US$321 million) in 2024, as compared to RMB2.1 billion in 2023 .

Interest Expense

Interest expense decreased by 16% to RMB1.7 billion (US$238 million) in 2024 from RMB2.1 billion in 2023, primarily due to the decrease in balance of borrowings and fluctuation in interest rates in 2024.

Other Income/(Expense)

Other income was RMB2.2 billion (US$304 million) in 2024, compared to other expense of RMB667 million in 2023. Other income in 2024 primarily consisted of RMB1.1 billion fair value gain of equity securities investments and exchangeable senior notes, RMB787 million government grants, RMB170 million dividend from long-term investments, partially offset by the RMB122 million impairments of long-term investments. Other expense in 2023 primarily consisted of RMB1.5 billion fair value loss of equity securities investments and exchangeable senior notes and RMB115 million impairments of long-term investments, partially offset by the RMB608 million government grants and RMB177 million dividend from long-term investments.

Income Tax Expense

Income tax expense was RMB2.6 billion (US$357 million) in 2024, compared to RMB1.8 billion in 2023. Our effective income tax rate in 2024 was 15%, compared to 16% in 2023. The change in effective tax rate was primarily due to the combined impacts of (i) changes in the respective profitability of our subsidiaries with different tax rates, (ii) changes in deferred tax liabilities relating to withholding tax, (iii) certain non-taxable income or loss resulting from the fair value changes in equity securities investments and exchangeable senior notes recorded in other income/(expense), and (iv) changes in valuation allowance provided for deferred tax assets.

Equity in (Loss)/Income of Affiliates

Equity in income of affiliates in 2024 was RMB2.8 billion (US$387 million), compared to equity in income of affiliates of RMB1.1 billion in 2023. This was primarily due to the income incurred from our equity method investments in 2024, partially offset by other-than-temporary impairment of certain investments.

2023 compared to 2022

Revenues

Total revenues increased by 122% to RMB44.6 billion in 2023 from RMB20.0 billion in 2022, primarily due to the substantial recovery of travel market.

Accommodation Reservation. Accommodation reservation revenue increased by 133% to RMB17.3 billion in 2023 from RMB7.4 billion in 2022. This was in line with the 170% increase in accommodation reservation GMV, primarily due to the substantial recovery of travel market.

Transportation Ticketing. Transportation ticketing revenue increased by 123% to RMB18.4 billion in 2023 from RMB8.3 billion in 2022. This was in line with the 120% increase in transportation ticketing GMV, primarily due to the substantial recovery of travel market.

Packaged Tours. Packaged tours revenue increased by 294% to RMB3.1 billion in 2023 from RMB797 million in 2022, primarily due to the substantial recovery of travel market.

Corporate Travel. Corporate travel revenue increased by 109% to RMB2.3 billion in 2023 from RMB1.1 billion in 2022, primarily due to the substantial recovery of travel market.

Others. Other revenues increased to RMB3.5 billion in 2023 from RMB2.5 billion in 2022.

Cost of Revenues

Cost of revenues increased by 80% to RMB8.1 billion in 2023 from RMB4.5 billion in 2022, which was in line with the increase in our total revenues.

Operating Expenses

Operating expenses include product development expenses, sales and marketing expenses, and general and administrative expenses.

Product Development. Product development expenses increased by 45% to RMB12.1 billion in 2023 from RMB8.3 billion in 2022, primarily due to an increase in product development personnel related expenses.

Sales and Marketing. Sales and marketing expenses increased by 117% to RMB9.2 billion in 2023 from RMB4.3 billion in 2022, primarily due to an increase in sales and marketing related activities.

General and Administrative. General and administrative expenses increased by 31% to RMB3.7 billion in 2023 from RMB2.8 billion in 2022, primarily due to an increase in general and administrative personnel related expenses.

Interest Income

Interest income remained stable and amounted to RMB2.1 billion in 2023, as compared to RMB2.0 billion in 2022.

Interest Expense

Interest expense increased by 37% to RMB2.1 billion in 2023 from RMB1.5 billion in 2022, primarily due to higher interest rate of long-term debt in 2023.

Other Income/(Expense)

Other expense was RMB667 million (US$94 million) in 2023, compared to other income of RMB2.0 billion in 2022. Other expense in 2023 primarily consisted of RMB1.5 billion fair value loss of equity securities investments and exchangeable senior notes and RMB115 million impairments of long-term investments, partially offset by the RMB608 million government grants and RMB177 million dividend from long-term investments. Other income in 2022 primarily consisted of the RMB1.3 billion fair value gain of equity securities investments and exchangeable senior notes, RMB1.1 billion gain from the fair value remeasurement upon the discontinuance of the equity method of the investment, and RMB618 million government grants, partially offset by the RMB949 million impairments of long-term investments.

Income Tax Expense

Income tax expense increased to RMB1.8 billion in 2023 from RMB682 million in 2022. Our effective income tax rate in 2023 was 16%, compared to 26% in 2022. The change in our effective tax rate was primarily due to the combined impacts of (i) changes in respective profitability of its subsidiaries with different tax rates, (ii) changes in deferred tax liabilities relating to withholding tax, (iii) certain non-taxable income or loss resulting from the fair value changes in equity securities investments and exchangeable senior notes recorded in other income/(expense), and (iv) changes in valuation allowance provided for deferred tax assets.

Equity in (Loss)/Income of Affiliates

Equity in income of affiliates in 2023 was RMB1.1 billion, compared to equity in loss of affiliates of RMB586 million in 2022. This was primarily due to the income incurred from our equity method investments in 2023.

Financial Information Relating to the VIEs

The following tables present the condensed consolidating schedules of financial information of Trip.com Group Limited, our subsidiaries that are the primary beneficiaries of the VIEs, our other subsidiaries, and the VIEs and their subsidiaries for the years and as of the dates indicated.

Condensed Consolidating Schedules of Results of Operations Data

	For the Year Ended December 31, 2024					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Third-party net revenues	—	39,521	3,648	10,125	—	53,294
Inter-company net revenues[1]	—	880	6,407	1,655	(8,942)	—
Third-party cost of revenues and operating expenses	(25)	(28,694)	(3,557)	(6,841)	—	(39,117)
Inter-company cost of revenues and operating expenses[1]	—	(3,116)	(1,010)	(4,816)	8,942	—
(Loss)/Income from operations	(25)	8,591	5,488	123	—	14,177
Share of income/(loss) from subsidiaries and the VIEs[2]	17,466	5,883	628	—	(23,977)	—
Net interest (expense)/income and other (expense)/income	(1,099)	3,250	448	227	—	2,826
Income/(Loss) before income tax expense and equity in income/(loss) of affiliates	16,342	17,724	6,564	350	(23,977)	17,003
Income tax expense	—	(2,194)	(466)	56	—	(2,604)
Equity in income/(loss) of affiliates	725	2,043	110	(50)	—	2,828
Net income/(loss)	17,067	17,573	6,208	356	(23,977)	17,227
Net (income)/loss attributable to non-controlling interests and mezzanine classified non-controlling interests	—	(107)	(59)	6	—	(160)
Net income/(loss) attributable to Trip.com Group Limited	17,067	17,466	6,149	362	(23,977)	17,067

	For the Year Ended December 31, 2023					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Third-party net revenues	—	31,747	4,494	8,269	—	44,510
Inter-company net revenues[1]	—	455	5,663	1,781	(7,899)	—
Third-party cost of revenues and operating expenses	(188)	(22,867)	(3,757)	(6,374)	—	(33,186)
Inter-company cost of revenues and operating expenses[1]	—	(3,170)	(25)	(4,704)	7,899	—
(Loss)/Income from operations	**(188)**	**6,165**	**6,375**	**(1,028)**	**—**	**11,324**
Share of income/(loss) from subsidiaries and the VIEs[2]	12,070	230	(577)	—	(11,723)	—
Net interest (expense)/income and other (expense)/income	(2,065)	5,985	(4,865)	301	—	(644)
Income/(Loss) before income tax expense and equity in income/(loss) of affiliates	**9,817**	**12,380**	**933**	**(727)**	**(11,723)**	**10,680**
Income tax expense	—	(1,158)	(427)	(165)	—	(1,750)
Equity in income/(loss) of affiliates	99	929	91	(47)	—	1,072
Net income/(loss)	**9,916**	**12,151**	**597**	**(939)**	**(11,723)**	**10,002**
Net income attributable to non-controlling interests	—	(78)	—	(6)	—	(84)
Net income/(loss) attributable to Trip.com Group Limited	**9,916**	**12,073**	**597**	**(945)**	**(11,723)**	**9,918**

	For the Year Ended December 31, 2022					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Third-party net revenues	—	14,355	1,997	3,687	—	20,039
Inter-company net revenues[1]	—	148	2,895	648	(3,691)	—
Third-party cost of revenues and operating expenses	(16)	(12,970)	(3,657)	(3,308)	—	(19,951)
Inter-company cost of revenues and operating expenses[1]	—	(1,834)	(3)	(1,854)	3,691	—
(Loss)/Income from operations	**(16)**	**(301)**	**1,232**	**(827)**	**—**	**88**
Share of income/(loss) from subsidiaries and the VIEs[2]	1,550	1,071	111	—	(2,732)	—
Net interest (expense)/income and other (expense)/income	(30)	1,945	210	422	—	2,547
Income/(Loss) before income tax expense and equity in (loss)/income of affiliates	**1,504**	**2,715**	**1,553**	**(405)**	**(2,732)**	**2,635**
Income tax expense	—	(709)	75	(48)	—	(682)
Equity in (loss)/income of affiliates	(101)	(500)	49	(34)	—	(586)
Net income/(loss)	**1,403**	**1,506**	**1,677**	**(487)**	**(2,732)**	**1,367**
Net loss/(income) attributable to non-controlling interests	—	44	—	(8)	—	36
Net income/(loss) attributable to Trip.com Group Limited	**1,403**	**1,550**	**1,677**	**(495)**	**(2,732)**	**1,403**

Notes:

(1) It represents the elimination of the intercompany service charge at the consolidation level. For the years ended December 31, 2022, 2023, and 2024, the service fees of the VIEs and their subsidiaries charged by the primary beneficiaries of the VIEs were RMB1.7 billion, RMB4.3 billion, and RMB4.0 billion, respectively.

(2) It represents the elimination of the investment among Trip.com Group Limited, other subsidiaries, primary beneficiaries of the VIEs, and the VIEs and their subsidiaries.

Condensed Consolidating Schedules of Balance Sheets Data

	As of December 31, 2024					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminations	Consolidated Totals
	(RMB in millions)					
ASSETS						
Cash and cash equivalents	51	38,371	7,277	2,740	—	48,439
Restricted cash	—	2,438	93	123	—	2,654
Short-term investments	—	19,529	6,556	2,390	—	28,475
Accounts receivable	—	11,226	119	1,114	—	12,459
Due from related parties	—	2,745	22	36	—	2,803
Prepayments and other current assets	523	14,129	292	2,346	—	17,290
Amounts due from Group companies[1]	30,663	11,757	6,994	8,567	(57,981)	—
Long-term prepayments and other assets	—	294	22	138	—	454
Land use rights	—	35	42	—	—	77
Property, equipment and software	—	4,613	410	30	—	5,053
Investments	12,391	28,553	4,347	1,903	—	47,194
Investment in subsidiaries and the VIEs[2]	124,988	17,758	8,144	—	(150,890)	—
Goodwill	—	60,686	3	222	—	60,911
Intangible assets	—	12,707	21	35	—	12,763
Right-of-use assets	—	635	77	43	—	755
Deferred tax assets	—	2,473	379	402	—	3,254
Total assets	168,616	227,949	34,798	20,089	(208,871)	242,581
LIABILITIES						
Short-term debt and current portion of long-term debt	3,935	6,068	5,895	3,535	—	19,433
Accounts payable	—	14,657	206	1,715	—	16,578
Due to related parties	—	354	33	10	—	397
Salary and welfare payable	—	3,566	1,586	191	—	5,343
Taxes payable	—	1,558	356	203	—	2,117
Advances from customers	—	14,079	55	3,895	—	18,029
Accrued liability for rewards program	—	1,841	198	413	—	2,452
Other payables and accruals	490	5,937	1,188	2,046	—	9,661
Amounts due to Group companies[1]	1,304	43,497	5,855	7,325	(57,981)	—
Deferred tax liabilities	—	4,085	6	7	—	4,098
Long-term debt	19,518	616	—	—	—	20,134
Long-term lease liability	—	495	44	22	—	561
Other long-term liabilities	—	296	—	—	—	296
Total liabilities	25,247	97,049	15,422	19,362	(57,981)	99,099
Mezzanine equity	—	743	—	—	—	743
Total shareholders' equity	143,369	130,157	19,376	727	(150,890)	142,739
Total liabilities, mezzanine equity and shareholders' equity	168,616	227,949	34,798	20,089	(208,871)	242,581

	As of December 31, 2023					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminations	Consolidated Totals
	(RMB in millions)					
ASSETS						
Cash and cash equivalents	153	26,239	12,375	2,825	—	41,592
Restricted cash	—	1,764	94	533	—	2,391
Short-term investments	—	12,870	4,681	197	—	17,748
Accounts receivable	—	9,999	48	1,363	—	11,410
Due from related parties	—	2,594	35	213	—	2,842
Prepayments and other current assets	311	10,010	352	2,076	—	12,749
Amounts due from Group companies[1]	32,110	10,779	4,273	6,699	(53,861)	—
Long-term prepayments and other assets	—	413	11	239	—	663
Long-term receivables due from related parties	—	—	—	25	—	25
Land use rights	—	37	43	—	—	80
Property, equipment and software	—	4,725	373	44	—	5,142
Investments	11,512	30,680	4,152	2,998	—	49,342
Investment in subsidiaries and the VIEs[2]	103,710	8,781	10,620	—	(123,111)	—
Goodwill	—	58,985	48	339	—	59,372
Intangible assets	—	12,275	—	289	—	12,564
Right-of-use assets	—	607	16	18	—	641
Deferred tax assets	—	2,113	236	227	—	2,576
Total assets	**147,796**	**192,871**	**37,357**	**18,085**	**(176,972)**	**219,137**
LIABILITIES						
Short-term debt and current portion of long-term debt	5,116	9,071	8,425	3,245	—	25,857
Accounts payable	—	13,422	73	2,964	—	16,459
Due to related parties	—	264	32	7	—	303
Salary and welfare payable	—	3,612	1,540	196	—	5,348
Taxes payable	—	1,438	492	108	—	2,038
Advances from customers	—	11,689	54	1,637	—	13,380
Accrued liability for rewards program	—	777	29	238	—	1,044
Other payables and accruals	280	2,333	3,207	2,162	—	7,982
Amounts due to Group companies[1]	559	40,864	6,504	5,934	(53,861)	—
Deferred tax liabilities	—	3,754	1	70	—	3,825
Long-term debt	19,070	24	—	5	—	19,099
Long-term lease liability	—	471	1	5	—	477
Other long-term liabilities	—	319	—	—	—	319
Total liabilities	**25,025**	**88,038**	**20,358**	**16,571**	**(53,861)**	**96,131**
Total shareholders' equity	**122,771**	**104,833**	**16,999**	**1,514**	**(123,111)**	**123,006**
Total liabilities and shareholders' equity	**147,796**	**192,871**	**37,357**	**18,085**	**(176,972)**	**219,137**

Notes:

(1) It represents the elimination of intercompany balances among Trip.com Group Limited, other subsidiaries, primary beneficiaries of the VIEs, and the VIEs and their subsidiaries for treasury cash management purpose.

(2) It represents the elimination of the investment among Trip.com Group Limited, other subsidiaries, primary beneficiaries of the VIEs, and the VIEs and their subsidiaries.

Condensed Consolidating Schedule of Cash Flows Data

	For the Year Ended December 31, 2024					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Net cash (used in)/provided by operating activities[1]	(846)	20,036	4,901	1,434	(5,900)	19,625
Capital contribution to Group companies	—	—	(161)	—	161	—
Cash flows of loan funding provided to group companies, net of repayments received	1,447	1,620	(2,721)	(1,957)	1,611	—
Other investing activities	—	(7,738)	756	930	—	(6,052)
Net cash provided by/(used in) investing activities	1,447	(6,118)	(2,126)	(1,027)	1,772	(6,052)
Capital contribution from Group companies	—	161	—	—	(161)	—
Cash flows of loan funding received from group companies, net of repayments made	745	2,721	(644)	(1,211)	(1,611)	—
Cash paid for repurchasing of ordinary shares	(2,172)	—	—	—	—	(2,172)
Dividends for ordinary shareholders	—	(900)	(5,000)	—	5,900	—
Other financing activities	313	(2,606)	(2,530)	285	—	(4,538)
Net cash (used in)/provided by financing activities	(1,114)	(624)	(8,174)	(926)	4,128	(6,710)

	For the Year Ended December 31, 2023					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Net cash (used in)/provided by operating activities[1]	**(1,536)**	**18,260**	**8,088**	**1,092**	**(3,900)**	**22,004**
Cash flows of loan funding provided to group companies, net of repayments received	1,775	(3,615)	346	(1,182)	2,676	—
Other investing activities	—	5,639	(1,011)	1,291	—	5,919
Net cash provided by/(used in) investing activities	**1,775**	**2,024**	**(665)**	**109**	**2,676**	**5,919**
Cash flows of loan funding received from group companies, net of repayments made	(18)	(803)	2,714	783	(2,676)	—
Cash paid for repurchasing of ordinary shares	(1,617)	—	—	—	—	(1,617)
Dividends for ordinary shareholders	—	(400)	(3,500)	—	3,900	—
Other financing activities	421	(2,347)	2,961	(1,965)	—	(930)
Net cash (used in)/provided by financing activities	**(1,214)**	**(3,550)**	**2,175**	**(1,182)**	**1,224**	**(2,547)**

	For the Year Ended December 31, 2022					
	Trip.com Group Limited	Other Subsidiaries	Primary Beneficiaries of the VIEs	The VIEs and their Subsidiaries	Eliminating Adjustments	Consolidated Totals
	(RMB in millions)					
Net cash (used in)/provided by operating activities[1]	**(682)**	**3,508**	**1,492**	**(1,677)**	**—**	**2,641**
Capital contribution to Group companies	(580)	—	(3,550)	—	4,130	—
Cash flows of loan funding provided to group companies, net of repayments received	(758)	6,060	2,589	3,958	(11,849)	—
Other investing activities	—	(2,777)	3,554	359	—	1,136
Net cash (used in)/provided by investing activities	**(1,338)**	**3,283**	**2,593**	**4,317**	**(7,719)**	**1,136**
Capital contribution from Group companies	—	4,130	—	—	(4,130)	—
Cash flows of loan funding received from group companies, net of repayments made	(1)	(5,490)	1,438	(7,796)	11,849	—
Other financing activities	2,093	(7,182)	(2,606)	839	139	(6,717)
Net cash provided by/(used in) financing activities	**2,092**	**(8,542)**	**(1,168)**	**(6,957)**	**7,858**	**(6,717)**

Note:

(1) For the years ended December 31, 2022, 2023, and 2024, cash paid by the VIEs to the primary beneficiaries of the VIEs for service fees were RMB1.7 billion, RMB4.3 billion, and RMB4.0 billion, respectively.

B. ***Liquidity and Capital Resources***

Liquidity

The following table sets forth the summary of our cash flows for the periods indicated:

	For the Years Ended December 31,			
	2022	2023	2024	
	RMB	RMB	RMB	US$
	(in millions)			
Net cash provided by operating activities	2,641	22,004	19,625	2,692
Net cash provided by /(used in) investing activities	1,136	5,919	(6,052)	(828)
Net cash used in financing activities	(6,717)	(2,547)	(6,710)	(921)
Effect of foreign exchange rate changes on cash and cash equivalents, restricted cash	231	120	247	31
Net (decrease)/increase in cash and cash equivalents, restricted cash	(2,709)	25,496	7,110	974
Cash and cash equivalents, restricted cash, beginning of year	21,196	18,487	43,983	6,026
Cash and cash equivalents, restricted cash, end of year	18,487	43,983	51,093	7,000

Net cash provided by operating activities in 2024 was RMB19.6 billion (US$2.7 billion) compared to net cash provided by operating activities of RMB22.0 billion in 2023. The decrease was primarily due to increased cash used to fund working capital, since the growth rate of our business normalized in 2024 and there was a significant decrease in accounts payable. The effect of changes in working capital was partially offset by higher net income after adjusting for impacts on non-cash items. Net income had an improvement of RMB7.2 billion. Non-cash items were principally associated with share-based compensation expenses, fair value income for equity securities investment and exchangeable senior notes and equity in income from affiliates.

Net cash provided by operating activities in 2023 was RMB22.0 billion compared to net cash provided by operating activities of RMB2.6 billion in 2022. The increase was primarily driven by an improvement of RMB8.6 billion in net income, along with changes in non-cash items and cash used to fund working capital. The changes in non-cash items in 2023, as compared to 2022, were primarily due to fair value losses for equity securities investment and exchangeable senior notes, partially offset by equity in income from affiliates and fluctuation of impairments of long-term investments. The changes in working capital in 2023, as compared to 2022, were primarily due to a significant increase in accounts payable and advances from customers, partially offset by an increase in accounts receivable and due from related parties, both resulting from the substantial recovery of travel market.

Net cash used in investing activities in 2024 amounted to RMB6.1 billion (US$828 million), compared to net cash provided by investing activities of RMB5.9 billion in 2023 and net cash provided by investing activities of RMB1.1 billion in 2022. The change in 2024 in comparison to 2023 was primarily due to net cash outflows for short-term investments. The change in 2023 in comparison to 2022 was primarily due to the increase in net cash flows provided by maturities of held-to-maturity investments and a decrease in cash paid for long-term investments.

Net cash used in financing activities in 2024 amounted to RMB6.7 billion (US$921 million), compared to net cash used in financing activities amounted to RMB2.5 billion in 2023 and net cash used in financing activities of RMB6.7 billion in 2022. We did not make any dividend payment in 2022, 2023, and 2024. Net cash used in financing activities in 2024 was mainly due to repayment of bank loans which were partially offset by the net cash proceeds from the issuance of the 2029 Notes. Net cash used in financing activities in 2023 was mainly due to the repayment of long-term and short-term loans and share repurchase which were partially offset by the cash proceeds from long-term bank loans and securitization debt. Net cash used in financing activities in 2022 was mainly due to the repayment of short-term loans, securitization debt and the 1.25% convertible senior notes due 2022, which were partially offset by the cash proceeds from long-term bank loans.

Under PRC laws and regulations, our subsidiaries are required to set aside at least 10% of their respective after-tax profits each year, if any, to statutory reserve funds, unless such reserve funds have reached 50% of their respective registered capital. These reserve funds are not distributable as cash dividends and dividends cannot be distributed until any losses from prior fiscal years have been offset.

In November 2023, our board of directors adopted a regular capital return policy to benefit our shareholders and ADS holders in the form of discretionary annual share repurchases, discretionary annual cash dividend declarations, or a combination thereof, commencing from the year 2024. Under the policy, our board of directors reserves the discretion relating to the determination of the form, timing, and amount of the capital return measures in any particular year, depending on our financial condition, results of operations, cash flow, capital requirements, and other relevant factors.

In February 2024, pursuant to the regular capital return policy, our board of directors approved and authorized us to implement strategic capital return initiatives, which include share repurchases, from time to time for an aggregate value up to US$300 million. In February 2025, pursuant to the regular capital return policy, our board of directors approved and authorized us to implement additional strategic capital return initiatives, which include (i) a cash dividend of US$0.30 per ordinary share, or US$0.30 per ADS, to holders of ordinary shares and holders of ADSs, with an aggregate amount of approximately US$200 million, and (ii) share repurchases, from time to time, for an aggregate value of up to US$400 million of our ordinary shares and/or ADSs.

Capital Resources

As of December 31, 2024, our principal sources of liquidity have been cash generated from operating activities, borrowings from third-party lenders, and the proceeds we received from our public offerings of ordinary shares and our offerings of convertible senior notes and exchangeable senior notes. Our cash and cash equivalents consist of cash on hand and liquid investments which are unrestricted as to withdrawal or use. Our financing activities consist of issuance and sale of our ordinary shares, convertible senior notes and exchangeable senior notes to investors and borrowings from third-party lenders. As of the date of this annual report, we have convertible senior notes outstanding in an aggregate principal amount of US$1.5 billion, consisting of US$3.9 million of our 1.99% convertible senior notes due 2025 and US$1.5 billion of our 0.75% convertible senior notes due 2029, exchangeable senior notes outstanding in an aggregate principal amount of US$500 million, and one major facility loan outstanding under which the aggregate outstanding principal balance is US$1.2 billion.

Except as disclosed in this annual report, we have no outstanding bank loans or financial guarantees or similar commitments to guarantee the payment obligations of third parties. Based on our liquidity assessment, we believe that our cash flow from operations and proceeds from our financing activities will be sufficient to meet our anticipated cash needs, including our cash needs for working capital and capital expenditures, for the foreseeable future and for at least 12 months subsequent to the filing of this annual report. We may, however, require additional cash resources due to changing business conditions or other future developments, including any investments or acquisitions we may decide to pursue. See also “Item 3. Key Information —D. Risk Factors—Risks Relating to Our Business and Industry—We may need additional capital and we may not be able to obtain it.”

Off-balance Sheet Arrangements

In connection with our air ticketing business, we are required by the China Air Transport Association and International Air Transport Association to enter into guarantee arrangements and to pay deposits. The unused deposits are repaid at the end of the guaranteed period on an annual basis. As of December 31, 2024, the total quota of the air tickets that we were entitled to issue was up to RMB1.1 billion (US$152 million). The total amount of the deposit we paid was RMB149 million (US$20 million).

Based on the guarantee arrangements, the maximum amount of the future payments is approximately RMB961 million (US$132 million), which is the guaranteed amount of the air ticket that we could issue rather than a financial guarantee. We will be liable to pay only when we issue the air tickets to our users and such payable is included in the accounts payable. Therefore, we believe the guarantee arrangements do not constitute any contractual and constructive obligation of us and has not recorded any liability beyond the amount of the tickets that have already been issued.

Material Cash Requirements

Our material cash requirements as of December 31, 2024 primarily included our debt obligations and capital expenditure commitments.

Our debt obligations consist of the principal and interest amounts in connection with our convertible and exchangeable senior notes, term loans and other debts. Payment due within one year from December 31, 2024 for our debt obligations amounted to RMB20.0 billion (US$2.7 billion). Payment due after one year from December 31, 2024 for our debt obligations amounted to RMB20.6 billion (US$2.8 billion).

The following sets forth our major debt obligations as of December 31, 2024 which require payments in subsequent periods. We were in compliance with all of the applicable debt covenants as of December 31, 2024.

- In June 2015, we issued convertible senior notes in an aggregate principal amount of US$400 million, which may be converted into our ADSs, at each holder's option, at any time prior to the close of business on the second business day immediately preceding the maturity date of July 1, 2025 based on an initial conversion rate of 9.3555 of our ADSs per US$1,000 principal amount of notes. The conversion rate is subject to adjustment upon occurrence of certain events. These convertible senior notes bear interest at a rate of 1.99% per year, payable semiannually in arrears on January 1 and July 1 of each year, beginning on January 1, 2016. In July 2020, we completed our put right offer relating to these convertible senior notes at an aggregate purchase price of US$395 million. As of December 31, 2024, the outstanding principal amount of the convertible senior notes was US$3.9 million.
- In July 2020, we issued the US$500 million in aggregate principal amount of 1.50% exchangeable senior notes due 2027, or the 2020 Exchangeable Notes. The 2020 Exchangeable Notes are exchangeable, at the option of the holders and subject to certain conditions, into cash, ADSs of H World, or a combination thereof, at our election subject to certain conditions. The initial exchange rate of the 2020 Exchangeable Notes is 24.7795 H World ADSs per US$1,000 principal amount of the notes. The 2020 Exchangeable Notes bear interest at a rate of 1.50% per year, payable semiannually beginning on January 1, 2021. Holders of the 2020 Exchangeable Notes may require us to repurchase all or part of their 2020 Exchangeable Notes for cash on each of July 1, 2023 and July 1, 2025 at a repurchase price equal to 100% of the principal amount of the 2020 Exchangeable Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the repurchase date, in accordance with the terms and conditions set forth in the indenture, as amended and supplemented, for the 2020 Exchangeable Notes. In addition, we may redeem the 2020 Exchangeable Notes subject to certain conditions.
- In December 2022, we entered into a facility agreement as a borrower with certain financial institutions for a US$1,488 million and HK$80 million dual tranche term loan facility (equivalent to around US$1.5 billion in aggregate). The facility has a 3-year tenor. The proceeds borrowed under this facility will first be used for refinancing our certain existing transferrable term and revolving loan facilities, and the remaining portion may then be used for general corporate purposes. As of December 31, 2024, US$1,188 million and HK$80 million was outstanding under this facility.
- In June 2024, we issued US$1.5 billion in aggregate principal amount of 0.75% convertible senior notes due 2029, or the 2029 Notes. The 2029 Notes are convertible, at the option of the holders and subject to certain conditions, into our ADSs at an initial conversion rate of 15.0462 ADSs per US$1,000 principal amount of the notes. The 2029 Notes bear interest at a rate of 0.75% per year, payable semiannually beginning on December 15, 2024. Holders of the 2029 Notes may require us to repurchase all or part of their 2029 Notes for cash on June 15, 2027 at a repurchase price equal to 100% of the principle amount of the 2029 Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the repurchase date, in accordance with the terms of conditions set forth in the indenture, as amended and supplemented, for the 2029 Notes.

Our capital expenditure commitments primarily consist of contracted future purchases of property, equipment, and software. The unpaid purchase price due within one year after December 31, 2024 was RMB95 million (US$13 million) as of December 31, 2024. No unpaid purchase price due after one year from December 31, 2024.

We intend to fund our existing and future material cash requirements with our existing cash balance and other financing alternatives. We will continue to make cash commitments, including capital expenditures, to support the growth of our business.

Other than as discussed above, we did not have any significant capital and other commitments, long-term obligations, or guarantees as of December 31, 2024. While the above indicates our material cash requirements as of December 31, 2024, the actual amounts we are eventually required to pay may be different in the event that any agreements are renegotiated, canceled or terminated.

Holding Company Structure

Trip.com Group Limited is a holding company with no material operations of its own. We conduct our operations primarily through our subsidiaries, and the VIEs and VIEs' subsidiaries in China. As a result, our ability to pay dividends mainly depends upon dividends paid by our PRC subsidiaries. If our existing PRC subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiaries in China are permitted to pay dividends to us only out of their retained earnings, if any, as determined based on PRC accounting standards and regulations. Under PRC law, each of our subsidiaries, and the VIEs and VIEs' subsidiaries in China is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. Some of our PRC subsidiaries and VIEs is required to allocate a portion of its after-tax profits after contribution of statutory reserve funds based on PRC accounting standards to a discretionary surplus funds at its discretion. The statutory reserve funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of China is subject to examination by the banks designated by SAFE.

Cash and Asset Flows Through Our Organization

The ability to transfer cash and other assets within our organization may be subject to conditions and restrictions pursuant to the applicable laws and regulations. For example, under the PRC laws and regulations, Trip.com Group Limited may provide funding to its PRC subsidiaries only through capital contributions or loans, and to the VIEs only through loans, subject to satisfaction of applicable government registration and approval requirements. Trip.com Group Limited's ability to pay dividends to the shareholders and the ADS holders and to service any debt it may incur may depend upon dividends paid by its PRC subsidiaries and license and service fees paid by the VIEs. Additionally, under the PRC laws and regulations, our PRC subsidiaries and the VIEs are subject to certain restrictions with respect to payment of dividends or otherwise transfers of any of their net assets to us. Remittance of dividends by a wholly foreign-owned enterprise out of China is also subject to examination by the banks designated by the State Administration of Foreign Exchange, or SAFE, and the People's Bank of China. These restrictions are benchmarked against the paid-up capital and the statutory reserve funds of our PRC subsidiaries and the net assets of the VIEs in which we have no legal ownership. As of December 31, 2022, 2023, and 2024, the total amount of such restriction to which our PRC subsidiaries and the VIEs are subject was RMB6.2 billion, RMB7.6 billion, and RMB8.8 billion (US$1.2 billion), respectively. Furthermore, cash transfers from our PRC subsidiaries and the VIEs to entities outside of China are subject to PRC government regulation on currency conversion or cross-border payment. As a result, the funds in our PRC subsidiaries or the VIEs in China may not be available to fund operations or for other use outside of China due to interventions in, or the imposition of restrictions and limitations on, the ability of our holding company, our subsidiaries, or the VIEs by the PRC government on such currency conversion. For details, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Multi-jurisdictional Operations—Restrictions on currency exchange may adversely affect our operations."

Our company has established a centralized cash management policy to direct how funds are transferred between Trip.com Group Limited, our subsidiaries, and the VIEs to improve the efficiency and ensure the security of cash management, and cash is centrally managed by the treasury. Funds are transferred among Trip.com Group Limited, our subsidiaries, and the VIEs through our cash pooling structure, intercompany loans, and deposits or entrusted loans, depending on the circumstances and taking the regulatory and taxation requirements into consideration.

Our board of directors has complete discretion as to whether we will distribute dividends in the future, subject to applicable laws. Even if our board of directors determines to distribute dividends, the form, frequency, and amount of our dividends will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, potential tax implications, and other factors as the board of directors may deem relevant. Any dividend we declare will be paid to the holders of ADSs, subject to the terms of the deposit agreement, to the same extent as holders of our ordinary shares, less the fees and expenses payable under the deposit agreement. Any dividend we declare will be distributed by the depositary bank to the holders of ADSs. Cash dividends on our ordinary shares, including those represented by the ADSs, if any, will be paid in U.S. dollars. For more details, see "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy."

For the years ended December 31, 2022, 2023, and 2024, Trip.com Group Limited provided capital contributions of RMB580 million, nil, and nil to its subsidiaries, respectively.

For the years ended December 31, 2022, 2023, and 2024, Trip.com Group Limited's cash flows of loan funding provided to its subsidiaries, net of repayments received, were net cash outflows of RMB758 million, net cash inflows of RMB1.8 billion, and net cash inflows of RMB1.4 billion, respectively.

For the years ended December 31, 2022, 2023, and 2024, our subsidiaries did not extend any loan funding to Trip.com Group Limited.

For the years ended December 31, 2022, 2023, and 2024, the VIEs' cash flows of loan funding provided to our subsidiaries, net of repayments received, were net cash inflows of RMB4.0 billion, net cash outflows of RMB1.2 billion, and net cash outflows of RMB2.0 billion, respectively.

For the years ended December 31, 2022, 2023, and 2024, the VIEs' cash flows of loan funding received from our subsidiaries, net of repayments made, were net cash outflows of RMB7.8 billion, net cash inflows of RMB0.8 billion, and net cash outflows of RMB1.2 billion, respectively.

For the years ended December 31, 2022, 2023, and 2024, no subsidiary paid dividends or made other distributions to our Cayman Islands holding company. For the years ended December 31, 2022, 2023 and 2024, our PRC subsidiaries made dividend distributions in an aggregate amount of nil, RMB7.2 billion and RMB9.7 billion to their holding company in Hong Kong, Ctrip.com (Hong Kong) Limited, respectively. These dividend distributions were subject to 5% withholding tax as disclosed in Note 15 to our consolidated financial statements included elsewhere in this annual report on Form 20-F.

Trip.com Group Limited has not declared or paid any cash dividends for the years ended December 31, 2022, 2023, and 2024. In November 2023, our board of directors adopted a regular capital return policy to benefit our shareholders and ADS holders in the form of discretionary annual share repurchases, discretionary annual cash dividend declarations, or a combination thereof, commencing from the year 2024. In February 2025, pursuant to the regular capital return policy, our board of directors approved a cash dividend of US$0.30 per ordinary share, or US$0.30 per ADS, to holders of ordinary shares and holders of ADSs. The aggregate amount of the dividend was approximately US$200 million. Our board of directors has complete discretion as to whether we will distribute dividends in the future, subject to applicable laws. See "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy." For the material Cayman Islands, PRC, and U.S. federal income tax consequences of an investment in our ADSs or ordinary shares, see "Item 10. Additional Information—E. Taxation."

C. *Research and Development, Patents and Licenses, etc.*

Our research and development efforts consist of continuing to develop our proprietary technology as well as incorporating new technologies from third parties. We intend to continue to upgrade our proprietary booking, customer relationship management and yield management software to keep up with the continued growth in our transaction volume and the rapidly evolving technological conditions. We will also seek to continue to enhance our electronic confirmation system and promote such system with more hotel suppliers, as we believe that the electronic confirmation system is a cost-effective and convenient way for hotels to interface with us.

In addition, we have utilized and will continue to utilize the products and services of third parties to support our technology platform.

D. ***Trend Information***

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the period since January 1, 2025 that are reasonably likely to have a material effect on our net revenues, income, profitability, liquidity or capital resources, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial condition.

E. ***Critical Accounting Estimates***

For our critical accounting estimates, see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Critical Accounting Policies and Estimates."

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. ***Directors and Senior Management***

The names of our current directors and senior management, their ages as of the date of this annual report, and the principal positions with Trip.com Group Limited held by them are as follows:

Directors and Executive Officers	Age	Position/Title
James Jianzhang Liang	55	Co-founder; Executive Chairman of the Board
Min Fan	59	Co-founder; Vice Chairman of the Board and President
Jane Jie Sun	56	Chief Executive Officer and Director
Cindy Xiaofan Wang	49	Chief Financial Officer and Executive Vice President
Xing Xiong	51	Chief Operating Officer
Neil Nanpeng Shen[(1)(2)]	57	Co-founder; Independent Director
Qi Ji[(2)]	58	Co-founder; Independent Director
Gabriel Li[(1)]	57	Vice Chairman of the Board; Independent Director
JP Gan[(1)(2)]	53	Independent Director
Rong Luo	43	Director

Notes:

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

Pursuant to the currently effective articles of association of our company, our board of directors consists of eight directors, including without limitation (i) three directors appointed by our co-founders consisting of Messrs. James Jianzhang Liang, Neil Nanpeng Shen, Qi Ji, and Min Fan, subject to the approval of a majority of our independent directors; and (ii) one director who is the current chief executive officer of our company. Each of our directors will hold office until such director's successor is elected and duly qualified, or until such director's earlier death, bankruptcy, insanity, resignation or removal. There are no family relationships among any of the directors or executive officers of our company.

Biographical Information

James Jianzhang Liang is one of the co-founders and the executive chairman of our company. He has served as a member of our board of directors since our inception and has been the chairman of the board since August 2003. Mr. Liang served as our chief executive officer from 2000 to 2006 and from March 2013 to November 2016. Mr. Liang has served as a director of MakeMyTrip Limited (Nasdaq: MMYT) since January 2016, a director of BTG Hotels Group (SHSE: 600258) since January 2017, and a director of Tongcheng Travel Holdings Limited (formerly known as Tongcheng-Elong Holdings Limited) (SEHK: 0780) since 2016. Mr. Liang formerly served on the boards of Sina Corporation (Nasdaq: SINA, delisted and privatized in March 2021), Tuniu Corporation (Nasdaq: TOUR), eHi Car Services Limited (NYSE: EHIC, delisted and privatized in April 2019), 51job, Inc (Nasdaq: JOBS, delisted and privatized in May 2022), Jiayuan.com International Ltd. (Nasdaq: DATE, delisted and privatized in May 2016), and Homeinns Hotel Group (Nasdaq: HMIN, delisted and privatized in April 2016). Mr. Liang has won many accolades for his contributions to the Chinese travel industry, including Best CEO in the internet category in the 2016 All-Asia Executive Team Rankings by Institutional Investor and 2015 China's Business Leader of the Year by Forbes. Mr. Liang obtained his master's and bachelor's degrees from Georgia Institute of Technology in the United States.

Min Fan is one of the co-founders of our company. Mr. Fan has been a member of our board of directors since October 2006 and has served as the vice chairman of our board of directors since March 2013. Mr. Fan has served as our president since February 2009. He also served as our chief executive officer from January 2006 to March 2013, as our chief operating officer from November 2004 to January 2006, and as our executive vice president from 2000 to November 2004. During his tenure as our chief executive officer, Mr. Fan was named one of the Top 10 Pioneer Leaders of the Year on the 2010 APEC China SME Value List, 2008 EY Entrepreneur of the Year (Services Category) and 2007 Best New Economic Figure of the Year. In 2009 and 2016, Mr. Fan was elected Vice Chairman of the Board of the China Tourism Association. Mr. Fan has served as an independent director of Leju Holdings Limited (NYSE: LEJU) since April 2014. He served as a director of H World Group Limited (Nasdaq: HTHT; SEHK: 1179) from March 2010 to January 2018. Mr. Fan obtained his master's and bachelor's degrees in industrial engineering and management from Shanghai Jiao Tong University in January 1990 and July 1987, respectively.

Jane Jie Sun has served as the chief executive officer of our company, as well as a member of the board of directors, since November 2016. Prior to that, she was a co-president since March 2015, chief operating officer since May 2012, and chief financial officer from 2005 to 2012. Ms. Sun is vice chair of the World Travel and Tourism Council, co-chair of the Development Advisory Board of University of Michigan and Shanghai Jiao Tong University Joint Institute, and a board member and Business Leaders Group Committee member of Business China established by Singapore's Founding Prime Minister Mr. Lee Kuan Yew. In 2019, Ms. Sun was awarded an Asia Society Asia Game Changer Award. Forbes named her one of the Emergent 25 Asia's Latest Star Businesswomen in 2018, and one of the Top 100 Businesswomen in China in 2017. She was also one of Fortune's Top 50 Most Powerful Women in Business, and one of Fast Company's Most Creative People in Business in 2017. During her tenure at our company, she also won the Institutional Investor Awards for the Best CEO in July 2017 and the Best CFO in July 2011 and 2012. Ms. Sun received her bachelor's degree in science in accounting from the Fisher School of Accounting at the University of Florida in August 1992 with high honors. She also obtained her LL.M. degree from Peking University Law School in July 2010. Ms. Sun has been a director of TripAdvisor, Inc. (Nasdaq: TRIP) since July 2020, a director of MakeMyTrip Limited (Nasdaq: MMYT) since August 2019, and an independent director of AIA Group Limited (SEHK: 1299) since June 2021.

Cindy Xiaofan Wang has served as our chief financial officer since November 2013 and executive vice president since May 2016. Prior to that, she was our Vice President since January 2008. Ms. Wang joined us in December 2001 and has held a number of managerial positions at our company. Ms. Wang won the Best CFO Award by Institutional Investor in the 2017 All-Asia Executive Team Rankings in 2017, and China Best CFO Leadership Award by SNAI/ACCA/Korn Ferry in 2021. Previously, Ms. Wang worked with PricewaterhouseCoopers Zhong Tian CPAs Limited Company from 1997 to 1999. Ms. Wang has been a director of MakeMyTrip Limited (Nasdaq: MMYT) since August 2019. She also served on the board of directors of H World Group Limited (Nasdaq: HTHT; SEHK: 1179) from January 2018 to July 2020. Ms. Wang received a Master of Business Administration from Massachusetts Institute of Technology in 2013 and obtained her bachelor's degree from Shanghai Jiao Tong University in 1997. Ms. Wang is a Certified Public Accountant (CPA).

Xing Xiong has served as our chief operating officer since February 2021, and is currently in charge of air ticketing, accommodation, corporate travel, technology, international business, and other areas of our group. Mr. Xiong became our executive vice president in 2016. He was appointed senior vice president of our Trip.com brand in 2015, chief executive officer of our air ticketing business in 2014, and vice president of technology in 2013. Mr. Xiong joined us as senior R&D director in 2013. Prior to joining us, Mr. Xiong held several management positions in the research and development teams of Microsoft and Expedia. He has over 20 years of technology and management experience. He holds a bachelor's degree in Computer Science from Peking University, and a master's degree in Computer Science from Northeastern University in the United States.

Neil Nanpeng Shen is one of the co-founders of our company and has been our company's director since our inception and an independent director since October 2008. Neil Nanpeng Shen founded HongShan (formerly known as Sequoia China) in 2005 and has been serving as the founding managing partner since then. Mr. Shen served as our president from August 2003 to October 2005 and as chief financial officer from 2000 to October 2005. Mr. Shen also co-founded and served as non-executive co-chairman of Homeinns Hotel Group (formerly known as Home Inns & Hotels Management Inc.) (Nasdaq: HMIN, delisted), a leading economy hotel chain in China, which commenced operations in July 2002. Mr. Shen also served as a non-executive director of BTG Hotels Group (SHSE: 600258) from January 2017 to April 2024, and a non-executive director of Meituan (SEHK: 3690) from October 2015 to June 2024. Mr. Shen received his master's degree from Yale University in November 1992 and his bachelor's degree in applied mathematics from Shanghai Jiao Tong University in July 1988.

Qi Ji is one of the co-founders of our company. He has served as our director since our inception and as an independent director since 2008. He was the chief executive officer and president of our Company from 1999 to 2001. Mr. Ji founded H World Group Limited (Nasdaq: HTHT; SEHK: 1179), served as its director since February 2007. He has also served as the executive chairman of its board since August 2009 and its chief executive officer from November 2019 to September 2021. Prior to his current role, he also served at H World Group Limited as chief executive officer from January 2012 to May 2015 and from 2007 to August 2009. Mr. Ji has over 20 years of experience in the hospitality industry. He co-founded Homeinns Hotel Group (formerly known as Home Inns & Hotels Management Inc.) (Nasdaq: HMIN, delisted), and served as its chief executive officer from 2002 to January 2005. He received his bachelor's degree in engineering mechanics and master degree in mechanical engineering from Shanghai Jiao Tong University in China in 1989 and February 1992, respectively.

Gabriel Li has served at different times on our board of directors since March 2000. Mr. Li has been vice chairman of our board since August 2003 and an independent director since October 2003. Mr. Li has been serving as the managing partner and a member of the investment committee of Orchid Asia Group Management Limited since August 2004. Mr. Li was a non-executive director of Qeeka Home (Cayman) Inc. (SEHK: 1739) from April 2015 to November 2024, and a director of Sangfor Technologies Inc. (SZSE: 300454) from January 2017 to December 2019. Mr. Li graduated from the University of California in Berkeley, the United States, with a bachelor's degree in chemical engineering in May 1990. He received his master of science degree in chemical engineering practice from the Massachusetts Institute of Technology in the United States in September 1991, and his master's degree in business administration from Stanford University Business School in the United States in June 1995.

JP Gan has served as our director since April 2002, and as an independent director since July 2005. Mr. Gan has been a founding partner of INCE Capital Limited since 2019. From December 2006 to June 2019, Mr. Gan was a managing partner of Qiming Venture Partners. From July 2005 to December 2006, Mr. Gan was the chief financial officer of KongZhong Corporation (Nasdaq: KZ, delisted), a wireless internet company formerly listed on Nasdaq. Mr. Gan has been an independent director of BiliBili Inc. (Nasdaq: BILI, SEHK: 9626) since January 2015. Mr. Gan obtained his master's degree in business administration from the University of Chicago Graduate School of Business in June 1999 and his bachelor's degree in business administration from the University of Iowa in May 1994.

Rong Luo has served as our director since February 2025. Mr. Luo has served as the executive vice president of Baidu since October 2024 and previously served as the chief financial officer of Baidu from November 2021 to October 2024. Prior to joining Baidu, Mr. Luo served as the chief financial officer of TAL Education Group (NYSE: TAL) from November 2014 to October 2021 and played several key management roles. Prior to that, Mr. Luo was the chief financial officer of eLong Inc. from 2013 to 2014. Before that, Mr. Luo held different financial management positions at Lenovo Group and Microsoft. Mr. Luo holds bachelor's degrees in both information management and systems and economics from Peking University, a master's degree in management science and engineering from Tsinghua University, and a Ph.D. degree in management science from Peking University.

B. ***Compensation***

We have entered into a standard form of director agreement with each of our directors. Under these agreements, we paid cash compensation (inclusive of directors' fees) to our directors in an aggregate amount of US$1.8 million in 2024. Directors are reimbursed for all expenses incurred in connection with each Board of Directors meeting and when carrying out their duties as directors of our company. See "Item 6. Directors, Senior Management and Employees—B. Compensation—Employees' Share Incentive Plans" for options granted to our directors in 2024.

We have entered into standard forms of employment agreements with our executive officers. Under these agreements, we paid cash compensation to our executive officers in an aggregate amount of US$2.1 million in 2024, excluding compensation paid to Min Fan, James Jianzhang Liang, and Jane Jie Sun, who also serve and receive compensation as our executive directors. These agreements provide for terms of service, salary and additional cash compensation arrangements, all of which have been reflected in the 2024 aggregate compensation amount. See "Item 6. Directors, Senior Management and Employees—B. Compensation—Employees' Share Incentive Plans" for options granted to our executive officers in 2024.

Our PRC subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, housing fund, unemployment and other statutory benefits. Except for the above statutory contributions, we have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors.

Employees' Share Incentive Plans

Our board of directors has made share-based awards under five share incentive plans, namely, the Global Share Incentive Plan, as amended and restated in July 2018 and further amended and restated in December 2019, which we refer to as the Second A&R Global Plan, the 2007 Share Incentive Plan, the 2005 Employees' Stock Option Plan, the 2003 Employees Stock' Option Plan, and the 2000 Employees' Stock Option Plan. The terms of the 2005 Employees' Stock Option Plan, the 2003 Employees' Stock Option Plan, and the 2000 Employees' Stock Option Plan were substantially similar. The purpose of these plans is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees, officers and directors and to promote the success of our business. Our board of directors believes that our company's long-term success is dependent upon our ability to attract and retain superior individuals who, by virtue of their ability and qualifications, make important contributions to our business.

The 2007 Share Incentive Plan, the 2005 Employees' Stock Option Plan, the 2003 Employees' Stock Option Plan, and the 2000 Employees' Stock Option Plan have all expired. Under the Second A&R Global Plan, the maximum aggregate number of ordinary shares that may be issued pursuant to awards was 178,419,933 as of the first business day of 2025, with annual increases on January 1 of each subsequent calendar year by the number of ordinary shares representing 3% of our then total issued and outstanding share capital as of December 31 of the preceding year until the termination of the plan. Under the 2007 Share Incentive Plan, options to purchase 11,378,891 shares were granted and outstanding as of February 28, 2025. Under the Second A&R Global Plan, options to purchase 79,363,004 shares and 281,249 restricted share units were granted and outstanding as of February 28, 2025.

In November 2020, as approved by our compensation committee, we extended the exercise period of certain options that were granted under our 2007 Share Incentive Plan to our directors and executive officers that would originally expire for additional five years from their respective original expiration dates.

Following the one-to-eight share subdivision on March 18, 2021, the number of ordinary shares that each grantee is entitled to according to the previously granted share option and restricted share is increased by eight times, while the weighted average grant date fair value per restricted share and the weighted average exercise price per share option are diluted by eight times.

In June and July 2023, as approved by our compensation committee, we extended the exercise period of certain options that were granted under our 2007 Share Incentive Plan to our directors and executive officers for additional three years from their respective original expiration dates.

The following table summarizes, as of February 28, 2025, the outstanding options granted under our 2007 Share Incentive Plan and the Second A&R Global Plan to the individual executive officers and directors named below. No restricted share units granted under these plans were outstanding as of February 28, 2025. The table gives effect to the modifications described above.

	Ordinary Shares Underlying Options Granted	Exercise Price (US$/Share)	Date of Grant	Date of Expiration
James Jianzhang Liang	38,658,666	20.25; 22.46; 30.93; 40.62; 43.84; 26.13; 31.68; 25.92; 31.86; 18.18; 35.55; 0.01; 41.91; 57.30	From January 9, 2014 to February 25, 2025	From February 9, 2026 to February 25, 2033
Jane Jie Sun	17,531,334	9.82; 20.25; 22.46; 30.93; 40.62; 43.84; 26.13; 31.68; 25.92; 31.86; 18.18; 35.55; 0.01; 41.91; 57.30	From January 27, 2013 to February 25, 2025	From January 27, 2026 to February 25, 2033
Min Fan	*	20.25; 22.46; 40.62; 31.68; 0.00125; 18.18; 0.01	From January 9, 2014 to February 25, 2025	From January 9, 2027 to February 25, 2033
Cindy Xiaofan Wang	*	0.00125; 18.18; 0.01	From December 4, 2019 to February 25, 2025	From December 4, 2027 to February 25, 2033
Xing Xiong	*	40.62; 43.84; 25.92; 31.86; 18.18; 0.01; 37.41; 57.30	From November 14, 2016 to February 25, 2025	From February 9, 2026 to February 25, 2033
Neil Nanpeng Shen	*	9.82; 22.46; 30.93; 40.62; 43.84; 26.13; 31.68; 31.86; 18.18; 35.55; 37.41; 57.30	From January 27, 2013 to February 25, 2025	From January 27, 2026 to February 25, 2033
Qi Ji	*	22.46; 40.62; 43.84; 31.68; 31.86; 18.18; 35.55; 37.41; 57.30	From December 6, 2014 to February 25, 2025	From February 9, 2026 to February 25, 2033
Gabriel Li	*	9.82; 22.46; 40.62; 43.84; 26.13; 31.68; 31.86; 18.18; 35.55; 37.41; 57.30	From January 27, 2013 to February 25, 2025	From January 27, 2026 to February 25, 2033
JP Gan	*	40.62; 43.84; 31.86; 18.18; 35.55; 37.41; 57.30	From November 14, 2016 to February 25, 2025	From February 9, 2026 to February 25, 2033

* Aggregate number of shares represented by all grants of options to the person account for less than 1% of our total outstanding ordinary shares.

The following paragraphs summarize the terms of our 2007 Share Incentive Plan, which was amended and restated effective November 17, 2008.

Plan Administration. Our board of directors, or a committee designated by our board or directors, will administer the plan. The committee or the full board of directors, as appropriate, will determine the type or types of incentive share awards to be granted and provisions and terms and conditions of each grant and may at their absolute discretion adjust the exercise price of an option grant. The exercise price per share subject to an option may be reduced by the committee or the full board of directors, without shareholder or option holder approval. The types of incentive share awards pursuant to the 2007 Share Incentive Plan include, among other things, an option, a restricted share award, a share appreciation right award and a restricted share unit award.

Award Agreements. Options and stock purchase rights granted under our plan are evidenced by a stock option agreement or a stock purchase right agreement, as applicable, that sets forth the terms, conditions and limitations for each grant.

Eligibility. We may grant awards to our employees, directors and consultants or any of our related entities, which include our subsidiaries or any entities which are not subsidiaries but are consolidated in our consolidated financial statements prepared under U.S. GAAP.

Acceleration of Options upon Corporate Transactions. The outstanding options will terminate and accelerate upon occurrence of a change of control corporate transaction where the successor entity does not assume our outstanding options under the plan. In such event, each outstanding option will become fully vested and immediately exercisable, and the transfer restrictions on the awards will be released and the repurchase or forfeiture rights will terminate immediately before the date of the change of control transaction provided that the grantee's continuous service with us cannot be terminated before that date.

Term of the Options. The term of each option grant should be stated in the stock option agreement, provided that the term would not exceed ten years from the date of the grant, and in the case of incentive share options, five years from the date of the grant.

Vesting Schedule. In general, the plan administrator determines, or the incentive award agreement specifies, the vesting schedules. Currently, three types of vesting schedules were adopted for the incentive awards granted under the 2007 Share Incentive Plan. One of the vesting schedules is that one-third of the incentive awards vest 24 months after a specified vesting commencement date, an additional one-third vest 36 months after the specified vesting commencement date and the remaining one-third vest 48 months after the specified vesting commencement date, subject to other terms under the 2007 Share Incentive Plan and the incentive award agreement. Another type of vesting schedule is that one-fourth of the incentive awards vest every 12 months over a four-year vesting period starting from a specified vesting commencement date, subject to other terms under the 2007 Share Incentive Plan and the incentive award agreement. The last type of vesting schedule is that one-tenth of the incentive awards vest 12 months after a specified vesting commencement date, an additional three-tenth vest 24 months after the specified vesting commencement date, another three-tenth vest 36 months after the specified vesting commencement date and the remaining three-tenth vest 48 months after the specified vesting commencement date, subject to other terms under the 2007 Share Incentive Plan and the incentive award agreement.

Other Equity Awards. In addition to stock options, we may also grant to our employees, directors and consultants or any of our related entities share appreciation rights, restricted share awards, restricted share unit awards, deferred share awards, dividend equivalents and share payment awards, with such terms and conditions as our board of directors (or, if applicable, the compensation committee) may, subject to the terms of the plan, establish.

Transfer Restrictions. Options to purchase our ordinary shares may not be transferred in any manner by the optionee other than by will or the laws of succession and may be exercised during the lifetime of the optionee only by the optionee.

Termination or Amendment of the Plan. Unless terminated earlier, the plan was terminated automatically in 2017. Our board of directors has the authority to amend or terminate the plan subject to shareholder approval to the extent necessary to comply with applicable law, regulation or stock exchange rule. We must also generally obtain approval of our shareholders to (i) increase the number of shares available under the plan (other than any adjustment as described above), (ii) permit the grant of options with an exercise price that is below fair market value on the date of grant, (iii) extend the exercise period for an option beyond ten years from the date of grant, or (iv) results in a material increase in benefits or a change in eligibility requirements.

The following paragraphs summarize the principal terms of our Second A&R Global Plan.

Plan Administration. Our compensation committee of the board of directors, or a committee delegated by our compensation committee, will administer the plan. The committee or the full board of directors, as appropriate, will determine the type or types of incentive share awards to be granted and provisions and terms and conditions of each grant and may at their absolute discretion adjust the exercise price of an option grant. The exercise price per share subject to an option may be reduced by the committee or the full board of directors, without shareholder or option holder approval. The types of incentive share awards pursuant to the Second A&R Global Plan include, among other things, an option, a restricted share award, a share appreciation right award and a restricted share unit award.

Award Agreements. Options and stock purchase rights granted under our plan are evidenced by an award agreement, that sets forth the terms, conditions and limitations for each grant.

Eligibility. We may grant awards to our employees, directors and consultants or any of our related entities, which include our subsidiaries or any entities which are not subsidiaries but are consolidated in our consolidated financial statements prepared under U.S. GAAP.

Term of the Options. The term of each option grant should be stated in the stock option agreement, provided that the term would not exceed ten years from the date of the grant, and in the case of incentive share options, five years from the date of the grant.

Vesting Schedule. In general, the plan administrator determines, or the incentive award agreement specifies, the vesting schedules. Our vesting schedule is mainly that (i) one-tenth of the incentive awards vest 12 months after a specified vesting commencement date, an additional three-tenth vest 24 months after the specified vesting commencement date, another three-tenth vest 36 months after the specified vesting commencement date and the remaining three-tenth vest 48 months after the specified vesting commencement date, or (ii) a quarter of the incentive awards vest every 12 months over a four-year vesting period starting from a specified vesting commencement date, subject to other terms under the Second A&R Global Plan and the incentive award agreement.

Other Equity Awards. In addition to stock options, restricted share awards and restricted share unit awards, we may also grant to our employees, directors and consultants or any of our related entities share appreciation rights, deferred share awards, dividend equivalents and share payment awards, with such terms and conditions as our board of directors (or, if applicable, the compensation committee) may, subject to the terms of the plan, establish.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than by will or the laws of succession and may be exercised during the lifetime of the participant only by the participant.

Termination or Amendment of the Plan. Unless terminated earlier, the plan will terminate automatically in 2027. Our board of directors has the authority to amend or terminate the plan to the extent necessary to comply with applicable law, regulation or stock exchange rule. We must also generally obtain approval of our shareholders to (i) increase the number of shares available under the plan (other than any adjustment as described above), (ii) permits the committee to extend the exercise period for an option beyond ten years from the date of grant, or (iii) results in a change in eligibility requirements, unless we decide to follow home country practice pursuant to Rule 5615(a)(3) of the Nasdaq listing rules applicable to foreign private issuers.

C. ***Board Practices***

Our board of directors currently consists of eight directors. A director is not required to hold any shares in our company by way of qualification. Our board of directors may exercise all the powers of our company to borrow money, mortgage or charge its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of our company or of any third party. No director is entitled to any severance benefits upon termination of his directorship with us. As of the date of this annual report, four out of eight of our directors meet the "independence" definition under The Nasdaq Stock Market, Inc. Marketplace Rules, or the Nasdaq Rules. As Nasdaq Rules permit a foreign private issuer like us to follow the corporate governance practices of its home country, we chose to rely on home country practice in lieu of the requirement to have a majority of independent directors on our board under Nasdaq Rules. See "Item 16G. Corporate Governance."

Committees of the Board of Directors

Audit Committee. Our audit committee reports to the board regarding the appointment of our independent auditors, the scope and results of our annual audits, compliance with our accounting and financial policies and management's procedures and policies relatively to the adequacy of our internal accounting controls.

As of the date of this annual report, our audit committee consists of Messrs. Gan, Li and Shen. All of these directors meet the audit committee independence standard under Rule 10A-3 under the Exchange Act. The independence definition under Rules 5605 of the Nasdaq Rules is met by Messrs. Gan, Li and Shen. In addition, all the members of our audit committee qualify as "audit committee financial experts" as defined in the Nasdaq Rules.

Compensation Committee. Our compensation committee reviews and evaluates and, if necessary, revises the compensation policies adopted by the management. Our compensation committee also determines all forms of compensation to be provided to our senior executive officers. In addition, the compensation committee reviews all annual bonuses, long-term incentive compensation, share options, employee pension and welfare benefit plans. Our chief executive officer may not be present at any committee meeting during which her compensation is deliberated.

As of the date of this annual report, our compensation committee consists of Messrs. Gan, Ji and Shen, all of whom meet the "independence" definition under the Nasdaq Rules.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty to act honestly and in good faith in the best interests of our company. Our directors must also exercise their powers only for a proper purpose. Our directors also owe to our company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than what may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care, and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. Our company has the right to seek damages if a duty owed by our directors is breached. A shareholder may in certain exceptional limited circumstances have rights to seek damages if a duty owed by the directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in our company, including the registration of such shares in our share register.

Terms of Directors and Officers

All directors hold office until their successors have been duly elected and qualified unless such office is vacated earlier in accordance with the articles of association. A director may only be removed by the shareholders who appointed such director, except in the case of ordinary directors, who may be removed by ordinary resolutions of the shareholders, save that for as long as our company remains listed on the Hong Kong Stock Exchange, the shareholders may by ordinary resolution remove any director. Officers are elected by and serve at the discretion of the board of directors.

D. ***Employees***

As of December 31, 2024, we, our subsidiaries, and the VIEs and VIEs' subsidiaries had 41,073 employees, including 3,024 in management and administration, 16,383 in our customer service centers, 4,283 in sales and marketing, and 17,383 in product development including supplier management personnel and technical support personnel. We, our subsidiaries, and the VIEs had 36,249 employees as of December 31, 2023 and 32,202 employees as of December 31, 2022. A substantial majority of our employees are based in China.

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 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 several share incentive plans to grant share-based incentive awards to our eligible employees 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 in 2024.

E. *Share Ownership*

As of February 28, 2025, 653,603,432 of our ordinary shares were issued and outstanding (excluding the 59,939,963 ordinary shares that were issued to Bank of New York Mellon, the depositary 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). Our shareholders are entitled to vote together as a single class on all matters submitted to shareholders vote. No shareholder has different voting rights from other shareholders. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

The following table sets forth information with respect to the beneficial ownership of our ordinary shares as of February 28, 2025 by each of our directors and executive officers and each person known to us to beneficially own 5% or more of our ordinary shares. Except as otherwise noted, the address of each person listed in the table is c/o Trip.com Group Limited, 30 Raffles Place, #29-01, Singapore 048622.

	Ordinary Shares Beneficially Owned[1]	
	Number	%[2]
Directors and Senior Management:		
James Jianzhang Liang[3]	36,471,043	5.3%
Jane Jie Sun[4]	14,201,202	2.1%
Min Fan	*	*
Neil Nanpeng Shen[5]	*	*
Xing Xiong	*	*
Other directors and executive officers as a group, each of whom individually owns less than 0.1%	*	*
All directors and officers as a group[6]	59,558,978	8.5%
Principal Shareholders:		
Baidu, Inc.[7]	45,953,524	7.0%
Capital World Investors[8]	40,454,846	6.2%
BlackRock, Inc.[9]	34,810,086	5.3%

Notes:

* Less than 1% of our total outstanding ordinary shares.

(1) Beneficial ownership is determined in accordance with the SEC rules, and includes voting or investment power with respect to the securities.

(2) For each person and group included in this table, percentage ownership is calculated by dividing the number of shares beneficially owned by such person or group by the sum of the number of ordinary shares outstanding as of February 28, 2025, the number of ordinary shares underlying share options held by such person or group that were exercisable within 60 days after February 28, 2025.

(3) Includes 6,812,376 ordinary shares (including ordinary shares represented by ADSs) beneficially owned by Mr. Liang and 29,658,667 ordinary shares that were issuable upon exercise of options exercisable within 60 days after February 28, 2025 held by Mr. Liang.

(4) Includes 1,219,868 ordinary shares (including ordinary shares represented by ADSs) beneficially owned by Ms. Sun and 12,981,334 ordinary shares that were issuable upon exercise of options exercisable within 60 days after February 28, 2025 held by Ms. Sun.

(5) Mr. Shen's business address is Suite 3613, 36/F, Two Pacific Place, 88 Queensway, Hong Kong.

(6) Includes 14,004,985 ordinary shares and 45,553,993 ordinary shares that were issuable upon exercise of options exercisable within 60 days after February 28, 2025 held by all of our current directors and executive officers, as a group.

(7) Includes 45,953,524 ordinary shares beneficially owned as of September 25, 2024 by Baidu, Inc. and its wholly-owned subsidiary, Baidu Holdings Limited, based on the information contained in the Schedule 13 D/A filed by Baidu, Inc. and Baidu Holdings Limited on September 27, 2024. The address for Baidu, Inc. and Baidu Holdings Limited is Baidu Campus, No. 10 Shangdi 10th Street, Haidian District, Beijing 100085, the People's Republic of China.

(8) Includes 56,367,252 ordinary shares beneficially owned as of December 31, 2024 by Capital World Investors, based on the information contained in the Schedule 13G/A filed by Capital World Investors with the SEC on November 13, 2024. Based on the same Schedule 13G/A filing, Capital World Investors is a division of Capital Research and Management Company, as well as its investment management subsidiaries and affiliates Capital Bank and Trust Company, Capital International, Inc., Capital International Limited, Capital International Sarl, Capital International K.K., Capital Group Private Client Services, Inc., and Capital Group Investment Management Private Limited. The address for Capital World Investors is 333 South Hope Street, 55th Floor, Los Angeles, California 90071.

(9) Includes 34,810,086 ordinary shares beneficially owned as of December 31, 2024 by BlackRock, Inc., based on the information contained in the Schedule 13G filed by BlackRock, Inc. on January 30, 2025. The address for BlackRock, Inc. is 50 Hudson Yards, New York, NY 10001.

To our knowledge, we believe that as of February 28, 2025, 347,218,770 ordinary shares were held by two record shareholders in the United States, including 347,218,762 ordinary shares (including ordinary shares that were issued for bulk issuance of ADSs reserved for future issuances upon the exercise or vesting of awards granted under our stock incentive plans and treasury shares that were repurchased but not retired by our company) held of record by The Bank of New York Mellon, the depositary of our ADS program. The number of beneficial owners of our ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States.

Enforceability of Civil Liabilities

Our business operations are primarily conducted in China, and most of our assets are located in China. Among our directors and executive officers, Neil Nanpeng Shen, Gabriel Li, and JP Gan habitually reside in Hong Kong while the other directors and executive officers all habitually reside in mainland China, and most of their assets are located outside the United States. As a result, it may be difficult for a shareholder to effect service of process within the United States upon these individuals, to bring an action against us or these individuals in the United States, or to enforce against us or them judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States.

We have been informed by Maples and Calder (Hong Kong) LLP, our Cayman Islands legal counsel, that the United States and the Cayman Islands do not have a treaty providing for reciprocal recognition and enforcement of judgments of U.S. courts in civil and commercial matters and the courts of the Cayman Islands are unlikely to (i) recognize or enforce judgments of U.S. courts obtained against us or our directors or officers, predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) in original actions brought in the Cayman Islands, to impose liabilities against us or our directors or officers, predicated upon the securities laws of the United States or any state in the United States, so far as the liabilities imposed by those provisions are penal in nature.

We have also been advised by our Cayman Islands legal counsel that, although there is no statutory enforcement in the Cayman Islands of judgments obtained in any federal or state court in the United States, the courts of the Cayman Islands will recognize and enforce in the courts of the Cayman Islands a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given, provided such judgment (i) is given by a foreign court of competent jurisdiction, (ii) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given, (iii) is final, (iv) is not in respect of taxes, a fine or a penalty, and (v) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.

A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

Our PRC legal counsel, Commerce & Finance Law Offices, has advised us that there is uncertainty as to whether the courts of mainland China would:

- recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States; or
- entertain original actions brought in each respective jurisdiction against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States.

Our PRC legal counsel has further advised us that recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. Courts of mainland China may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law and other applicable laws and regulations based either on treaties between mainland China and the country where the judgment is made or on principles of reciprocity between jurisdictions. Mainland China does not have any treaties or other form of reciprocity with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments. As such, the courts of mainland China will review and determine the applicability of the reciprocity principle on a case-by-case basis and the length of the procedure is uncertain. In addition, according to the PRC Civil Procedures Law, courts in mainland China will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of PRC law or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a court of mainland China would enforce a judgment rendered by a court in the United States or in the Cayman Islands. Under the PRC Civil Procedures Law, foreign shareholders may originate actions based on PRC law against a company in mainland China for disputes if they can establish sufficient nexus to mainland China for a court of mainland China to have jurisdiction, and meet other procedural requirements. It will be, however, difficult for U.S. shareholders to originate actions against us in mainland China in accordance with PRC laws because we are incorporated under the laws of the Cayman Islands and it will be difficult for U.S. shareholders, by virtue only of holding the ADSs or ordinary shares, to establish a connection to mainland China for a court of mainland China to have jurisdiction as required under the PRC Civil Procedures Law.

Furthermore, the United States and Hong Kong do not have a bilateral treaty or multilateral convention in force on reciprocal recognition and enforcement of judgments. As a result, any United States judgment is enforceable in Hong Kong pursuant to the common law regime in Hong Kong for recognizing and enforcing foreign judgments, which provides that a foreign judgment is enforceable if (i) it is final and conclusive on the merits, (ii) the judgment has been rendered by a court of competent jurisdiction, (iii) the judgment must be for a fixed sum of money, (iv) the judgment must be between the same parties as those before the Hong Kong court, and (v) enforcement of the judgment is not a breach of natural justice or against public policy.

F. ***Disclosure of A Registrant's Action to Recover Erroneously Awarded Compensation***

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. ***Major Shareholders***

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

B. ***Related Party Transactions***

Arrangements with the VIEs

Current PRC laws and regulations impose restrictions on foreign ownership of certain businesses in China. Therefore, we conduct part of our businesses through a series of contractual arrangements between our PRC subsidiaries, the VIEs, and/or their respective shareholders. The VIEs hold the licenses and approvals for operating the travel agency and value-added telecommunications businesses in China. As a result of the contractual arrangements, we (i) have the power to direct activities of the VIEs that most significantly affect their economic performance, and (ii) receive the economic benefits from the VIEs that could be significant to them. Accordingly, for accounting purposes, the contractual arrangements provide Trip.com Group Limited with a "controlling financial interest" in the VIEs as defined in FASB ASC 810, making Trip.com Group Limited the primary beneficiary of these companies, and Trip.com Group Limited thus has consolidated the financial results of operations, assets, and liabilities of these companies in its consolidated financial statements under U.S. GAAP. Moreover, we plan to enter into the same series of agreements with all of the future variable interest entities. As of the date of this annual report, Bo Sun, Maohua Sun, Hui Cao, and Hui Wang, all being our employees or senior consultants, are the principal record owners of the VIEs. Neither Trip.com Group Limited nor its investors has an equity ownership (including foreign direct investment) in, or control through such equity ownership of, the VIEs, and the contractual arrangements are not equivalent to an equity ownership in the business of the VIEs.

As of the date of this annual report, the equity holding structures of each of the significant VIEs and VIEs' subsidiaries are as follows:

- Maohua Sun and Bo Sun owned 10.2% and 89.8%, respectively, of Ctrip Commerce (VIE).
- Ctrip Commerce (VIE) owned 100% of Shanghai Huacheng (VIE).
- Hui Cao and Hui Wang owned 60% and 40%, respectively, of Qunar Beijing (VIE).

We believe that the terms of these agreements are no less favorable than the terms that we could obtain from disinterested third parties. The terms of the agreements with the same title between us and the respective VIEs are substantially similar except for the amount of the business loans to the shareholders of each entity and the amount of service fees paid by each entity. We believe that the shareholders of the VIEs will not receive any personal benefits from these agreements except as shareholders of our company. According to our PRC legal counsel, Commerce & Finance Law Offices, these agreements are valid, binding, and enforceable under the current laws and regulations of China as of the date of this annual report. The principal terms of these agreements are described below.

Powers of Attorney. The shareholders of Ctrip Commerce (VIE) signed an irrevocable power of attorney to appoint Ctrip Travel Network, as attorney-in-fact to vote, by itself or any other person to be designated at its discretion, on all matters of Ctrip Commerce (VIE). Each such power of attorney will remain effective as long as Ctrip Commerce (VIE) exists, and such shareholders of Ctrip Commerce (VIE) are not entitled to terminate or amend the terms of the power of attorneys without prior written consent from us.

As of the date of this annual report, each of the shareholders of Qunar Beijing (VIE), Hui Cao and Hui Wang, also signed an irrevocable power of attorney authorizing an appointee, to exercise, in a manner approved by Qunar, on such shareholder's behalf the full shareholder rights pursuant to applicable laws and Qunar Beijing (VIE)'s articles of association, including without limitation full voting rights and the right to sell or transfer any or all of such shareholder's equity interest in Qunar Beijing (VIE). Each such power of attorney is effective until such time as such shareholder ceases to hold any equity interest in Qunar Beijing (VIE). The terms of the power of attorney with respect to Qunar Beijing (VIE) are substantially similar to the terms described in the foregoing paragraph.

Technical Consulting and Services Agreements. Ctrip Travel Network, a wholly-owned PRC subsidiary of ours, provides Ctrip Commerce (VIE), with technical consulting and related services and staff training and information services on an exclusive basis. We also maintain their network platforms. In consideration for our services, Ctrip Commerce (VIE) agrees to pay us service fees as calculated in such manner as determined by us from time to time based on the nature of service, which may be adjusted periodically. For 2022, 2023, and 2024 the VIEs paid Ctrip Travel Network a quarterly fee based on the number of transportation tickets sold in the quarter, at an average rate of RMB4 (US$0.5) per ticket. Although the service fees are typically determined based on the number of transportation tickets sold, given the fact that the nominee shareholders of Ctrip Commerce (VIE) have irrevocably appointed a designated person to vote on their behalf on all matters they are entitled to vote on, we have the right to determine the level of service fees paid and therefore receive substantially all of the economic benefits of the VIEs in the form of service fees. The services fees paid by all of the VIEs as a percentage of their total net income were 136%, 128%, and 92% for the years ended December 31, 2022, 2023, and 2024, respectively. Ctrip Travel Network will exclusively own any intellectual property rights arising from the performance of this agreement. The initial term of these agreements is 10 years and may be renewed automatically in 10-year terms unless we disapprove the extension. We retain the exclusive right to terminate the agreements at any time by delivering a 30-day advance written notice to the applicable VIE.

As of the date of this annual report, pursuant to the restated exclusive technical consulting and services agreement between Qunar Beijing (VIE) and Qunar Software, Qunar Software provides Qunar Beijing (VIE) with technical, marketing and management consulting services on an exclusive basis in exchange for service fee paid by Qunar Beijing (VIE) based on a set formula defined in the agreement subject to adjustment by Qunar Software at its sole discretion. This agreement will remain in effect until terminated unilaterally by Qunar Software or mutually. The terms of this agreement are substantially similar to the terms described in the foregoing paragraph.

Equity Pledge Agreements. The shareholders of Ctrip Commerce (VIE), have pledged their respective equity interests in Ctrip Commerce (VIE) as a guarantee for the performance of all the obligations under the other contractual arrangements, including payment by Ctrip Commerce (VIE) of the technical and consulting services fees to us under the technical consulting and services agreements, repayment of the business loan under the loan agreements and performance of obligations under the exclusive option agreements, each agreement as described herein. This agreement is valid and binding on the parties, their heirs, successors and permitted assignees. In the event Ctrip Commerce (VIE) breaches any of its obligations or any shareholder of Ctrip Commerce (VIE) breaches his or her obligations, as the case may be, under these agreements, we are entitled to enforce the equity pledge right and sell or otherwise dispose of the pledged equity interests, and have priority in receiving payment from proceeds from the auction or sale of all or part of the pledge until the obligations are settled. The pledge has been established upon registration with the local branch of the SAMR, and will expire two years after the pledgor and Ctrip Commerce (VIE) no longer undertake any obligations under the above-referenced agreements.

As of the date of this annual report, pursuant to the equity interest pledge agreement among Qunar Software, Hui Cao and Hui Wang, Hui Cao and Hui Wang have pledged their equity interests in Qunar Beijing (VIE) along with all rights, titles and interests to Qunar Software as guarantee for the performance of all obligations under the contractual arrangements mentioned herein. This agreement is valid and binding on the pledgors and each of their successors, and is valid on the pledgee and its successors and assignees. Qunar Software may enforce this pledge upon the occurrence of a settlement event or as required by the PRC law. The pledge has been established upon registration with the local branch of the SAMR, and will expire when all obligations under the contractual arrangements have been satisfied. In enforcing the pledge, Qunar Software is entitled to dispose of the pledge and have priority in receiving payment from proceeds from the auction or sale of all or part of the pledge until the obligations are settled. The terms of this agreement are substantially similar to the terms described in the foregoing paragraph.

Loan Agreements. Under the loan agreements we entered into with the shareholders of Ctrip Commerce (VIE), we extended long-term business loans to these shareholders of Ctrip Commerce (VIE) with the sole purpose of providing funds necessary for the capitalization or acquisition of Ctrip Commerce (VIE). These business loan amounts were injected into Ctrip Commerce (VIE) as capital and cannot be accessed for any personal uses. The initial term of the loan agreements is 10 years and may be renewed automatically in 10-year terms unless we disapprove the extension by written notice in advance. The loan agreements will remain effective until the parties have fully performed their respective obligations under the agreement, and the shareholders of Ctrip Commerce (VIE) have no right to unilaterally terminate these agreements or repay the loan in advance. The loan agreements are valid and binding on the parties, their successors and permitted assignees. In the event that the PRC government lifts its restrictions on foreign ownership of the value-added telecommunications business in China, as applicable, we will exercise our exclusive option to purchase all of the outstanding equity interests of Ctrip Commerce (VIE), as described in the following paragraph, and the loan agreements will be canceled in connection with such purchase. However, it is uncertain when, if at all, the PRC government will lift any or all of these restrictions.

As of the date of this annual report, pursuant to the loan agreement among Qunar Software, Hui Cao and Hui Wang, the loans extended by Qunar Software to each of Hui Cao and Hui Wang are only repayable by a transfer of such borrower's equity interest in Qunar Beijing (VIE) to Qunar Software or its designated party, in proportion to the amount of the loan to be repaid. This loan agreement will continue in effect indefinitely until such time when (i) the borrowers receive a repayment notice from Qunar Software and fully repay the loans, or (ii) an event of default (as defined therein) occurs unless Qunar Software sends a notice indicating otherwise within 15 calendar days after it is aware of such event. The loan agreements are valid and binding on the parties, their successors and permitted assignees. The terms of this loan agreement are substantially similar to the terms described in the foregoing paragraphs.

The following table sets forth, as of the date of this annual report, the amount of each business loan, the date each business loan arrangement was entered into, the principal, interest, maturity date and outstanding balance of the loan, the borrower and the corresponding significant VIE.

Date of Loan Agreement	Borrower	Significant VIE	Principal		Interest	Maturity Date	Outstanding Balance	
			RMB	US$			RMB	US$
			(in millions)				(in millions)	
November 30, 2021	Bo Sun	Ctrip Commerce (VIE)	808.2	110.7	None	November 29, 2031	808.2	110.7
April 9, 2019	Maohua Sun	Ctrip Commerce (VIE)	88.7	12.2	None	December 13, 2035	88.7	12.2
December 14, 2015	Maohua Sun	Ctrip Commerce (VIE)	3.1	0.4	None	December 13, 2035	3.1	0.4
March 23, 2016	Hui Cao	Qunar Beijing (VIE)	6.6	0.9	None	Until repayment notice	6.6	0.9
March 23, 2016	Hui Wang	Qunar Beijing (VIE)	4.4	0.6	None	Until repayment notice	4.4	0.6

Exclusive Option Agreements. As consideration for our entering into the loan agreements described above, each of the shareholders of Ctrip Commerce (VIE), has granted us an exclusive, irrevocable option to purchase, or designate one or more person(s) at our discretion to purchase, all of their equity interests in Ctrip Commerce (VIE) at any time we desire, subject to compliance with the applicable PRC laws and regulations. We may exercise the option by issuing a written notice to the shareholder of Ctrip Commerce (VIE). Subject to the evaluation requirements or other restrictions imposed by applicable PRC laws and regulations, the purchase price should be equal to the contribution actually made by the shareholder for the equity interest. Therefore, if we exercise these options, we may choose to cancel the outstanding loans we extended to the shareholders of Ctrip Commerce (VIE) pursuant to the loan agreements as the loans were used solely for equity contribution purposes. The initial term of these agreements is 10 years and may be renewed automatically in 10-year terms unless we disapprove the extension. This agreement is valid and binding on the parties, their heirs, successors and permitted assignees. We retain the exclusive right to terminate the agreements at any time by delivering a written notice to the shareholder of Ctrip Commerce (VIE).

Hui Cao and Hui Wang also entered into an equity option agreement with Qunar, Qunar Software and Qunar Beijing (VIE). This equity option agreement contains arrangements that are similar to that as described in the foregoing paragraph. This agreement will remain effective with respect to each of Qunar Beijing (VIE)'s shareholders until all of the equity interest has been transferred or Qunar and Qunar Software terminates the agreement unilaterally with 30 days' prior written notice. This agreement is valid and binding on the parties, their successors and permitted assignees.

The VIEs and their shareholders agree not to enter into any transaction that would affect the assets, obligations, rights or operations of the VIEs without our prior written consent. They also agree to accept our guidance with respect to day-to-day operations, financial management systems and the appointment and dismissal of key employees.

In addition, we also enter into technical consulting and services agreements with some of the majority or wholly-owned subsidiaries of the VIEs, and these subsidiaries of the VIEs pay us service fees based on the level of services provided. The existence of such technical consulting and services agreements provides us with the enhanced ability to transfer economic benefits of these majority or wholly-owned subsidiaries of the VIEs to us in exchange for the services provided, and this is in addition to our existing ability to consolidate and extract the economic benefits of these majority or wholly-owned subsidiaries of the VIEs. For instance, the VIEs may cause the economic benefits to be channeled to them in the form of dividends, which then may be further consolidated and absorbed by us through the contractual arrangements described above.

Share Incentive Grants

Please refer to "Item 6. Directors, Senior Management and Employees—B. Compensation—Employees' Share Incentive Plans."

Employment Agreements

See "Item 6. Directors, Senior Management and Employees—B. Compensation."

Commissions and other service fees to/from Tongcheng Travel

Tongcheng Travel Holdings Limited, or Tongcheng Travel, is an equity method investee of us. Tongcheng Travel uses its platform to promote the hotel rooms provided by us from our travel suppliers and provides marketing and other services to us. We also promote Tongcheng Travel's hotel rooms on our platform and provide technology services to Tongcheng Travel. Total commissions and other service fees paid by us to Tongcheng Travel amounted to RMB51 million (US$7 million), and total commissions and other service fees paid by Tongcheng Travel to us amounted to RMB274 million (US$37 million) for the year ended December 31, 2024.

Commissions from H World

One of our hotel partners, H World, has a director in common with our company and a director who is a family member of one of our officers. H World has entered into agreements with us to provide hotel rooms for our customers. Total commissions H World paid us amounted to RMB283 million (US$39 million) for the year ended December 31, 2024. These commissions were paid to us in our ordinary course of business on terms substantially similar to those for our unrelated hotel suppliers.

Commissions from BTG

BTG Hotels (Group) Co., Ltd., or BTG, is an equity method investee of us. BTG entered into agreements with us to provide hotel rooms for our customers. Total commissions from BTG amounted to RMB160 million (US$22 million) for the year ended December 31, 2024. These commissions were paid to us in our ordinary course of business on terms substantially similar to those for our unrelated hotel suppliers.

Technology service fees from Shangcheng Consumer Finance

Shangcheng Consumer Finance Corporation Limited, or Shangcheng Consumer Finance, is an equity method investee of us. We provide Shangcheng Consumer Finance access to our platform to provide financial services to our users. Total technology service fees from Shangcheng Consumer Finance amounted to RMB196 million (US$27 million) for the year ended December 31, 2024.

C. ***Interests of Experts and Counsel***

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. *Consolidated Statements and Other Financial Information*

We have appended our audited consolidated financial statements filed pursuant to "Item 18. Financial Statements" as part of this annual report.

Legal Proceedings

We are not currently a party to any pending material litigation or other legal proceeding and are not aware of any pending litigation or other legal proceeding that may have a material adverse impact on our business or operations. However, we are and may continue to be subject to various legal proceedings and claims that are incidental to our ordinary course of business.

Dividend Policy

Our board of directors has complete discretion as to whether we will distribute dividends in the future, subject to applicable laws. Even if our board of directors determines to distribute dividends, the form, frequency and amount of our dividends will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, potential tax implications, and other factors as the board of directors may deem relevant. Any dividend we declare will be paid to the holders of ADSs, subject to the terms of the deposit agreement, to the same extent as holders of our ordinary shares, less the fees and expenses payable under the deposit agreement. Any dividend we declare will be distributed by the depositary bank to the holders of our ADSs. Cash dividends on our ordinary shares, including those represented by the ADSs, if any, will be paid in U.S. dollars.

In November 2023, our board of directors adopted a regular capital return policy to benefit our shareholders and ADS holders in the form of discretionary annual share repurchases, discretionary annual cash dividend declarations, or a combination thereof, commencing from the year 2024. Under the policy, our board of directors reserves the discretion relating to the determination of the form, timing, and amount of the capital return measures in any particular year, depending on our financial condition, results of operations, cash flow, capital requirements, and other relevant factors. In February 2025, pursuant to the regular capital return policy, our board of directors approved a cash dividend of US$0.30 per ordinary share, or US$0.30 per ADS, to holders of ordinary shares and holders of ADSs. The aggregate amount of the dividend was approximately US$200 million.

B. *Significant Changes*

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. *Offer and Listing Details*

Our ADSs have been listed on the Nasdaq Global Market since December 2003 and the Nasdaq Global Select Market since July 2006. Our ADSs were previously traded under the symbol "CTRP" and are currently traded under the symbol "TCOM," starting from November 5, 2019. Currently, each of our ADSs represents one ordinary share of our company, par value US$0.00125 per share.

Our ordinary shares have been listed on the Hong Kong Stock Exchange since April 2021 under the stock code "9961."

B. *Plan of Distribution*

Not applicable.

C. ***Markets***

Our ADSs have been listed on the Nasdaq Global Market since December 2003 and on the Nasdaq Global Select Market since July 2006. Our ADSs are currently traded under the symbol "TCOM."

Our ordinary shares have been listed on the Hong Kong Stock Exchange since April 2021 under the stock code "9961."

D. ***Selling Shareholders***

Not applicable.

E. ***Dilution***

Not applicable.

F. ***Expenses of the Issue***

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. ***Share Capital***

Not applicable.

B. ***Memorandum and Articles of Association***

Ordinary Shares

General. All of our issued and outstanding ordinary shares are fully paid and non-assessable. Our ordinary shares are issued in registered form, and are issued when entered in our register of members. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their shares.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors subject to the Companies Act.

Voting Rights. Subject to certain exceptions as required by the Hong Kong Listing Rules, and subject to any rights and restrictions for the time being attached to any shares, every shareholder present at a general meeting of our shareholders shall have (i) on a show of hands, one vote, and (ii) on a poll, one vote for each share held by such shareholder. Voting at any meeting of shareholders is by show of hands unless before or on the declaration of the result of, the show of hands, a poll is demanded. A poll may be demanded by the chairman of the meeting or any shareholder or shareholders collectively present in person or by proxy and holding at least ten percent in par value of the shares giving a right to attend and vote at the meeting.

A quorum required for a meeting of shareholders is two shareholders provided always that if our company has only one member of record the quorum should be that one shareholder; provided, however, that in no case should such quorum be less than one-third of the issued and outstanding voting shares in the capital of our company. Shareholders' meetings may be convened by our board of directors on its own initiative, or by the chairman of our board of directors, or upon a request to the directors by shareholders holding in aggregate not less than ten per cent in par value of our share capital for as long as our shares remain listed on the Hong Kong Stock Exchange. For as long as our shares remain listed on the Hong Kong Stock Exchange, our company must hold an annual general meeting within six (6) months (or such other period as may be permitted by the Hong Kong Listing Rules or the Hong Kong Stock Exchange) after the end of our company's financial year. For as long as our shares remain listed on the Hong Kong Stock Exchange, annual general meetings must be called by not less than twenty-one (21) days' notice in writing and any extraordinary general meetings must be called by not less than fourteen (14) days' notice in writing. Otherwise, at least seven days' notice is required for the convening of any of our general meetings of shareholders.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast in a general meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes attaching to the ordinary shares cast in a general meeting. A special resolution is required for matters such as a change of name or amending the memorandum and articles of association. Holders of our ordinary shares may by ordinary resolution, among other things, make changes in the amount of our authorized share capital and consolidate and divide all or any of our share capital into shares of larger amount than our existing share capital and cancel any authorized but unissued shares.

Liquidation. Our company may be wound up voluntarily by a special resolution of our company (or, if our company is unable to pay its debts, by an ordinary resolution). If our company is wound up, the liquidator may, with the sanction of a special resolution of our company and any other sanction required by the Companies Act, divide amongst our shareholders in kind the whole or any part of the assets of our company (whether they consist of property of the same kind or not) and may for that purpose value any assets and determine how the division should be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the shareholders as the liquidator, with the like sanction, thinks fit, but so that no shareholder will be compelled to accept any asset upon which there is a liability.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on the terms that such shares are subject to redemption, at our option or at the option of the holders thereof on such terms and in such manner as may be determined, prior to the issue of such shares, by special resolution. Our company may also repurchase any of our shares (including redeemable shares) provided that the manner of such purchase has been authorized by an ordinary resolution of our shareholders. Under the Companies Act, the redemption or repurchase of any share may be paid out of our company's profits or share premium account or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or repurchase, or out of capital if our company will, immediately following such payment, be able to pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act, no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding, or (c) our company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. If at any time the share capital of our company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not our company is being wound-up and except where our articles of association or the Companies Act impose any stricter quorum, voting or procedural requirements in regard to the variation of rights attached to a specific class, be varied either with the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Shareholder Rights Plan

On November 23, 2007, our board of directors implemented a shareholder rights plan through the adoption of a rights agreement. The rights agreement has been amended eight times since its adoption, most recently on July 26, 2024, at which time the termination date was extended to July 25, 2034. Subject to exceptions, in the event that any person (and its affiliates) acquires 10% or more of our outstanding shares, holders of any shares other than that person (and its affiliates) will be able to exercise the right to purchase one additional ordinary share for each ordinary share they already hold, at a significant discount to the market price, subject to adjustments. The rights agreement is intended to encourage anyone seeking to acquire our company to negotiate with our board of directors prior to attempting a takeover. The rights agreement was not adopted in response to any specific effort to acquire control of our company.

We have amended the shareholder rights agreement since its adoption to include or remove exceptions for specific investors. Currently, Baidu, Inc. and its subsidiaries may collectively acquire up to 27% of our outstanding ordinary shares without triggering the share purchase rights, and Naspers Limited, MIH Internet SEA Private Limited and their respective subsidiaries may collectively acquire up to 11% of our outstanding ordinary shares without triggering the share purchase rights. In addition, shareholders who file or are entitled to file a beneficial ownership statement on Schedule 13G pursuant to Rule 13d-1(b)(1) of the Exchange Act, typically institutional investors with no intention to acquire control of the issuer, may beneficially own up to 20% of our total outstanding shares before the share purchase rights are triggered.

Registered Office and Objects

Our registered office in the Cayman Islands is located at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place as our directors may from time to time decide. The objects for which our company is established are unrestricted and we have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

Board of Directors

Our board of directors currently consists of eight directors. Our board of directors may exercise all the powers of our company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock or other securities whether outright or as security for any debt, liability or obligation of our company or of any third party. A director may vote with respect to any contract or transaction in which he or she is interested as long as he or she has made a declaration of the nature of such interest. A director is not required to hold any shares in our company by way of qualification, and there is no requirement for a director to retire at any age limit.

We have a compensation committee that assists the board in reviewing and approving the compensation structure and form of compensation of our directors and executive officers. Members of the compensation committee are not prohibited from direct involvement in determining their own compensation. Our chief executive officer may not be present at any committee meeting during which her compensation is deliberated.

For details of our board of directors and its committees, see "Item 6. Directors, Senior Management and Employees—C. Board Practices."

Differences in Corporate Law

The Companies Act is derived, to a large extent, from the older Companies Acts of England but does not follow recent English statutory enactments, and accordingly there are significant differences between the Companies Act and the current Companies Act of England. In addition, the Companies Act differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of certain significant differences between the provisions of the Companies Act applicable to us and the comparable provisions of the laws applicable to companies incorporated in the United States and their shareholders.

Mergers and Similar Arrangements. The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (i) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (ii) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (i) a special resolution of the shareholders of each constituent company, and (ii) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures set out in the Companies Act, subject to certain exceptions. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders of that Cayman subsidiary if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose, a company is a "parent" of a subsidiary if it holds issued shares that together represent at least ninety percent (90%) of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Act also contains provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by (a) 75% in value of the shareholders or class of shareholders, as the case may be, or (b) a majority in number representing 75% in value of the creditors or each class of creditors, as the case may be, with whom the arrangement is to be made, that are, in each case, present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the Grand Court of the Cayman Islands can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act.

The Companies Act also contains a statutory power of compulsory acquisition which may facilitate the "squeeze out" of dissentient minority shareholder upon a tender offer. When a tender offer is made and accepted by holders of 90% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction by way of scheme of arrangement is thus approved and sanctioned, or if a tender offer is made and accepted, in accordance with the foregoing statutory procedures, a dissenting shareholder would have no rights comparable to appraisal rights, save that objectors to a takeover offer may apply to the Grand Court of the Cayman Islands for various orders that the Grand Court of the Cayman Islands has a broad discretion to make, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits. In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company, and as a general rule, a derivative action may ordinarily not be brought by a minority shareholder. However, based on English authority, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands courts can be expected (and have had occasion) to follow and apply the common law principles (namely the rule in Foss v. Harbottle and the exceptions thereto) so that a minority shareholder may be permitted to commence a class action against, or derivative actions in the name of, our company to challenge:

- an act which is ultra vires or illegal and is therefore incapable of ratification by the shareholders,

- act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and
- an act which requires a resolution with a qualified (or special) majority (i.e., more than a simple majority) which has not been obtained.

Indemnification of Directors and Executive Officers and Limitation of Liability. Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our memorandum and articles of association provide that we shall indemnify each of our officers and directors against any liability incurred by him as a result of any act or failure to act in carrying out his functions other than such liability (if any) that he may incur by his own willful neglect or default. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Directors' Fiduciary Duties. Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director acts in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company—a duty to act in good faith in the best interests of the company, a duty not to make a personal profit based on his position as director (unless the company permits him to do so), a duty not to put himself in a position where the interests of the company conflict with his personal interest or his duty to a third party and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent. Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Cayman Islands law and our memorandum and articles of association provide that shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals. Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our memorandum and articles of association allow our shareholders holding not less than ten per cent. in par value of the capital of our company attaching to the issued and outstanding shares of our company entitled to vote at general meetings, for as long as our shares remain listed on the Hong Kong Stock Exchange, to requisition a shareholder's meeting, in which case our directors should convene an extraordinary general meeting. Other than this right to requisition a shareholders' meeting, our memorandum and articles of association do not provide our shareholders with any other right to put a proposal before any annual general meetings or extraordinary general meetings not called by such shareholders. As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings. However, our articles of association require that, for as long as we remain listed on the Hong Kong Stock Exchange, we shall in each financial year hold a general meeting as our annual general meeting, to be held within six months (or such other period as may be permitted by the Hong Kong Listing Rules) after the end of our financial year.

Cumulative Voting. Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. There are no prohibitions in relation to cumulative voting under the laws of the Cayman Islands but our memorandum and articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors. Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our memorandum and articles of association, three directors (each, a "Founder Director") shall be appointed by our founders, subject to approval of a majority of our independent directors; one director shall be our current chief executive officer; and the remaining directors (each, an "Ordinary Director") shall be appointed by an ordinary resolution of our shareholders. The Founder Directors may only be removed by the shareholders who nominated and elected such directors, whereas Ordinary Directors may be removed by an ordinary resolution of our shareholders. Notwithstanding the foregoing, for as long as we remain listed on the Hong Kong Stock Exchange, any director may be removed with or without cause, by an ordinary resolution of our shareholders. A director's office will be vacated if the director (i) gives notice to us that he resigns the office of director, (ii) absents himself (without being represented by proxy or an alternate director appointed by him) from three consecutive meetings of the board of directors without special leave of absence from the directors, and they pass a resolution that he has by reason of such absence vacated office, (iii) dies, becomes bankrupt or makes any arrangement or composition with his creditors generally, or (iv) is found to be or becomes of unsound mind. Subject to the foregoing sentence, each director will hold office until the expiration of his term and until his successor has been elected and qualified in accordance with the memorandum and articles of association.

Transactions with Interested Shareholders. The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting share within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, the directors of our company are required to comply with the fiduciary duties which they owe to our company under Cayman Islands law, including the duty to ensure that, in their opinion, any such transactions are bona fide in the best interests of our company and are entered into for a proper purpose and not with the effect of constituting a fraud on the minority shareholders.

Restructuring. A company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company:

- is or is likely to become unable to pay its debts; and
- intends to present a compromise or arrangement to its creditors (or classes thereof) either pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring.

The Grand Court may, among other things, make an order appointing a restructuring officer upon hearing of such petition, with such powers and to carry out such functions as the court may order. At any time (i) after the presentation of a petition for the appointment of a restructuring officer but before an order for the appointment of a restructuring officer has been made, and (ii) when an order for the appointment of a restructuring officer is made, until such order has been discharged, no suit, action or other proceedings (other than criminal proceedings) should be proceeded with or commenced against the company, no resolution to wind up the company should be passed, and no winding up petition may be presented against the company, except with the leave of the court. However, notwithstanding the presentation of a petition for the appointment of a restructuring officer or the appointment of a restructuring officer, a creditor who has security over the whole or part of the assets of the company is entitled to enforce the security without the leave of the court and without reference to the restructuring officer appointed.

Dissolution; Winding up. Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of Rights of Shares. Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Amendment of Governing Documents. Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under the Companies Act, our memorandum and articles of association may only be amended by a special resolution of our shareholders.

Rights of Non-Resident or Foreign Shareholders. There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares.

Inspection of Books and Records. Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

Shareholders of Cayman Islands exempted companies like us have no general right under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association, the register of mortgages and charges and any special resolutions passed by our shareholders) or obtain copies of the list of shareholders of these companies. However, we intend to provide our shareholders with annual reports containing audited financial statements.

C. ***Material Contracts***

Other than an indenture dated June 7, 2024 constituting US$1.5 billion 0.75% Convertible Senior Notes due 2029, contracts entered into in the ordinary course of business and contracts described under "Item 4. Information on the Company," "Item 7. Major Shareholders and Related Party Transactions" or elsewhere in this annual report, we have not entered into material contract during the two years immediately preceding the date of this annual report.

D. ***Exchange Controls***

See "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to Foreign Exchange Supervision" and "Item 4. Information on the Company—B. Business Overview—Government Regulations—PRC Regulations—Regulations Relating to Dividend Distributions."

E. ***Taxation***

The following summary of the material Cayman Islands, PRC, and U.S. federal income tax consequences of an investment in our ADSs or ordinary shares is based upon laws and the interpretations thereof in effect as of the date of this annual report, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in our ADSs or ordinary shares, such as the tax consequences under state, local, and other tax laws not addressed herein.

Cayman Islands Taxation

According to Maples and Calder (Hong Kong) LLP, the Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to holders of our ADSs or ordinary shares levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or after execution brought within, the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaty with any country that is applicable to any payments made to or by us.

We have obtained an undertaking from the Financial Secretary of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Act of the Cayman Islands, for a period of 20 years from December 12, 2019, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations will apply to us or our operations and, in addition, no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax will be payable (i) on or in respect of the shares, debentures or other obligations of our company or (ii) by way of the withholding in whole or in part of any relevant payment as defined in the Tax Concessions Act of the Cayman Islands.

PRC Taxation

If the PRC tax authorities determine that our Cayman Islands holding company is a "resident enterprise" for PRC enterprise income tax purposes, a withholding tax of 10% may be imposed on dividends that non-PRC resident enterprise holders of our ADSs receive from us and on gains realized on their sale or other disposition of ADSs, if such income is considered as income derived from within China.

U.S. Federal Income Tax Considerations

The following discussion is a summary of U.S. federal income tax considerations generally applicable to the ownership and disposition of our ADSs or ordinary shares by a U.S. Holder (as defined below) that will hold our ADSs or ordinary shares as "capital assets" (generally, property held for investment). This discussion is based on the U.S. Internal Revenue Code of 1986, as amended, or the Code, U.S. Treasury regulations promulgated thereunder, published positions of the Internal Revenue Service, or the IRS, court decisions and other applicable authorities, all as currently in effect as of the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect).

This discussion does not describe all of the U.S. federal income tax considerations that may be applicable to U.S. Holders in light of their particular circumstances or U.S. Holders subject to special treatment under U.S. federal income tax law, such as:

- banks, insurance companies and other financial institutions;
- tax-exempt entities;
- real estate investment trusts;
- regulated investment companies;
- dealers or traders in securities;
- certain former citizens or residents of the United States;
- persons that elect to mark their securities to market;
- persons holding our ADSs or ordinary shares as part of a "straddle," conversion or other integrated transaction;
- persons that have a functional currency other than the U.S. dollar; and
- persons that actually or constructively own 10% or more of our equity (by vote or value).

In addition, this discussion does not address any U.S. state or local or non-U.S. tax considerations or any U.S. federal estate, gift, minimum tax or Medicare tax on certain net investment income considerations. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax considerations to them in light of their particular situation as well as any considerations arising under the laws of any other taxing jurisdiction.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of our ADSs or ordinary shares that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (i) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our ADSs or ordinary shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partners in a partnership holding our ADSs or ordinary shares should consult their tax advisors regarding the tax considerations generally applicable to them of the ownership and disposition of our ADSs or ordinary shares.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement have been and will be complied with in accordance with its terms. If a U.S. Holder holds ADSs, such holder should be treated as the beneficial holder of the underlying ordinary shares represented by those ADSs for U.S. federal income tax purposes.

Distributions

Subject to the discussion below under " —Passive Foreign Investment Company Rules," any cash distributions (including the amount of any PRC tax withheld if we are deemed to be a PRC resident enterprise under PRC tax law) paid on our ADSs or ordinary shares out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be includible in a U.S. Holder's gross income as dividend income on the day actually or constructively received by such holder. Because we do not intend to determine our earnings and profits on the basis of U.S. federal income tax principles, any distribution paid will generally be treated as dividend income for U.S. federal income tax purposes. Dividends received on our ADSs or ordinary shares will not be eligible for the dividends received deduction allowed to corporations under the Code.

Individuals and other non-corporate recipients will be subject to tax at the lower capital gain tax rate applicable to "qualified dividend income," provided that certain conditions are satisfied, including that (i) our ADSs or ordinary shares are readily tradable on an established securities market in the United States, or, in the event that we are deemed to be a PRC resident enterprise under the PRC tax law, we are eligible for the benefits of the U.S.-PRC income tax treaty, (ii) we are neither a PFIC nor treated as such with respect to a U.S. Holder (as discussed below) for the taxable year in which the dividend was paid and the preceding taxable year, and (iii) certain holding period requirements are met. Our ADSs, but not our ordinary shares, are listed on the Nasdaq Global Select Market, so we anticipate that our ADSs should qualify as readily tradable on an established securities market in the United States, although there can be no assurances in this regard. In the event that we are deemed to be a PRC resident enterprise under PRC tax law, a U.S. Holder may be subject to PRC withholding taxes on dividends paid on our ADSs or ordinary shares. If we are deemed to be a PRC resident enterprise, we may, however, be eligible for the benefits of the U.S.-PRC income tax treaty. If we are eligible for such benefits, dividends we pay on our ordinary shares, regardless of whether such shares are represented by our ADSs, would be eligible for the reduced rates of taxation applicable to qualified dividend income, as discussed above.

For U.S. foreign tax credit purposes, dividends will generally be treated as income from foreign sources and will generally constitute passive category income. Depending on a U.S. Holder's particular circumstances, such holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit in respect of any foreign withholding taxes imposed on dividends received on our ADSs or ordinary shares. If a U.S. Holder does not elect to claim a foreign tax credit for foreign tax withheld, such holder is permitted instead to claim a deduction, for U.S. federal income tax purposes, for the foreign tax withheld, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex. U.S. Holders should consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Sale or Other Taxable Dispositions

Subject to discussion below under " —Passive Foreign Investment Company Rules," a U.S. Holder will generally recognize capital gain or loss upon the sale or other taxable disposition of our ADSs or ordinary shares in an amount equal to the difference, if any, between the amount realized upon the disposition and such holder's adjusted tax basis in such ADSs or ordinary shares. Any capital gain or loss will be long-term capital gain or loss if the U.S. Holder held the ADSs or ordinary shares for more than one year and will generally be U.S.-source gain or loss for U.S. foreign tax credit purposes. In the event that we are deemed to be a PRC resident enterprise under PRC tax law and gain from the disposition of the ADSs or ordinary shares is subject to tax in China, such gain may be treated as PRC-source gain for U.S. foreign tax credit purposes under the U.S.-PRC income tax treaty. The deductibility of a capital loss may be subject to limitations. U.S. Holders should consult their tax advisors regarding the tax considerations if a foreign tax is imposed on a disposition of our ADSs or ordinary shares, including the availability of the foreign tax credit under their particular circumstances.

Passive Foreign Investment Company Rules

A non-U.S. corporation, such as our company, will be classified as a PFIC for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. For this purpose, cash is categorized as a passive asset and the company's unbooked intangibles associated with active business activity are taken into account as a non-passive asset. We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, at least 25% (by value) of the stock.

Although the law in this regard is not entirely clear, we treat the VIEs as being owned by us for U.S. federal income tax purposes because we control their management decisions and we are entitled to substantially all of their economic benefits and, as a result, we consolidate their results of operations in our consolidated U.S. GAAP financial statements. If it were determined, however, that we are not the owner of the VIEs for U.S. federal income tax purposes, we would likely be treated as a PFIC for our current taxable year and any subsequent taxable years.

Assuming we are the owner of the VIEs for U.S. federal income tax purposes, based on the market price of our ADSs and the nature and composition of our assets,, we do not believe that we were classified as a PFIC for the taxable year ended December 31, 2024, and we do not expect to be a PFIC for the foreseeable future. Although we do not anticipate becoming a PFIC, changes in the nature of our income or assets or the value of our ADSs may cause us to become a PFIC for the current or any subsequent taxable year. The market price of the ADSs and ordinary shares may continue to fluctuate considerably; consequently, we cannot assure you of our PFIC status for any taxable year. Under circumstances where revenues from activities that produce passive income significantly increase relative to our revenues from activities that produce non-passive income, or where we determine not to expend significant amounts of cash for working capital or other purposes, our risk of becoming classified as a PFIC may substantially increase.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs, or ordinary shares, such holder will be subject to special tax rules with respect to any "excess distribution" that such holder receives and any gain such holder realizes from a sale or other disposition (including a pledge) of our ADSs or ordinary shares, unless such holder makes a "mark-to-market" election as discussed below. Distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions such holder received during the shorter of the three preceding taxable years or such holder's holding period for the ADSs or ordinary shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over such holder's holding period for the ADSs or ordinary shares;
- amounts allocated to the current taxable year, and any taxable years in such holder's holding period prior to the first taxable year in which we are classified as a PFIC, or a pre-PFIC year, will be taxable as ordinary income; and
- amounts allocated to each prior taxable year, other than a pre-PFIC year, will be subject to tax at the highest tax rate in effect applicable to such holder for that year, and such amounts will be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to such years.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares and any of our non-U.S. subsidiaries are also PFICs, such holder will be treated as owning a proportionate amount (by value) of the shares of each such non-U.S. subsidiary classified as a PFIC for purposes of the application of these rules.

Alternatively, a U.S. Holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election for such stock of a PFIC to elect out of the tax treatment discussed in the two preceding paragraphs. If a U.S. Holder makes a valid mark-to-market election for the ADSs, such holder will include in income each year an amount equal to the excess, if any, of the fair market value of the ADSs as of the close of such holder's taxable year over such holder's adjusted basis in such ADSs. The U.S. Holder will be allowed a deduction for the excess, if any, of the adjusted basis of the ADSs over their fair market value as of the close of the taxable year. However, deductions will be allowable only to the extent of any net mark-to-market gains on the ADSs included in the U.S. Holder's income for prior taxable years. Amounts included in the U.S. Holder's income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ADSs, will be treated as ordinary income. Ordinary loss treatment will also apply to the deductible portion of any mark-to-market loss on the ADSs, as well as to any loss realized on the actual sale or disposition of the ADSs, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such ADSs. A U.S. Holder's basis in the ADSs will be adjusted to reflect any such gain or loss amounts. If a U.S. Holder makes a valid mark-to-market election, and we subsequently cease to be classified as a PFIC, such holder will not be required to take into account the mark-to-market income or loss described above during any period that we are not classified as a PFIC.

The mark-to-market election is available only for "marketable stock," which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter, in other words, regularly traded, on a qualified exchange or other market, as defined in applicable U.S. Treasury regulations. Our ADSs are listed on the Nasdaq Global Select Market, which is a qualified exchange for these purposes, and, consequently, assuming that the ADSs are regularly traded, it is expected that the mark-to-market election would be available to U.S. Holders of ADSs (but not our ordinary shares) if we are or become a PFIC.

Because, as a technical matter, a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the PFIC rules with respect to such holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

We do not intend to provide the information necessary for U.S. Holders to make qualified electing fund elections in the event that we are classified as a PFIC.

If we are classified as a PFIC, a U.S. Holder must file an annual report with the IRS. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax considerations of owning and disposing of our ADSs or ordinary shares if we are or become a PFIC, including the unavailability of a qualified electing fund election, the possibility of making a mark-to-market election and the annual PFIC filing requirements, if any.

F. *Dividends and Paying Agents*

Not applicable.

G. *Statement by Experts*

Not applicable.

H. *Documents on Display*

We are subject to the periodic reporting and other informational requirements of the Exchange Act. Under the Exchange Act, we are required to file reports and other information with SEC. Specifically, we are required to file annually a Form 20-F within four months after the end of each fiscal year. All information we file with the SEC can be obtained over the internet at the SEC's website at *www.sec.gov*. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, and officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

We will furnish The Bank of New York Mellon, the depositary of our ADSs, with our annual reports, which will include a review of operations and annual audited consolidated financial statements prepared in conformity with U.S. GAAP, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, upon our request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

I. *Subsidiary Information*

Not applicable.

J. *Annual Report to Security Holders*

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk. Our exposure to interest rate risk primarily relates to interest income generated by bank deposit and short-term investment, as well as interest expenses associated with floating rate based bank borrowings and syndicated loans. For information about these notes and bank borrowings, see "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources." We have used interest swap contracts to hedge our exposure to interest rate risk. Based on our cash balance as of December 31, 2024, a one basis point decrease in interest rates would result in an RMB8 million (US$1 million) decrease in our interest income on an annual basis. Our future interest income may fluctuate in line with changes in interest rates. We have not used derivative financial instruments to reduce the risk for the fixed rate based bank borrowings. We have not been exposed to nor do we anticipate being exposed to material risks due to changes in interest rates for the fixed rate based bank borrowings.

Foreign Exchange Risk. The majority of our revenues are denominated in Renminbi. While a portion of our financial assets, financial liabilities and dividend payments are denominated in U.S. dollars, we may use foreign exchange spot, forwards, or other contracts to hedge our exposure to foreign currency risk where we deem necessary. The conversion of Renminbi into other currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against other currencies, at times significantly and unpredictably. The value of Renminbi against other currencies is affected by changes in global economic conditions and foreign exchange policies, among other things. It is difficult to predict how market forces or government policies may impact the exchange rate between Renminbi and other currencies in the future.

Investment Risk. As of December 31, 2024, our equity method investments totaled US$3.3 billion. We periodically review our investments for impairment. Unrealized gains on transactions between the affiliated entity and us are eliminated to the extent of our interest in the affiliated entity; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. We are unable to control these factors and an impairment charge recognized by us will impact our operating results and financial position. As of December 31, 2024, our remaining investments were mainly equity security investments measured at fair market value and time deposits and financial products in commercial banks, and the impairment risks associated with these investments are not considered significant and particularly sensitive to management judgments.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. ***Debt Securities***

Not applicable.

B. ***Warrants and Rights***

Not applicable.

C. ***Other Securities***

Not applicable.

D. ***American Depositary Shares***

Fees paid by our ADS holders

The Bank of New York Mellon, the depositary of our ADS program, collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deducting from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

Persons depositing or withdrawing shares must pay:	For:
$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	• Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property • Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
$0.02 (or less) per ADS	• Any cash distribution to ADS registered holders
A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs	• Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to ADS registered holders
$0.02 (or less) per ADSs per calendar year	• Depositary services
Registration or transfer fees	• Transfer and registration of shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares
Expenses of the depositary	• Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement) • Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian have to pay on any ADS or share underlying an ADS, for example, stock transfer taxes, stamp duty or withholding taxes	• As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	• As necessary

Fees and Payments from the Depositary to Us

We expect to receive from the depositary a reimbursement of approximately US$3.8 million, net of withholding tax, for our continuing annual stock exchange listing fees and our expenses incurred in connection with investor relationship programs for 2024. In addition, the depositary has agreed to reimburse us annually for our expenses incurred in connection with investor relationship programs in the future. The amount of such reimbursements is subject to certain limits.

Dealings and Settlement of Shares in Hong Kong

Our ordinary shares now trade on the Hong Kong Stock Exchange in board lots of 50 ordinary shares. Dealings in our ordinary shares on the Hong Kong Stock Exchange will be conducted in Hong Kong dollars.

The transaction costs of dealings in our shares on the Hong Kong Stock Exchange include:

- Hong Kong Stock Exchange trading fee of 0.00565% of the consideration of the transaction, charged to each of the buyer and seller;

- the Securities and Futures Commission of Hong Kong transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- Accounting and Financial Reporting Council of Hong Kong transaction levy of 0.00015% of the consideration of the transaction, charged to each of the buyer and seller;
- transfer deed stamp duty of HK$5.00 per transfer deed (if applicable), payable by the seller;
- ad valorem stamp duty at a total rate of 0.2% of the value of the transaction, with 0.1% payable by each of the buyer and the seller;
- stock settlement fee, which is currently 0.002% of the gross transaction value, subject to a minimum fee of HK$2.00 and a maximum fee of HK$100.00 per side per trade;
- brokerage commission, which is freely negotiable with the broker; and
- the Hong Kong Share Registrar, Computershare Hong Kong Investor Service Limited, will charge HK$2.50 per share certificate canceled/issued (whichever is higher) for each regular transfer service of ordinary shares from one registered owner to another, and any applicable fee as stated in the share transfer forms used in Hong Kong.

Investors must settle their trades executed on the Hong Kong Stock Exchange through their brokers directly or through custodians. For an investor who has deposited their ordinary shares in their stock account or in their designated Hong Kong Securities Clearing Company Limited (HKSCC) participant's stock account maintained with the HKSCC, settlement will be effected in the Central Clearing and Settlement System (CCASS) established and operated by the HKSCC in accordance with the General Rules of the HKSCC and the HKSCC Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to their broker or custodian before the settlement date.

Exchanges Between Shares Trading in Hong Kong and ADSs

In connection with the listing of our ordinary shares on the Hong Kong Stock Exchange, we have established a branch register of members in Hong Kong, which we refer to as the Hong Kong Share Register, which is maintained by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited. Our principal register of members, which we refer to as the Cayman share register, continues to be maintained by our principal share registrar, Maples Fund Services (Cayman) Limited.

All ordinary shares offered in our global offering in April 2021 are registered on the Hong Kong Share Register in order to be listed and traded on the Hong Kong Stock Exchange. As described in further detail below, holders of ordinary shares registered on the Hong Kong Share Register are able to exchange these shares into ADSs, and vice versa.

Our ADSs

ADSs representing our ordinary shares are traded on Nasdaq. Dealings in ADSs on Nasdaq are conducted in U.S. dollars.

ADSs may be held either:

- directly: (i) by having an American Depositary Receipt, or ADR, which is a certificate evidencing a specific number of ADSs registered in the holder's name; or (ii) by having uncertified ADSs registered in the holder's name; or
- indirectly, by holding a security entitlement in ADSs through a broker or other financial institution that is a direct or indirect participant in The Depository Trust Company, also called DTC.

The depositary for the ADSs is The Bank of New York Mellon, whose principal executive office is located at 240 Greenwich Street, New York, New York 10286, United States.

Depositing ordinary shares trading in Hong Kong for delivery of ADSs

An investor who holds ordinary shares registered in Hong Kong and who intends to exchange them for ADSs to trade on Nasdaq must deposit or have his or her broker deposit the ordinary shares with the depositary's Hong Kong custodian, The Hong Kong and Shanghai Banking Corporation Limited, Hong Kong, in exchange for ADSs.

A deposit of ordinary shares in exchange for ADSs involves the following procedures:

- If ordinary shares have been deposited with CCASS, the investor must transfer ordinary shares to the depositary's account with the custodian within CCASS by following the CCASS procedures for transfer and submit and deliver a duly completed and signed ADS delivery form to the custodian via his or her broker.
- If ordinary shares are held outside CCASS, the investor must arrange for the deposit of his or her ordinary shares into CCASS and then proceed as described above.
- Upon payment of its fees and expenses and of any taxes or charges, such as stamp duties or stock transfer taxes or fees, if applicable, the depositary will register the corresponding number of ADSs in the name(s) requested by an investor and will deliver the ADSs as instructed in the ADS delivery form.

For ordinary shares deposited in CCASS, under normal circumstances, the above steps generally require two business days, provided that the investor has provided timely and complete instructions. For ordinary shares held outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS issuances. The investor will be unable to trade the ADSs until the procedures are completed.

Surrender of ADSs for delivery of ordinary shares trading in Hong Kong

An investor who holds ADSs and wishes to receive ordinary shares that trade on the Hong Kong Stock Exchange must surrender the ADSs the investor holds and withdraw ordinary shares from the ADS program and cause his or her broker or other financial institution to trade such ordinary shares on the Hong Kong Stock Exchange.

An investor that holds ADSs indirectly through a broker or other financial institution should follow the procedure of the broker or financial institution and instruct the broker to arrange for surrender of the ADSs, and transfer of the underlying ordinary shares from the depositary's account with the custodian within the CCASS system to the investor's Hong Kong stock account.

For investors holding ADSs directly, the following steps must be taken:

- To withdraw ordinary shares from the ADS program, an investor who holds ADSs may turn in such ADSs at the office of the depositary (and the applicable ADR(s) if the ADSs are held in certificated form), and send an instruction to cancel such ADSs to the depositary.
- Upon payment or net of its fees and expenses and of any taxes or charges, such as stamp duties or stock transfer taxes or fees, if applicable, the depositary will instruct the custodian to deliver ordinary shares underlying the canceled ADSs to the CCASS account designated by an investor.
- If an investor prefers to receive shares outside CCASS, he or she must so indicate in the instruction delivered to the depositary.

For ordinary shares to be received in CCASS, under normal circumstances, the above steps generally require two business days, provided that the investor has provided timely and complete instructions. For ordinary shares to be received outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. The investor will be unable to trade the ordinary shares on the Hong Kong Stock Exchange until the procedures are completed.

Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS cancelations.

Depositary requirements

Before the depositary delivers ADSs or permits withdrawal of ordinary shares, the depositary may require:

- production of satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with procedures it may establish, from time to time, consistent with the deposit agreement, including completion and presentation of transfer documents.

The depositary may refuse to deliver, transfer, or register issuances, transfers and cancelations of ADSs generally when the transfer books of the depositary or our Hong Kong Share Registrar are closed or at any time if the depositary or we determine it advisable to do so.

All costs attributable to the transfer of ordinary shares to effect a withdrawal from or deposit of ordinary shares into the ADS program will be borne by the investor requesting the transfer or deposit. In particular, holders of ordinary shares and ADSs should note that the Hong Kong Share Registrar will charge HK$2.50 for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong. In addition, holders of ordinary shares and ADSs must pay up to US$5.00 per 100 ADSs (or portion thereof) for each issuance of ADSs and each cancelation of ADSs, as the case may be, in connection with the deposit of ordinary shares into, or withdrawal of ordinary shares from, the ADS facility.

PART II.

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, our management, including our chief executive officer, Jane Jie Sun, and our chief financial officer, Cindy Xiaofan Wang, has performed an assessment of the effectiveness of our disclosure controls and procedures, as that term is defined in Rules 13a-15(e) of the Exchange Act, as of the end of the period covered by this annual report. Based on that assessment, our management has concluded that our disclosure controls and procedures were effective as of December 31, 2024.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP and includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP, and that receipts and expenditures of our company are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of our company's assets that could have a material effect on the consolidated financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management conducted an assessment of the effectiveness of our company's internal control over financial reporting as of December 31, 2024 based on the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, our management concluded that our internal control over financial reporting was effective as of December 31, 2024.

Attestation Report of the Registered Public Accounting Firm

PricewaterhouseCoopers Zhong Tian LLP, our independent registered public accounting firm, audited the effectiveness of our company's internal control over financial reporting as of December 31, 2024, as stated in their report that appears on page F-2 of this annual report.

Changes in Internal Control over Financial Reporting

As required by Rule 13a-15(d), under the Exchange Act, our management, including our chief executive officer and our chief financial officer, also conducted an assessment of our internal control over financial reporting to determine whether any changes occurred during the period covered by this report have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that assessment, it has been determined that there has been no such change during the period covered by this annual report.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

See "Item 6. Directors, Senior Management and Employees—C. Board Practices."

ITEM 16B. CODE OF ETHICS

Our board of directors has adopted a code of ethics that applies to our directors, officers, employees, and agents, including certain provisions that specifically apply to our chief executive officer, chief financial officer, financial controller, vice presidents and any other persons who perform similar functions for us, as amended and restated from time to time. We have filed our currently effective code of business conduct and ethics as an exhibit to our annual report on Form 20-F, and posted the code on our investor relations website at *investors.trip.com*.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by PricewaterhouseCoopers Zhong Tian LLP and its affiliates, our principal accountant, for the periods indicated.

	For the Years Ended December 31,		
	2023	2024	
	RMB	RMB	US$
Audit Fees(1)	23,737,984	29,819,043	4,085,192
Audit Related Fees(2)	1,090,000	2,420,442	331,599
Tax Fees(3)	1,502,151	3,326,111	455,675

Notes:

(1) "Audit Fees" represent the aggregate fees incurred for each of the fiscal years listed for professional services rendered by our principal accountant for the interim review of quarterly financial statements and the audit of our annual financial statements and other statutory audits of our subsidiaries.

(2) "Audit Related Fees" represent the aggregate fees incurred in each of the fiscal years listed for assurance and related services that are provided by our principal accountant that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees."

(3) "Tax Fees" represent the aggregate fees incurred in each of the fiscal years listed for professional services rendered by our principal accountant for tax compliance, tax advice and tax planning.

Our audit committee pre-approves all audit and permissible non-audit services provided by the principal accountant. These services may include audit services, audit-related services and tax services, as well as, to a very limited extent, specifically designated non-audit services which, in the opinion of the audit committee, will not impair the independence of the principal accountant. The principal accountant and our management are required to report to the audit committee on the quarterly basis regarding the extent of services provided by the principal accountant in accordance with this pre-approval.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16E. PURCHASE OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

In March 2014, our board of directors adopted a share repurchase plan, which we refer to as the 2014 Repurchase Plan. Pursuant to the 2014 Repurchase Plan, we are authorized to purchase our own ADSs with an aggregate value of up to US$600 million, to be funded out of our existing cash balance. Under the 2014 Repurchase Plan, we are authorized to effect a share repurchase on the open market at prevailing market prices and/or in negotiated transactions off the market from time to time as market conditions warrant, in accordance with all applicable requirements of Rule 10b-18 under the Exchange Act and on the terms set out in the resolutions of our board of directors approving such share repurchase.

In November 2023, our board of directors adopted a regular capital return policy to benefit our shareholders and ADS holders in the form of discretionary annual share repurchases, discretionary annual cash dividend declarations, or a combination thereof, commencing from the year 2024. Under the policy, our board of directors reserves the discretion relating to the determination of the form, timing, and amount of the capital return measures in any particular year, depending on our financial condition, results of operations, cash flow, capital requirements, and other relevant factors.

In February 2024, pursuant to the regular capital return policy, our board of directors approved and authorized us to implement strategic capital return initiatives, which include share repurchases, from time to time for an aggregate value up to US$300 million, which we refer to as the 2024 Repurchase Plan.

In February 2025, pursuant to the regular capital return policy, our board of directors approved and authorized us to implement additional strategic capital return initiatives, which include share repurchases, from time to time, for an aggregate value of up to US$400 million, which we refer to as the 2025 Repurchase Plan.

The following table summarizes our repurchases of our equity securities in 2024.

Period	Total Number of ADS Purchased	Average Price Paid Per ADS[1]	Total Number of ADSs Purchased as Part of Publicly Announced Plans	Approximate Dollar Value of ADSs that May Yet Be Purchased Under the Plans[2]
January 1 to January 31, 2024	—	N/A	—	US$ 281,779,374
February 1 to February 29, 2024	—	N/A	—	US$ 581,779,374
March 1 to March 31, 2024	—	N/A	—	US$ 581,779,374
April 1 to April 30, 2024	—	N/A	—	US$ 581,779,374
May 1 to May 31, 2024	—	N/A	—	US$ 581,779,374
June 1 to June 30, 2024	5,980,861	US$ 50.16	5,980,861	US$ 281,779,386
July 1 to July 31, 2024	—	N/A	—	US$ 281,779,386
August 1 to August 31, 2024	—	N/A	—	US$ 281,779,386
September 1 to September 30, 2024	—	N/A	—	US$ 281,779,386
October 1 to October 31, 2024	—	N/A	—	US$ 281,779,386
November 1 to November 30, 2024	—	N/A	—	US$ 281,779,386
December 1 to December 31, 2024	—	N/A	—	US$ 281,779,386
Total	5,980,861	N/A	5,980,861	US$ 281,779,386

Notes:

(1) Each ADS represents one ordinary share.

(2) Starting in February 2024, the approximate dollar value presented in this column represents an aggregate value of ADSs repurchased under both the 2014 Repurchase Plan and the 2024 Repurchase Plan. This value does not include the US$400 million quota of the 2025 Repurchase Plan.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

As a Cayman Islands company listed on Nasdaq, we are subject to the Nasdaq corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq corporate governance listing standards. In lieu of (i) the requirements of Rule 5605(b) of the Nasdaq Rules that a majority of a Nasdaq-listed company's board of directors be independent directors as defined in Rule 5605(a)(2), and (ii) the requirements of Rule 5635(c) of the Nasdaq Rules that shareholder approval be required prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants, we intend to follow our home country practices with respect to the composition of our board of directors and approval for adoption and material amendment to our equity-based compensation plans. Our Cayman Islands legal counsel has provided a letter to the Nasdaq Stock Market certifying that under Cayman Islands law, we are not required to follow or comply with the requirements of the Rule 5600 series of the Nasdaq Rules (except for those rules that are required to be followed pursuant to Rule 5615(a)(3)). Nasdaq has acknowledged the receipt of this letter.

Other than the home country practices described above, we are not aware of any significant ways in which our corporate governance practices differ from those followed by U.S. domestic companies under the Nasdaq Rules.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

We have adopted insider trading policies and procedures governing the purchase, sale and other dispositions of our securities by directors, senior management and employees to promote compliance with applicable insider trading laws, rules and regulations. These insider trading policies and procedures are filed as Exhibit 11.2 to this annual report on Form 20-F.

ITEM 16K. CYBERSECURITY

Risk Management and Strategy

We have implemented robust processes for assessing, identifying, and managing material risks from cybersecurity threats and monitoring the prevention, detection, mitigation, and remediation of material cybersecurity incident. We have also integrated cybersecurity risk management into our overall enterprise risk management system.

We have established a dynamic and multi-layered cybersecurity defense system to effectively mitigate both internal and external cybersecurity threats. This comprehensive system spans multiple security domains, including network, host, and application layers. It integrates a range of security capabilities such as threat defense, continuous monitoring, in-depth analysis, and rapid response. Our approach to managing cybersecurity risks and safeguarding sensitive data is multi-faced, involving technological safeguards, procedural protocols, a rigorous program of surveillance on our corporate network and the connections with any third-party service providers, ongoing evaluation of our security measures implemented towards internal and external resources, a solid incident response framework, and regular cybersecurity training sessions for our employees. Our cybersecurity department is actively engaged in continuous monitoring of our applications, platforms, and infrastructure to ensure prompt identification and response to potential issues, including emerging cybersecurity threats.

We also engaged third parties in connection with the processes for assessing, identifying, and managing material risks from cybersecurity threats. For example, we engaged third parties for penetration test services, on-site security maintenance service, and cloud-based security services.

As of the date of this annual report, we have not experienced any material cybersecurity incidents or identified any material cybersecurity threats that have affected or are reasonably likely to materially affect us, our business strategy, results of operations, or financial condition.

Governance

Our board of directors is responsible for overseeing our company's cybersecurity risk management and be informed on risks from cybersecurity threats. Our board of directors will review, approve, and maintain oversight of the disclosure (i) on Form 6-K for material cybersecurity incidents (if any) and (ii) relating to cybersecurity matters in the periodic reports (including annual report on Form 20-F) of our company.

On the management level, we have established an information security committee comprised of senior principals of our information security department, technology department, and legal department, who collectively have diverse and extensive experience in their respective fields. The information security committee monitors potential cybersecurity risks, develops risk prevention and mitigation measures, ensures the duly implementation of all risk prevention and mitigation measures across our company, and introduces new technologies and innovative solutions for defending our company against cybersecurity threats. The information security committee reports to our executive officers and holds as many meetings with our chief executive officer and our chief financial officer as it deems appropriate.

We also have a cybersecurity disclosure committee established pursuant to the internal controls and procedures in connection with cybersecurity. The cybersecurity disclosure committee is comprised of a senior principal in charge of cybersecurity matters and other senior principals who are in charge of our disclosure controls and procedures. Our cybersecurity disclosure committee reports to our chief executive officer, chief financial officer, and board of directors from time to time regarding its assessment, identification, and management on material risks from cybersecurity threats happened in the ordinary course of our business operations. If a cybersecurity incident occurs, our cybersecurity disclosure committee will promptly organize relevant personnel for internal assessment and, depending on the situation, seek opinions of external experts and legal advisors. If it is determined that the incident could potentially be a material cybersecurity incident, our cybersecurity disclosure committee will promptly report the investigation and assessment results to our board of directors and our board of directors will decide on the relevant response measures and whether any disclosure is necessary. If such disclosure is determined to be necessary, our cybersecurity disclosure committee will promptly prepare disclosure material for review and approval by our board of directors before it is disseminated to the public.

PART III.

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements for Trip.com Group Limited and its subsidiaries are included at the end of this annual report.

ITEM 19. EXHIBITS

Exhibit Number	Document
1.1	Fourth Amended and Restated Memorandum and Articles of Association of the Registrant adopted by the shareholders of the Registrant on June 30, 2023 (incorporated by reference to Exhibit 3.1 to our Report of Foreign Private Issuer on Form 6-K furnished to the Securities and Exchange Commission on June 30, 2023)
2.1	Specimen American Depositary Receipt of the Registrant (incorporated by reference to Form 424b3 (File No. 333-233932) filed with the Securities and Exchange Commission on March 18, 2021)
2.2	Specimen Stock Certificate of the Registrant (incorporated by reference to Exhibit 2.2 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 27, 2022)
2.3	Rights Agreement dated as of November 23, 2007 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.1 to our Report of Foreign Private Issuer on Form 6-K furnished to the Securities and Exchange Commission on November 23, 2007)
2.4	First Amendment to the Rights Agreement dated as of August 7, 2014 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.1 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on August 8, 2014)
2.5	Second Amendment to the Rights Agreement dated as of August 7, 2014 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.2 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on August 8, 2014)
2.6	Third Amendment to the Rights Agreement dated as of May 29, 2015 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.3 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on June 4, 2015)
2.7	Fourth Amendment to the Rights Agreement dated as of October 26, 2015 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.3 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on October 27, 2015)
2.8	Fifth Amendment to the Rights Agreement dated as of December 23, 2015 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.3 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on December 23, 2015)
2.9	Sixth Amendment to the Rights Agreement dated as of August 30, 2019 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.1 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on November 14, 2019)
2.10	Seventh Amendment to the Rights Agreement dated as of November 13, 2019 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.2 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on November 14, 2019)

Exhibit Number	Document
2.11	Eighth Amendment to the Rights Agreement dated July 26, 2024 between the Registrant and The Bank of New York, as Rights Agent (incorporated by reference to Exhibit 4.9 to our Report of Foreign Private Issuer on Form 8-A/A furnished to the Securities and Exchange Commission on July 29, 2024)
2.12	Deposit Agreement dated as of December 8, 2003, as amended and restated as of August 11, 2006, and as further amended and restated as of December 3, 2007, among the Registrant, The Bank of New York as Depositary, and all Owners and Beneficial Owners from time to time of American Depositary Shares issued thereunder (incorporated by reference to Exhibit 2.4 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 29, 2008)
2.13	Description of Securities (incorporated by reference to Exhibit 2.12 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 29, 2024)
4.1	Form of Indemnification Agreement with the Registrant's directors and executive officers (incorporated by reference to Exhibit 10.2 to our Registration Statement on Form F-1 (File No. 333-110455) filed with the Securities and Exchange Commission on November 13, 2003)
4.2	Form of Employment Agreement between the Registrant and its executive officers (incorporated by reference to Exhibit 4.2 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on March 27, 2023)
4.3	Translation of Executed Form of Technical Consulting and Services Agreement between a wholly-owned subsidiary of the Registrant and a VIE, as currently in effect, and a schedule of all executed technical consulting and services agreements adopting the same form in respect of a VIE (incorporated by reference to Exhibit 4.6 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 9, 2020)
4.4	Translation of Executed Form of Loan Agreement between a wholly-owned subsidiary of the Registrant and shareholders of a VIE, as currently in effect, and a schedule of all executed loan agreements adopting the same form in respect of a VIE (incorporated by reference to Exhibit 4.7 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 27, 2022)
4.5	Translation of Executed Form of Exclusive Call Option Agreement among a wholly-owned subsidiary of the Registrant, a VIE and a shareholder of the VIE, as currently in effect, and a schedule of all executed equity pledge agreements adopting the same form in respect of a VIE (incorporated by reference to Exhibit 4.8 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 27, 2022)
4.6	Translation of Executed Form of Equity Pledge Agreement between a wholly-owned subsidiary of the Registrant and a shareholder of a VIE, as currently in effect, and a schedule of all executed equity pledge agreements adopting the same form in respect of a VIE (incorporated by reference to Exhibit 4.9 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 27, 2022)
4.7	Translation of Executed Form of Power of Attorney by a shareholder of a VIE, as currently in effect, and a schedule of all executed power of attorney adopting the same form in respect of a VIE (incorporated by reference to Exhibit 4.10 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 27, 2022)
4.8	Confidentiality and Non-Competition Agreement, effective as of September 10, 2003, between the Registrant and Qi Ji (incorporated by reference to Exhibit 10.16 to our Registration Statement on Form F-1 (File No. 333-110455) filed with the Securities and Exchange Commission on November 13, 2003)
4.9	Form of Director Agreement between the Registrant and its director (incorporated by reference to Exhibit 4.20 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on May 11, 2004)
4.10	Translation of State Land Use Right Assignment Contract dated February 25, 2008 between Nantong Land Resource Bureau and Ctrip Information Technology (Nantong) Co., Ltd. (incorporated by reference to Exhibit 4.21 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 29, 2008)

Exhibit Number	Document
4.11	2007 Share Incentive Plan of the Registrant, as amended and restated as of November 17, 2008 (incorporated by reference to Exhibit 4.21 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on May 26, 2009)
4.12	Translation of State-Owned Construction Land Use Right Transfer Contract dated September 30, 2011 between Chengdu Ctrip Information Technology Co., Ltd. and Chengdu Land Resources Bureau (incorporated by reference to Exhibit 4.30 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on March 30, 2012)
4.13	Standstill Agreement dated as of October 26, 2015 between Baidu, Inc. and the Registrant (incorporated by reference to Exhibit 3 to Schedule 13D (File No. 005-79455) filed by Baidu, Inc. with the Securities and Exchange Commission on November 4, 2015)
4.14	Registration Rights Agreement dated as of October 26, 2015 between Baidu Holdings Limited and the Registrant (incorporated by reference to Exhibit 4 to Schedule 13D (File No. 005-79455) filed by Baidu, Inc. with the Securities and Exchange Commission on November 4, 2015)
4.15	Framework Agreement for Treatment of Qunar Employee Shares and Equity Awards dated December 9, 2015 between the Registrant and Qunar Cayman Islands Limited (incorporated by reference to Exhibit 4.51 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.16	Restated Exclusive Technical Consulting and Services Agreement dated March 23, 2016 between Beijing Qu Na Information Technology Co., Ltd. and Beijing Qunar Software Technology Co., Ltd. (incorporated by reference to Exhibit 4.52 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.17	Loan Agreement dated March 23, 2016 among Beijing Qunar Software Technology Co., Ltd., Hui Cao and Hui Wang (incorporated by reference to Exhibit 4.53 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.18	Equity Option Agreement dated March 23, 2016 among Qunar Cayman Islands Limited, Beijing Qunar Software Technology Co., Ltd., Hui Cao, Hui Wang and Beijing Qu Na Information Technology Co., Ltd. (incorporated by reference to Exhibit 4.54 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.19	Equity Interest Pledge Agreement dated March 23, 2016 among Beijing Qunar Software Technology Co., Ltd., Hui Cao and Hui Wang (incorporated by reference to Exhibit 4.55 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.20	Power of Attorney by Hui Cao and Hui Wang dated March 23, 2016 (incorporated by reference to Exhibit 4.56 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 22, 2016)
4.21	Registration Rights Agreement dated August 30, 2019 between the Registrant and MIH Internet SEA Private Limited (incorporated by reference to Exhibit 99.2 to Schedule 13D (File No. 005-79455) filed by MIH Internet SEA Private Limited and Naspers Limited with the Securities and Exchange Commission on September 5, 2019)
4.22	Cooperation Agreement dated August 30, 2019 among the Registrant, MIH Internet SEA Private Limited and Myriad International Holdings B.V. (incorporated by reference to Exhibit 99.3 to Schedule 13D (File No. 005-79455) filed by MIH Internet SEA Private Limited and Naspers Limited with the Securities and Exchange Commission on September 5, 2019)
4.23	Second Amended and Restated Global Share Incentive Plan (incorporated by reference to Exhibit 4.35 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 9, 2020)
4.24	Indenture dated July 20, 2020 constituting US$500 million 1.50% Exchangeable Senior Notes due 2027 (incorporated by reference to Exhibit 4.34 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on March 15, 2021)

Exhibit Number	Document
4.25	Supplemental Indenture dated December 15, 2020 constituting US$500 million 1.50% Exchangeable Senior Notes due 2027 (incorporated by reference to Exhibit 4.35 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on March 15, 2021)
4.26*	Indenture dated June 7, 2024 constituting US$1.5 billion 0.75% Convertible Senior Notes due 2029
4.27	Facility Agreement dated December 2, 2022 among the Registrant (as borrower), China Construction Bank Corporation Hong Kong Branch, DBS Bank Ltd., The HongKong and Shanghai Banking Corporation Limited, Standard Chartered Bank (Hong Kong) Limited and Industrial and Commercial Bank Of China Shanghai Cao He Jing Hi-tech Park Sub-branch (as mandated lead arrangers and bookrunners), and other parties thereto (incorporated by reference to Exhibit 4.28 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on March 27, 2023)
8.1*	List of Significant Consolidated Entities of the Registrant
11.1	Code of Business Conduct and Ethics of the Registrant, as amended and restated as of July 23, 2023 (incorporated by reference to Exhibit 11.1 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 29, 2024)
11.2*	Amended and Restated Statement of Policies Governing Material Non-public Information and the Prevention of Insider Trading
12.1*	Chief Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Chief Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	Chief Executive Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	Chief Financial Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Maples and Calder (Hong Kong) LLP
15.2*	Consent of Commerce & Finance Law Offices
15.3*	Consent of PricewaterhouseCoopers Zhong Tian LLP
97	Clawback Policy of the Registrant (incorporated by reference to Exhibit 97 to our Annual Report on Form 20-F (File No. 001-33853) filed with the Securities and Exchange Commission on April 29, 2024)
101.INS*	Inline XBRL Instance Document-this instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed with this annual report on Form 20-F.

** Furnished with this annual report on Form 20-F.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing its annual report on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

TRIP.COM GROUP LIMITED

By: /s/ Jane Jie Sun
Name: Jane Jie Sun
Title: Chief Executive Officer and Director

Date: April 11, 2025

TRIP.COM GROUP LIMITED
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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Trip.com Group Limited

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Trip.com Group Limited and its subsidiaries (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of income and comprehensive income, of shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of investments classified under Level 3 in the fair value hierarchy

As described in Note 8 to the consolidated financial statements, the Company had investments of RMB941 million classified under Level 3 in the fair value hierarchy (the "Level 3 Investments") as of December 31, 2024. The fair values of the Level 3 Investments were determined by management based on valuation models utilizing various unobservable inputs which required significant judgment by management with respect to the selection of valuation models and the assumptions and estimates for the revenue growth rate, weighted average cost of capital, lack of marketability discounts, expected volatility, and probability in equity allocation.

The principal considerations for our determination that performing procedures relating to the valuation of the Level 3 Investments is a critical audit matter are (i) the significant judgment by management with respect to the assumptions and estimates used in the determination of the fair values of the Level 3 Investments; (ii) a high degree of auditor judgment, subjectivity, and effort in designing and performing procedures and evaluating audit evidence related to (a) the appropriateness of the management's valuation models and (b) the reasonableness of management's estimates and assumptions; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the valuation of the Level 3 Investments, including controls over the valuation models, significant assumptions and estimates related to the fair value measurements, and underlying data. These procedures also included, among others (i) testing the completeness, accuracy and relevance of underlying data provided by management; (ii) evaluating the significant assumptions and estimates used by management for the revenue growth rate, which involved considering the past performance of the investees' businesses, benchmarking of peer companies as well as economic and industry forecasts; and (iii) involving professionals with specialized skill and knowledge to assist in evaluating (a) the appropriateness of the management's valuation models and (b) the reasonableness of management's assumptions for the weighted average cost of capital, lack of marketability discounts, expected volatility, and probability in equity allocation.

/s/ PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China
April 11, 2025

We have served as the Company's auditor since 2003.

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024

(In millions, except for share and per share data)

	2022 RMB	2023 RMB	2024 RMB	2024 US$ (Note 2)
Revenues:				
Accommodation reservation	7,400	17,257	21,612	2,961
Transportation ticketing	8,253	18,443	20,301	2,781
Packaged tours	797	3,140	4,336	594
Corporate travel	1,079	2,254	2,502	343
Others	2,526	3,468	4,626	634
Total revenues	20,055	44,562	53,377	7,313
Less: Sales tax and surcharges	(16)	(52)	(83)	(11)
Net revenues	20,039	44,510	53,294	7,302
Cost of revenues	(4,513)	(8,121)	(9,990)	(1,368)
Gross profit	15,526	36,389	43,304	5,934
Operating expenses:				
Product development	(8,341)	(12,120)	(13,139)	(1,800)
Sales and marketing	(4,250)	(9,202)	(11,902)	(1,631)
General and administrative	(2,847)	(3,743)	(4,086)	(560)
Total operating expenses	(15,438)	(25,065)	(29,127)	(3,991)
Income from operations	88	11,324	14,177	1,943
Interest income	2,046	2,090	2,341	321
Interest expense	(1,514)	(2,067)	(1,735)	(238)
Other income/(expense)	2,015	(667)	2,220	304
Income before income tax expense and equity in (loss) /income of affiliates	2,635	10,680	17,003	2,330
Income tax expense	(682)	(1,750)	(2,604)	(357)
Equity in (loss) /income of affiliates	(586)	1,072	2,828	387
Net income	1,367	10,002	17,227	2,360
Net loss/(income) attributable to non-controlling interests and mezzanine classified non-controlling interests	36	(84)	(160)	(22)
Net income attributable to Trip.com Group Limited	1,403	9,918	17,067	2,338
Net income	1,367	10,002	17,227	2,360
Other comprehensive income/(loss):				
Foreign currency translation	78	77	417	57
Unrealized securities holding losses, net of tax	(1,126)	(817)	(70)	(10)
Less: Reclassification adjustment for losses included in net income, net of tax	884	108	622	86
Total comprehensive income	1,203	9,370	18,196	2,493
Comprehensive loss/(income) attributable to non-controlling interests and mezzanine classified non-controlling interests	43	(84)	(160)	(22)
Comprehensive income attributable to Trip.com Group Limited	1,246	9,286	18,036	2,471
Earnings per ordinary share				
— Basic	2.17	15.19	26.10	3.58
— Diluted	2.14	14.78	24.78	3.39
Earnings per ADS				
— Basic	2.17	15.19	26.10	3.58
— Diluted	2.14	14.78	24.78	3.39
Weighted average ordinary shares outstanding				
— Basic shares	648,380,590	652,859,211	654,035,399	654,035,399
— Diluted shares	657,092,826	671,062,240	688,704,882	688,704,882
Share-based compensation included in Operating expenses above is as follows:				
Product development	567	870	976	134
Sales and marketing	115	158	171	24
General and administrative	506	806	895	123

The accompanying notes are an integral part of these consolidated financial statements.

TRIP.COM GROUP LIMITED

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2023 AND 2024

(In millions, except for share and per share data)

	2023 RMB	2024 RMB	2024 US$ (Note 2)
ASSETS			
Current assets:			
Cash and cash equivalents	41,592	48,439	6,636
Restricted cash	2,391	2,654	364
Short-term investments	17,748	28,475	3,900
Accounts receivable, net (Allowance for credit losses of RMB206 million and RMB190 million as of December 31, 2023 and 2024, respectively)	11,410	12,459	1,707
Due from related parties (Allowance for credit losses of RMB47 million and RMB72 million as of December 31, 2023 and 2024, respectively)	2,842	2,803	384
Prepayments and other current assets (Allowance for credit losses of RMB243 million and RMB360 million as of December 31, 2023 and 2024, respectively)	12,749	17,290	2,369
Total current assets	88,732	112,120	15,360
Long-term prepayments and other assets	663	454	62
Long-term receivables due from related parties	25	—	—
Land use rights	80	77	11
Property, equipment and software	5,142	5,053	692
Investments	49,342	47,194	6,466
Goodwill	59,372	60,911	8,345
Intangible assets	12,564	12,763	1,748
Right-of-use assets	641	755	103
Deferred tax assets	2,576	3,254	446
Total assets	219,137	242,581	33,233
LIABILITIES			
Current liabilities:			
Short-term debt and current portion of long-term debt	25,857	19,433	2,662
Accounts payable	16,459	16,578	2,271
Due to related parties	303	397	54
Salary and welfare payable	5,348	5,343	732
Taxes payable	2,038	2,117	290
Advances from customers	13,380	18,029	2,470
Accrued liability for rewards program	1,044	2,452	336
Other payables and accruals	7,982	9,661	1,324
Total current liabilities	72,411	74,010	10,139
Deferred tax liabilities	3,825	4,098	561
Long-term debt	19,099	20,134	2,758
Long-term lease liability	477	561	77
Other long-term liabilities	319	296	41
Total liabilities	96,131	99,099	13,576
Commitments and contingencies (Note 19)			
MEZZANINE EQUITY	—	743	102
SHAREHOLDERS' EQUITY			
Share capital (US$0.00125 par value; 1,400,000,000 shares authorized, issued shares as of December 31, 2023 and 2024: 674,287,738 and 689,450,266; outstanding shares as of December 31, 2023 and 2024: 644,089,050 and 653,270,717)	6	6	1
Additional paid-in capital	97,428	101,187	13,863
Statutory reserves	2,072	2,694	369
Accumulated other comprehensive loss	(2,400)	(1,431)	(197)
Retained earnings	28,806	45,251	6,199
Less: Treasury stock	(3,728)	(5,900)	(808)
Total Trip.com Group Limited shareholders' equity	122,184	141,807	19,427
Non-controlling interests	822	932	128
Total shareholders' equity	123,006	142,739	19,555
Total liabilities, mezzanine equity and shareholders' equity	219,137	242,581	33,233

The accompanying notes are an integral part of these consolidated financial statements.

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024

(In millions, except for share and per share data)

	Ordinary shares (US$0.00125 par value)										
	Number of shares outstanding	Par value	Additional paid-in capital	Statutory reserves	Accumulated other comprehensive loss	Retained earnings	Number of Treasury Stock	Treasury stock	Total Trip.com Group Limited shareholders' equity	Non-controlling interests	Total shareholders' equity
		RMB	RMB	RMB	RMB	RMB		RMB	RMB	RMB	RMB
Balance as of December 31, 2021	641,329,557	6	93,829	734	(1,604)	18,823	(23,432,968)	(2,111)	109,677	779	110,456
Issuance of ordinary shares for the exercise of stock options	4,737,273	0	179	—	—	—	—	—	179	—	179
Share-based compensation	—	—	1,188	—	—	—	—	—	1,188	—	1,188
Appropriations to statutory reserves	—	—	—	91	—	(91)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	78	—	—	—	78	—	78
Unrealized securities holding losses	—	—	—	—	(1,126)	—	—	—	(1,126)	—	(1,126)
Less: Amounts reclassified from accumulated other comprehensive loss to net income	—	—	—	—	884	—	—	—	884	—	884
Net income/(loss)	—	—	—	—	—	1,403	—	—	1,403	(36)	1,367
Disposal of subsidiaries	—	—	—	—	—	—	—	—	—	(4)	(4)
Acquisition of additional equity interests of subsidiaries	—	—	—	—	—	—	—	—	—	(3)	(3)
Balance as of December 31, 2022	646,066,830	6	95,196	825	(1,768)	20,135	(23,432,968)	(2,111)	112,283	736	113,019

The accompanying notes are an integral part of these consolidated financial statements.

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024

(In millions, except for share and per share data)

	Ordinary shares (US$0.00125 par value)										
	Number of shares outstanding	Par value	Additional paid-in capital	Statutory reserves	Accumulated other comprehensive loss	Retained earnings	Number of Treasury stock	Treasury stock	Total Trip.com Group Limited shareholders' equity	Non-controlling interests	Total shareholders' equity
		RMB	RMB	RMB	RMB	RMB		RMB	RMB	RMB	RMB
Balance as of December 31, 2022	646,066,830	6	95,196	825	(1,768)	20,135	(23,432,968)	(2,111)	112,283	736	113,019
Issuance of ordinary shares for the exercise of stock options	4,787,940	0	399	—	—	—	—	—	399	—	399
Share-based compensation	—	—	1,834	—	—	—	—	—	1,834	—	1,834
Appropriations to statutory reserves	—	—	—	1,247	—	(1,247)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	77	—	—	—	77	—	77
Unrealized securities holding losses	—	—	—	—	(817)	—	—	—	(817)	—	(817)
Less: Amounts reclassified from accumulated other comprehensive loss to net income	—	—	—	—	108	—	—	—	108	—	108
Net income	—	—	—	—	—	9,918	—	—	9,918	84	10,002
Repurchasing of ordinary shares	(6,765,720)	—	—	—	—	—	(6,765,720)	(1,617)	(1,617)	—	(1,617)
Business combination	—	—	—	—	—	—	—	—	—	1	1
Acquisition of additional equity interests of subsidiaries	—	—	(1)	—	—	—	—	—	(1)	1	0
Balance as of December 31, 2023	644,089,050	6	97,428	2,072	(2,400)	28,806	(30,198,688)	(3,728)	122,184	822	123,006

The accompanying notes are an integral part of these consolidated financial statements.

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024

(In millions, except for share and per share data)

	Ordinary shares (US$0.00125 par value)										
	Number of shares outstanding	Par value	Additional paid-in capital	Statutory reserves	Accumulated other comprehensive loss	Retained earnings	Number of Treasury stock	Treasury stock	Total Trip.com Group Limited shareholders' equity	Non-controlling interests	Total shareholders' equity
		RMB	RMB	RMB	RMB	RMB		RMB	RMB	RMB	RMB
Balance as of December 31, 2023	644,089,050	6	97,428	2,072	(2,400)	28,806	(30,198,688)	(3,728)	122,184	822	123,006
Issuance of ordinary shares for the exercise of stock options	15,146,907	0	1,726	—	—	—	—	—	1,726	—	1,726
Conversion of convertible notes	15,621	0	6	—	—	—	—	—	6	—	6
Share-based compensation	—	—	2,042	—	—	—	—	—	2,042	—	2,042
Appropriations to statutory reserves	—	—	—	622	—	(622)	—	—	—	—	—
Foreign currency translation adjustments	—	—	—	—	417	—	—	—	417	—	417
Unrealized securities holding losses	—	—	—	—	(70)	—	—	—	(70)	—	(70)
Less: Amounts reclassified from accumulated other comprehensive loss to net income	—	—	—	—	622	—	—	—	622	—	622
Net income	—	—	—	—	—	17,067	—	—	17,067	133	17,200
Repurchasing of ordinary shares	(5,980,861)	—	—	—	—	—	(5,980,861)	(2,172)	(2,172)	—	(2,172)
Business combination	—	—	—	—	—	—	—	—	—	51	51
Acquisition of additional equity interests of subsidiaries	—	—	(15)	—	—	—	—	—	(15)	(74)	(89)
Balance as of December 31, 2024	653,270,717	6	101,187	2,694	(1,431)	45,251	(36,179,549)	(5,900)	141,807	932	142,739

The accompanying notes are an integral part of these consolidated financial statements.

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024
(In millions)

	2022 RMB	2023 RMB	2024 RMB	2024 US$ (Note 2)
Cash flows from operating activities:				
Net income	1,367	10,002	17,227	2,360
Adjustments to reconcile net income to cash provided by operating activities:				
Share-based compensation	1,188	1,834	2,042	281
Amortization of debt issuance cost	—	—	109	15
Equity in loss/(income) of affiliates	586	(1,072)	(2,828)	(387)
Loss from disposal of property, equipment and software	24	25	12	2
Gain from acquirement of business or disposal of long-term investments	(23)	(11)	(12)	(2)
Impairments of long-term investments	949	115	122	17
Changes in fair value for equity securities investment and exchangeable senior notes	(1,338)	1,507	(1,082)	(148)
Gain from the fair value remeasurement upon the discontinuance of the equity method investments	(1,135)	—	—	—
Gain from foreign currency forwards	(59)	(22)	(218)	(30)
Allowance for credit losses	296	79	330	45
Depreciation of property, equipment and software	632	627	655	90
Amortization of intangible assets and land use rights	243	190	196	27
Amortization of right of use assets	416	235	256	35
Deferred income tax expenses/(benefits)	295	(761)	(505)	(69)
Changes in current assets and liabilities, net of effects of business acquisitions and disposals:				
Increase in accounts receivable	(701)	(6,026)	(1,145)	(157)
(Increase)/decrease in due from related parties	(240)	(936)	33	5
Increase in prepayments and other current assets	(1,659)	(2,101)	(2,415)	(331)
Decrease/(increase) in long-term receivables	7	(84)	188	26
Increase/(decrease) in accounts payable	1,309	8,977	(203)	(28)
Increase in due to related parties	18	147	94	13
Increase/(decrease) in salary and welfare payable	24	1,432	(68)	(9)
(Decrease)/increase in taxes payable	(228)	1,203	160	22
Increase in advances from customers	708	5,129	3,869	530
(Decrease)/increase in accrued liability for rewards program	(4)	648	1,408	193
(Decrease)/increase in other payables and accruals	(34)	867	1,400	192
Net cash provided by operating activities	2,641	22,004	19,625	2,692
Cash flows from investing activities:				
Purchase of property, equipment and software	(497)	(606)	(591)	(81)
Cash paid for long-term investments	(12,258)	(9,153)	(6,776)	(928)
Cash (paid)/received for business combinations, net of cash acquired	(5)	0	1,217	167
Purchase of intangible assets	(1)	—	—	—
Cash received from disposal of short-term investments	22,638	11,141	53,970	7,394
Cash paid for short-term investments	(9,341)	(7,314)	(63,230)	(8,663)
Cash received from loans to the users	5,499	24,523	6,661	913
Cash paid for loans to the users	(5,277)	(25,018)	(7,864)	(1,077)
Net change in loans to the users with terms of less than three months	217	(428)	(453)	(62)
Cash received from disposal of long-term investments	161	12,774	11,014	1,509
Net cash provided by/(used in) investing activities	1,136	5,919	(6,052)	(828)

TRIP.COM GROUP LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2022, 2023 AND 2024
(In millions)

	2022 RMB	2023 RMB	2024 RMB	2024 US$ (Note 2)
Cash flows from financing activities:				
Proceeds from short-term bank loans	23,294	34,562	31,775	4,353
Repayment of short-term bank loans	(28,164)	(40,756)	(35,050)	(4,802)
Proceeds from long-term bank loans	9,808	11,915	44	6
Repayment of long-term loans, including current portion	(10,371)	(7,682)	(14,860)	(2,036)
Proceeds from exercise of share options	179	399	1,726	236
Cash paid for acquisition of additional equity interests of subsidiaries	(116)	(264)	(198)	(27)
Cash paid for repurchasing of ordinary shares	—	(1,617)	(2,172)	(298)
Proceeds from issuance of convertible notes	—	—	10,737	1,471
Cash paid for settlement of convertible notes	(521)	—	—	—
Proceeds from securitization debt	—	968	2,548	349
Cash paid for settlement of securitization debt	(826)	(72)	(1,260)	(173)
Net cash used in financing activities	(6,717)	(2,547)	(6,710)	(921)
Effect of foreign exchange rate changes on cash and cash equivalents, restricted cash	231	120	247	31
Net (decrease)/increase in cash and cash equivalents, restricted cash	(2,709)	25,496	7,110	974
Cash and cash equivalents, restricted cash, beginning of year	21,196	18,487	43,983	6,026
Cash and cash equivalents, restricted cash, end of year*	18,487	43,983	51,093	7,000
Supplemental disclosure of cash flow information				
Cash paid during the year for income taxes	471	1,290	2,700	370
Cash paid for interest, net of amounts capitalized	1,444	1,889	1,653	226
Supplemental schedule of non-cash investing and financing activities				
Conversion of convertible notes	—	—	6	1
Non-cash consideration paid for business acquisitions, investments and non-controlling interest	(6)	—	(1,870)	(256)
Accruals related to purchase of property, equipment and software	(28)	(36)	(41)	(6)
Unpaid cash consideration for business acquisitions and acquisition of additional equity interest of subsidiary	(32)	(1)	—	—

* As of December 31, 2022, cash and cash equivalents and restricted cash are RMB17.0 billion and RMB1.5 billion respectively.

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND NATURE OF OPERATIONS

The accompanying consolidated financial statements include the financial statements of Trip.com Group Limited (the "Company", formerly known as Ctrip.com International, Ltd.), its subsidiaries, variable interest entities (the "VIEs") and VIEs' subsidiaries. In these consolidated financial statements, where appropriate, the term "Company" also refers to its subsidiaries, VIEs and VIEs' subsidiaries as a whole.

The Company is principally engaged in the provision of travel related services including accommodation reservation, transportation ticketing, packaged tours, corporate travel management services, as well as, to a much lesser extent, Internet-related advertising and other related services.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the balance sheet dates and the reported amounts of revenues and expenses during the reporting periods. Actual results could materially differ from those estimates.

Consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries, the VIEs and VIEs' subsidiaries. All significant transactions and balances between the Company, its subsidiaries, the VIEs and VIEs' subsidiaries have been eliminated upon consolidation.

A subsidiary is an entity in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to appoint or remove the majority of the members of the board of directors; to cast a majority of votes at the meeting of the board of directors or to govern the financial and operating policies of the investee under a statute or agreement among the shareholders or equity holders.

The Company applies the guidance codified in Accounting Standard Codification 810, Consolidations ("ASC 810") on accounting for the VIEs and their respective subsidiaries, which requires certain variable interest entities to be consolidated by the primary beneficiary of the entity in which it has a controlling financial interest. A VIE is an entity with one or more of the following characteristics: (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional financial support; (b) as a group, the holders of the equity investment at risk lack the ability to make certain decisions, the obligation to absorb expected losses or the right to receive expected residual returns, or (c) an equity investor has voting rights that are disproportionate to its economic interest and substantially all of the entity's activities are on behalf of the investor. The Company is considered as the primary beneficiary of the VIEs according to FASB ASC 810 and thus consolidates the financial statements each of these entities under U.S. GAAP. The accompanying consolidated financial statements include the financial statements of the Company, its subsidiaries, the consolidated VIEs and the VIEs' subsidiaries:

The following is a summary of the Company's major VIEs and VIEs' subsidiaries:

Name of major VIEs and their major subsidiaries	Date of establishment
Shanghai Ctrip Commerce Co., Ltd., ("Ctrip Commerce")	Established on July 18, 2000
Shanghai Huacheng Southwest International Travel Agency Co., Ltd., ("Shanghai Huacheng", a subsidiary of Ctrip Commerce)	Established on March 13, 2001
Beijing Qu Na Information Technology Co., Ltd., ("Qunar Beijing")	Established on March 17, 2006
Chengdu Ctrip Travel Agency Co., Ltd., ("Chengdu Ctrip") (Note i)	Established on January 8, 2007

Note i: In December 2024, the Company terminated the contractual arrangements and acquired the equity interest of Chengdu Ctrip, which became a wholly-owned subsidiary of the Company.

The Company is considered the primary beneficiary of each of the VIEs and the VIEs' subsidiaries, as defined above, and has consolidated the financial statements of each under U.S. GAAP.

Major VIEs and their subsidiaries

The Company conducts a part of its operations through a series of agreements with certain VIEs and VIEs' subsidiaries as stated in above. These VIEs and VIEs' subsidiaries are used solely to facilitate the Company's participation in internet content provision, advertising business, travel agency and air-ticketing services in the People's Republic of China ("PRC"). From 2015, the Company restructured its business lines to change some of the VIEs to its wholly owned subsidiaries, which carry out the businesses that are not foreign ownerships restricted.

Ctrip Commerce is a domestic company incorporated in Shanghai, the PRC. Ctrip Commerce holds a telecommunications operation license and is primarily engaged in the provision of advertising business on the Internet website. One of the Company's employees and one of the Company's senior consultants collectively hold 100% of the equity interest in Ctrip Commerce. The registered capital of Ctrip Commerce was RMB900,000,000 as of December 31, 2024.

Shanghai Huacheng is a domestic company incorporated in Shanghai, the PRC. Shanghai Huacheng holds a travel agency operation license and mainly provides domestic, inbound and outbound tour services and air-ticketing services. Ctrip Commerce holds 100% of the equity interest in Shanghai Huacheng. The registered capital of Shanghai Huacheng was RMB100,000,000 as of December 31, 2024.

Qunar Beijing is a domestic company incorporated in Beijing, the PRC. Qunar Beijing holds various licenses for domestic and cross-border business of Qunar Cayman Islands Limited ("Qunar"). Two employees of the Company hold 100% of the equity interest in Qunar Beijing. The registered capital of Qunar Beijing was RMB11,000,000 as of December 31, 2024.

The capital of the VIEs injected by some of our employees and senior consultants are funded by the Company and are recorded as long-term business loans to related parties, which are eliminated with registered capital of VIEs upon consolidation. The Company does not have any ownership interest in these VIEs and VIEs' subsidiaries.

As of December 31, 2024, the Company has various agreements with the consolidated VIEs and VIEs' subsidiaries, including loan agreements, exclusive technical consulting and services agreements, equity pledge agreements, exclusive option agreements and other operating agreements which result in the Company being the primary beneficiary of each entity and which provides the basis for consolidation of the financial statements of each VIE pursuant to ASC 810.

Details of certain key agreements with the major VIEs are as follows:

Powers of Attorney: The shareholders of Ctrip Commerce (VIE) signed an irrevocable power of attorney to appoint Ctrip Travel Network, as attorney-in-fact to vote, by itself or any other person to be designated at its discretion, on all matters of Ctrip Commerce (VIE). Each such power of attorney will remain effective as long as Ctrip Commerce (VIE) exists, and such shareholders of Ctrip Commerce (VIE) are not entitled to terminate or amend the terms of the power of attorneys without prior written consent from the Company.

As of the date of this annual report, each of the shareholders of Qunar Beijing (VIE), Hui Cao and Hui Wang, also signed an irrevocable power of attorney authorizing an appointee, to exercise, in a manner approved by Qunar, on such shareholder's behalf the full shareholder rights pursuant to applicable laws and Qunar Beijing (VIE)'s articles of association, including without limitation full voting rights and the right to sell or transfer any or all of such shareholder's equity interest in Qunar Beijing (VIE). Each such power of attorney is effective until such time as such shareholder ceases to hold any equity interest in Qunar Beijing (VIE). The terms of the power of attorney with respect to Qunar Beijing (VIE) are substantially similar to the terms described in the foregoing paragraph.

Technical Consulting and Services Agreements: Ctrip Travel Network, a wholly owned PRC subsidiary of the Company, provides Ctrip Commerce (VIE) with technical consulting and related services and staff training and information services on an exclusive basis. The Company also maintain its network platforms. In consideration for the Company's services, Ctrip Commerce (VIE) agrees to pay the Company service fees as calculated in such manner as determined by the Company from time to time based on the nature of service, which may be adjusted periodically. Although the service fees are typically determined based on the number of transportation tickets sold, given the fact that the nominee shareholders of Ctrip Commerce (VIE) have irrevocably appointed a designated person to vote on their behalf on all matters they are entitled to vote on, the Company has the right to determine the level of service fees paid and therefore receive substantially all of the economic benefits of the VIEs in the form of service fees. Ctrip Travel Network, will exclusively own any intellectual property rights arising from the performance of this agreement. The initial term of these agreements is 10 years and may be renewed automatically in 10-year terms unless the Company disapproves the extension. The Company retains the exclusive right to terminate the agreements at any time by delivering a 30-day advance written notice to the applicable VIE.

As of the date of this annual report, pursuant to the restated exclusive technical consulting and services agreement between Qunar Beijing (VIE) and Qunar Software, Qunar Software provides Qunar Beijing (VIE) with technical, marketing and management consulting services on an exclusive basis in exchange for service fee paid by Qunar Beijing (VIE) based on a set formula defined in the agreement subject to adjustment by Qunar Software at its sole discretion. This agreement will remain in effect until terminated unilaterally by Qunar Software or mutually. The terms of this agreement are substantially similar to the terms described in the foregoing paragraph.

Equity Pledge Agreements: The shareholders of Ctrip Commerce (VIE) have pledged their respective equity interests in Ctrip Commerce (VIE) as a guarantee for the performance of all the obligations under the other contractual arrangements, including payment by Ctrip Commerce (VIE) of the technical and consulting services fees to us under the technical consulting and services agreements, repayment of the business loan under the loan agreements and performance of obligations under the exclusive option agreements, each agreement as described herein. This agreement is valid and binding on the parties, their heirs, successors and permitted assignees. In the event Ctrip Commerce (VIE) breaches any of its obligations or any shareholder of Ctrip Commerce (VIE) breaches his or her obligations, as the case may be, under these agreements, the Company is entitled to enforce the equity pledge right and sell or otherwise dispose of the pledged equity interests, and have priority in receiving payment from proceeds from the auction or sale of all or part of the pledge until the obligations are settled. The pledge has been established upon registration with the local branch of the PRC State Administration for Market Regulation ("SAMR"), and will expire two years after the pledgor and Ctrip Commerce (VIE) no longer undertake any obligations under the above-referenced agreements.

As of the date of this annual report, pursuant to the equity interest pledge agreement among Qunar Software, Hui Cao and Hui Wang, Hui Cao and Hui Wang have pledged their equity interests in Qunar Beijing (VIE) along with all rights, titles and interests to Qunar Software as guarantee for the performance of all obligations under the contractual arrangements mentioned herein. This agreement is valid and binding on the pledgors and each of their successors, and is valid on the pledgee and its successors and assignees. Qunar Software may enforce this pledge upon the occurrence of a settlement event or as required by the PRC law. The pledge has been established upon registration with the local branch of the SAMR, and will expire when all obligations under the contractual arrangements have been satisfied. In enforcing the pledge, Qunar Software is entitled to dispose of the pledge and have priority in receiving payment from proceeds from the auction or sale of all or part of the pledge until the obligations are settled. The terms of this agreement are substantially similar to the terms described in the foregoing paragraph.

Loan Agreements: Under the loan agreements the Company entered into with the shareholders of Ctrip Commerce (VIE) the Company extended long-term business loans to these shareholders of Ctrip Commerce (VIE) with the sole purpose of providing funds necessary for the capitalization or acquisition of Ctrip Commerce (VIE). These business loan amounts were injected into Ctrip Commerce (VIE) as capital and cannot be accessed for any personal uses. The initial term of the loan agreements is 10 years and may be renewed automatically in 10-year terms unless the Company disapprove the extension by written notice in advance. The loan agreements will remain effective until the parties have fully performed their respective obligations under the agreement, and the shareholders of Ctrip Commerce (VIE) have no right to unilaterally terminate these agreements or repay the loan in advance. The loan agreements are valid and binding on the parties, their successors and permitted assignees. In the event that the PRC government lifts its restrictions on foreign ownership of the value-added telecommunications business in China, as applicable, the Company will exercise its exclusive option to purchase all of the outstanding equity interests of Ctrip Commerce (VIE), as described in the following paragraph, and the loan agreements will be canceled in connection with such purchase. However, it is uncertain when, if at all, the PRC government will lift any or all of these restrictions.

As of the date of this annual report, pursuant to the loan agreement among Qunar Software, Hui Cao and Hui Wang, the loans extended by Qunar Software to each of Hui Cao and Hui Wang are only repayable by a transfer of such borrower's equity interest in Qunar Beijing (VIE) to Qunar Software or its designated party, in proportion to the amount of the loan to be repaid. This loan agreement will continue in effect indefinitely until such time when (i) the borrowers receive a repayment notice from Qunar Software and fully repay the loans, or (ii) an event of default (as defined therein) occurs unless Qunar Software sends a notice indicating otherwise within 15 calendar days after it is aware of such event. The loan agreements are valid and binding on the parties, their successors and permitted assignees. The terms of this loan agreement are substantially similar to the terms described in the foregoing paragraphs.

Exclusive Option Agreements: As consideration for the Company's entering into the loan agreements described above, each of the shareholders of Ctrip Commerce (VIE) has granted us an exclusive, irrevocable option to purchase, or designate one or more person(s) at the Company's discretion to purchase, all of its equity interests in Ctrip Commerce (VIE) at any time the Company desires, subject to compliance with the applicable PRC laws and regulations. The Company may exercise the option by issuing a written notice to the shareholder of Ctrip Commerce (VIE). Subject to the evaluation requirements or other restrictions imposed by applicable PRC laws and regulations, the purchase price should be equal to the contribution actually made by the shareholder for the equity interest. Therefore, if the Company exercises these options, the Company may choose to cancel the outstanding loans the Company extended to the shareholders of Ctrip Commerce (VIE) pursuant to the loan agreements as the loans were used solely for equity contribution purposes. The initial term of these agreements is 10 years and may be renewed automatically in 10-year terms unless the Company disapproves the extension. This agreement is valid and binding on the parties, their heirs, successors and permitted assignees. The Company retains the exclusive right to terminate the agreements at any time by delivering a written notice to the shareholder of Ctrip Commerce (VIE).

Hui Cao and Hui Wang also entered into an equity option agreement with Qunar, Qunar Software and Qunar Beijing (VIE). This equity option agreement contains arrangements that are similar to that as described in the foregoing paragraph. This agreement will remain effective with respect to each of Qunar Beijing (VIE)'s shareholders until all of the equity interest has been transferred or Qunar and Qunar Software terminates the agreement unilaterally with 30 days' prior written notice. This agreement is valid and binding on the parties, their successors and permitted assignees.

The VIEs and their shareholders agree not to enter into any transaction that would affect the assets, obligations, rights or operations of the VIEs without the Company's prior written consent. They also agree to accept the Company's guidance with respect to day-to-day operations, financial management systems and the appointment and dismissal of key employees.

Risks in relation to contractual arrangements between the Company's PRC subsidiaries and VIEs:

The Company has been advised by Commerce & Finance Law Offices, its PRC legal counsel, that its contractual arrangements with its consolidated VIEs as described in the Company's annual report are valid, binding and enforceable under the current laws and regulations of China. Based on such legal opinion and the management's knowledge and experience, the Company believes that its contractual arrangements with its consolidated VIEs are in compliance with current PRC laws and legally enforceable. However, there may be in the event that the VIEs and their respective shareholders fail to perform their contractual obligations, the Company may have to rely on the PRC legal system to enforce its rights. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. The PRC laws and regulations have significantly enhanced protections afforded to various forms of the foreign investments in China for the past decades. However, many laws, regulations, and rules are subject to interpretation and clarification. Moreover, because these laws, regulations, and standards are subject to interpretations, their application in practice may evolve over time as new guidance becomes available. Due to the uncertainties with respect to the PRC legal system, the PRC government authorities may ultimately take a view contrary to the opinion of its PRC legal counsel with respect to the enforceability of the contractual arrangements.

There are, however, uncertainties regarding the interpretation and application of current or future PRC laws and regulations. Accordingly, the Company cannot be assured that the PRC government authorities will not ultimately take a view that is contrary to the Company's belief and the opinion of its PRC legal counsel. In March 2019, the draft Foreign Investment Law was submitted to the National People's Congress for review and was approved on March 15, 2019, which came into effect from January 1, 2020. The new Foreign Investment Law of the PRC repealed simultaneously the Wholly Foreign-owned Enterprise Law of the PRC, Sino-foreign Equity Joint Venture Law of the PRC and Sino-foreign Cooperative Joint Ventures Law of the PRC. Therefore, the general regulations for companies' set up and operation in the PRC including the foreign-invested companies shall comply with the Company Law of the PRC unless provided in the PRC Foreign Investment Laws. In December 2019, the Implementing Regulation of the Foreign Investment Law has been promulgated by the State Council which has come into force as of January 1, 2020. The Foreign Investment Law does not touch upon the relevant concepts and regulatory regimes that were historically suggested for the regulation of VIE structures, and thus this regulatory topic remains unclear under the Foreign Investment Law. Since the Foreign Investment Law is new, there are uncertainties exist with respect to its implementation and interpretation and it is also possible that the VIE entities will be deemed as foreign invested enterprises and be subject to restrictions in the future. Such restrictions may cause interruptions to the Company's operations, products and services and may incur additional compliance cost, which may in turn materially and adversely affect the Company's business, financial condition and results of operations.

Summary financial information of the Company's VIEs in the consolidated financial statements

Pursuant to the contractual arrangements with the VIEs, the Company has the power to direct activities of the VIEs, and can have assets transferred freely out of the VIEs without any restrictions. Therefore, the Company considers that there is no asset of a consolidated VIE that can be used only to settle obligations of the VIE, except for registered capital and PRC statutory reserves of the VIEs amounting to a total of RMB1.5 billion as of December 31, 2024. As all the consolidated VIEs are incorporated as limited liability companies under the PRC Company Law, creditors of the VIEs do not have recourse to the general credit of the Company for any of the liabilities of the consolidated VIEs.

Summary of selected financial information of the VIEs, which represents aggregated financial information of the VIEs and their respective subsidiaries included in the accompanying consolidated financial statements, is as follows (RMB in millions):

	As of December 31,	
	2023	2024
Selected Balance Sheets Data of the VIEs		
Cash and cash equivalents	2,825	2,740
Restricted cash	533	123
Short-term investments	197	2,390
Accounts receivable, net	1,363	1,114
Prepayments and other current assets	2,076	2,346
Investments (non-current)	2,998	1,903
Total assets	18,085	20,089
Less: Inter-company receivables (Note i)	(6,699)	(8,567)
Total assets excluding inter-company receivables	11,386	11,522
Short-term debt and current portion of long-term debt	3,245	3,535
Accounts payable	2,964	1,715
Advances from customers	1,637	3,895
Other payables and accruals	2,162	2,046
Total liabilities	16,571	19,362
Less: Inter-company payables (Note ii)	(5,934)	(7,325)
Total liabilities excluding inter-company payables	10,637	12,037

Note i :The inter-company receivables as of December 31, 2023 and 2024 mainly represented the receivables of VIEs due from the Company's wholly-owned subsidiaries for treasury cash management purpose.
Note ii : The inter-company payables as of December 31, 2023 and 2024 mainly represented payables of VIEs due to the Company's wholly-owned subsidiaries for treasury cash management purpose.

The following table set forth the summary of results of operations of the VIEs and their subsidiaries (RMB in millions):

	For the years ended December 31,		
	2022	2023	2024
Net revenues	4,335	10,050	11,780
Cost of revenues	2,292	5,118	5,731
Net loss	(495)	(945)	362

Net revenues from VIEs accounted for around 22%, 23% and 22% of the Company's net revenues for the year ended December 31, 2022, 2023 and 2024, respectively.

The VIEs' net income before the deduction of the inter-company service fee charges were RMB1.2 billion, RMB3.3 billion and RMB4.4 billion for the years ended December 31, 2022, 2023 and 2024, respectively.

The amount of service fees paid by all the VIEs to the primary beneficiaries of the VIEs pursuant to the exclusive technical consulting and service agreements between VIEs and primary beneficiaries of the VIEs were RMB1.7 billion, RMB4.3 billion and RMB4.0 billion for the years ended December 31, 2022, 2023 and 2024, respectively.

The following tables set forth the summary of cash flow activities of the VIEs and their subsidiaries (RMB in millions):

	For the year ended December 31,		
	2022	2023	2024
Net cash (used in)/provided by operating activities	(1,677)	1,092	1,434
Net cash provided by/(used in) investing activities	4,317	109	(1,027)
Net cash used in financing activities	(6,957)	(1,182)	(926)

Currently there is no contractual arrangement that could require the Company to provide additional financial support to the consolidated VIEs. As the Company is conducting certain business in the PRC mainly through the VIEs, the Company may provide such support on a discretionary basis in the future, which could expose the Company to a loss.

Foreign currencies

The Company's reporting currency is RMB. The Company's functional currency is US$. The Company's operations are conducted through the subsidiaries and VIEs where the local currency is the functional currency and the financial statements of those subsidiaries are translated from their respective functional currencies into RMB.

Transactions denominated in currencies other than functional currencies are remeasured at the exchange rates prevailing at the dates of the transaction for the Company's subsidiaries respectively. Gains and losses resulting from foreign currency transactions are included in the consolidated statements of income and comprehensive income. Monetary assets and liabilities denominated in foreign currencies are remeasured using the applicable exchange rates at the balance sheet dates. All such exchange gains and losses are included in the consolidated statements of income and comprehensive income.

Assets and liabilities of the group companies are translated from their respective functional currencies to the reporting currency at the exchange rates at the balance sheet dates, equity accounts are translated at historical exchange rates and revenues and expenses are translated at the average exchange rates in effect during the reporting periods. The exchange differences for the translation of group companies with non-RMB functional currency into the RMB are included in foreign currency translation adjustments, which is a separate component of shareholders' equity on the consolidated financial statements. The foreign currency translation adjustments are not subject to tax.

Translations of amounts from RMB into US$ are unaudited and solely for the convenience of the reader and were calculated at the rate of US$1.00 = RMB7.2993 on December 31, 2024, representing the certificated exchange rate published by the Federal Reserve Board. No representation is intended to imply that the RMB amounts could have been, or could be, converted, realized or settled into US$ at that rate on December 31, 2024, or at any other rate.

Cash and cash equivalents

Cash includes currency on hand and deposits held by financial institutions that can be added to or withdrawn without limitation. Cash equivalents represent short-term, highly liquid investments that are readily convertible to known amounts of cash and with original maturities from the date of purchase of generally three months or less.

Restricted cash

Restricted cash represents cash that cannot be withdrawn without the permission of third parties. The Company's restricted cash is substantially a cash balance on deposit required by its business partners and commercial banks.

Short-term investments

Short-term investments represent i) held-to-maturity investments which are due in one year and stated at amortized cost (i.e., time deposits); ii) the investments issued by commercial banks or other financial institutions with a variable interest rate indexed to the performance of underlying assets within one year measured at fair value (i.e., financial products), and iii) foreign currency forward contracts measured at fair value which are short-term. Changes in the fair value are reflected in the consolidated statements of income and comprehensive income.

Derivative Instruments

The derivative instruments primarily consisted of foreign currency forward contracts and interest rate swap contracts. The fair values of the derivative instruments generally represent the estimated amounts expect to receive or pay upon termination of the contracts as of the reporting date. The foreign currency forward contracts are used to economically hedge certain foreign denominated liabilities and reduce, to the extent practicable, the potential exposure to the changes that exchange rates might have on the Company's earnings, cash flows and financial position. As the derivative instruments of foreign currency forward contracts do not qualify for hedge accounting treatment, changes in the fair value are reflected in Other income/(expense) of the consolidated statements of income and comprehensive income. The interest rate swap contracts are used to swap floating interest payments related to certain borrowings for fixed interest payments to hedge the interest rate risk associated with certain forecasted payments and obligations. As derivative instruments of interest rate swap contracts are designated as cash flow hedges and the hedge is highly effective, all changes in the fair value of the derivative hedging instruments are recorded in other comprehensive income/(loss)("OCI") as unrealized securities holding gains/(losses).

As of December 31, 2023 and 2024, and for the years ended December 31, 2022, 2023 and 2024, the balance of the derivative instruments and the total amount of fair value changes are not material.

Installment credit and nonrecourse securitization debt

The Company provides installment credit solutions to users with the terms generally below one year. Such amounts are recorded at the outstanding principal amount less allowance for credit losses, and include accrued interest receivable and presented in receivable related to financial services in Note 3.

Since 2018, the Company entered into asset backed securitization arrangements with third-party financial institutions and set up a securitization vehicle as servicer to issue the revolving debt securities to third party investors. The debt securities are collateralized by the loans due from the users transferred to the securitization vehicle. The Company consolidated the servicer of the securitized debt since economic interests are retained in the form of subordinated interests and it acts as the servicer of securitization vehicle. Therefore, the proceeds from the issuance of debt securities are reported as securitization debt, and the transferred collateralized receivable remain on the Company's financial statements. The securitization debt is repaid when the collections of the underlying collateralized receivable occur and is reported in "short-term debt and current portion of long-term debt" (Note 12) or "long-term debt" (Note 17) according to the expected repayment dates of the debt securities.

As of December 31, 2023, and 2024, out of the total receivables due from the users, the collateralized receivable for the debt securities were RMB1.1 billion and RMB2.6 billion, respectively, and the non-collateralized receivable (receivables which have not been transferred to the securitization vehicle) were RMB3.1 billion and RMB3.1 billion, respectively.

As of December 31, 2023, and 2024, the balance of allowance for expected credit losses for the receivable due from the users amounted to RMB200 million and RMB303 million, respectively. The Company recognized the interest income from the receivable related to financial services in Revenue – Others. The interest expenses in relation to the nonrecourse securitization debt were recognized in the cost of revenue. For the years ended December 31, 2022, 2023 and 2024, the interest incomes and the interest expenses were not material.

The gross amount of the loans provided to users is presented in the investing section of the cash flow statement unless the term of the receivables is three month or less, in which case it is presented on a net basis by deducting the repayment from the users.

Land use rights

Land use rights represent the prepayments for usage of the parcels of land where the office buildings are located, are recorded at cost, and are amortized over their respective lease periods (usually over 40 to 50 years).

Property, equipment and software

Property, equipment and software are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the following estimated useful lives, taking into account any estimated residual value:

Building	20-40 years
Leasehold improvements	Lesser of the term of the lease or the estimated useful lives of the assets
Website-related equipment	3-5 years
Computer equipment	3-5 years
Furniture and fixtures	3-5 years
Software	3-10 years

The Company recognizes the disposal of Property, equipment and software in general and administrative expenses.

Investments

The Company's investments include equity method investments, equity securities without readily determinable fair values, equity securities with readily determinable fair values, held to maturity debt securities, and available-for-sale debt securities.

The Company applies equity method in accounting for its investments in entities in which the Company has the ability to exercise significant influence but does not have control and the investments are in either common stock or in-substance common stock. Unrealized gains on transactions between the Company and an affiliated entity are eliminated to the extent of the Company's interest in the affiliated entity, unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Equity securities without readily determinable fair values are measured and recorded using a measurement alternative that measures the securities at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes.

Equity securities with readily determinable fair values are measured and recorded at fair value on a recurring basis with changes in fair value, whether realized or unrealized, recorded through the income statement.

Debt securities that the Company has positive intent and ability to hold to maturity are classified as held to maturity debt securities and are stated at amortized cost.

The Company has classified its investments in debt securities, other than the held to maturity debt securities, as available-for-sale securities. Available-for-sale debt securities are reported at estimated fair value (Note 7) with the aggregate unrealized gains and losses, net of tax, reflected in "Accumulated other comprehensive loss" in the consolidated balance sheets. If the amortized cost basis of an available-for-sale security exceeds its fair value and if the Company has the intention to sell the security or it is more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis, an impairment is recognized in the consolidated statements of income and comprehensive income. If the Company does not have the intention to sell the security and it is not more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis and the Company determines that the decline in fair value below the amortized cost basis of an available-for-sale security is entirely or partially due to credit-related factors, the credit loss is measured and recognized as an allowance for credit losses in the consolidated statements of income and comprehensive income. The allowance is measured as the amount by which the debt security's amortized cost basis exceeds the Company's best estimate of the present value of cash flows expected to be collected.

The Company monitors its investments for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, the operating performance of the companies including current earnings trends and other company-specific information.

Fair value measurement of financial instruments

Financial assets and liabilities of the Company primarily comprise of cash and cash equivalents, restricted cash, time deposits, financial products, derivative instruments, accounts receivable, due from related parties, available-for-sale debt investments, equity securities, accounts payable, due to related parties, advances from end users, short-term bank borrowings, exchangeable senior notes, other short-term liabilities and long-term debts. As of December 31, 2023, and 2024, except for financial products, derivative instruments, exchangeable senior notes, long-term debts, listed equity securities and available-for-sale debt investments, carrying values of the financial instruments approximated their fair values because of their generally short maturities. The Company reports financial products, derivative instruments, exchangeable senior notes, listed equity securities and available-for-sale debt investments at fair value at each balance sheet date and changes in fair value are reflected in the statements of income and comprehensive income. The Company disclosed the fair value of its long-term debts based on Level 2 inputs in Note 17.

The Company measures its financial assets and liabilities using inputs from the following three levels of the fair value hierarchy. The three levels are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets that the management has the ability to access at the measurement date.

Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 includes unobservable inputs that reflect the management's assumptions about the assumptions that market participants would use in pricing the asset. The management develops these inputs based on the best information available, including the own data.

Business combination

U.S. GAAP requires that all business combinations not involving entities or businesses under common control be accounted for under the acquisition method. The Company applies ASC 805, "Business combinations", the cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred, and equity instruments issued. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of the (i) the total of cost of acquisition, fair value of the non-controlling interests and acquisition date fair value of any previously held equity interest in the acquiree over (ii) the fair value of the identifiable net assets of the acquiree is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated statements of income and comprehensive income.

The determination and allocation of fair values to the identifiable assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment. The most significant variables in these valuations are discount rates, terminal values, growth rates, the number of years on which to base the cash flow projections, as well as the assumptions and estimates used to determine the cash inflows and outflows. Management determines discount rates to be used based on the risk inherent in the related activity's current business model and industry comparisons. Terminal values are based on the expected life of products and forecasted life cycle and forecasted cash flows over that period. The Company's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Any changes to provisional amounts identified during the measurement period are recognized in the reporting period in which the adjustment amounts are determined.

Acquisitions

An OTA company focusing on accommodation reservation

In July 2024, the Company consummated a step acquisition by purchasing additional shareholdings of an online platform focusing on accommodation reservation (the "acquiree"). The Company obtained the control of the acquiree following the step acquisition by obtaining the right to appoint majority of the board of directors. The total purchase consideration of RMB1,967 million which include cash consideration of RMB97 million and the fair value of previously held investments of RMB1,870 million. The Company recognized a net gain of RMB4 million in connection with the step acquisition and recorded the net gain in "Other income/(expense)" in the consolidated statement of income and comprehensive income.

The financial results of the acquiree have been included in the Company's consolidated financial statements since the date the Company obtained control and were not significant to the Company for the year ended December 31, 2024. On the acquisition date, the allocation of the purchase price of the assets acquired and liabilities assumed based on their fair values was as follows:

	RMB in millions
Net assets (including the cash acquired of RMB1,314 million)	1,083
Identifiable intangible assets — Trademark	182
Identifiable intangible assets — Software	189
Deferred tax liabilities	(42)
Non-controlling interests	(155)
Mezzanine classified non-controlling interests	(823)
Goodwill	1,533
Total purchase consideration	1,967

The goodwill recognized for the acquisition was primarily made up of the expected synergies from combining operations of the acquiree and the Company, which do not qualify for separate recognition. The identifiable intangible assets primarily consist of trademark and software. The trademark is assessed to be indefinite-lived intangible assets. The fair values of the software are amortized over 2-10 years on a straight-line basis.

Other than the acquisition disclosed above, none of other acquisition occurred during the periods presented was material to our business or financial results. Other immaterial acquisitions in 2022, 2023 and 2024 with total consideration of RMB8.0million, RMB3.5million and nil were immaterial that resulted in no recorded goodwill and recorded intangible assets of RMB10.0million, RMB2.6 million and nil respectively.

Pro forma results of operations for these acquisitions have not been presented because they are not material to the consolidated income statements for the years ended December 31, 2022, 2023 and 2024, either individually or in aggregate.

Goodwill and other intangible assets

Goodwill represents the excess of the purchase price over the fair value of the identifiable assets and liabilities acquired as a result of the Company's acquisitions of interests in its subsidiaries and consolidated VIEs.

Goodwill is not amortized but is reviewed at least annually for impairment or earlier. The Company may first assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test, by taking into consideration macroeconomics, overall financial performance, industry and market conditions and the share price of the Company. If determined to be necessary, the quantitative impairment test shall be used to identify goodwill impairment.

An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit.

The Company performs the annual goodwill impairment assessment as of December 31, or when an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. As of December 31, 2023 and 2024, the Company qualitatively assessed relevant events and circumstances, including macroeconomics conditions, industry and market considerations, its overall financial performance as well as the share price, and concluded by weighing all these factors in their entirety that it was not more likely than not the fair value of the Company's reporting unit was lower than its carrying value. For the years ended December 31, 2022, 2023 and 2024, there was no impairment of goodwill.

Separately identifiable intangible assets that have determinable lives continue to be amortized and consist primarily of non-compete agreements, customer list, supplier relationship, technology, business relationship and payment business license as of December 31, 2023 and 2024. The Company amortizes intangible assets on a straight-line basis over their estimated useful lives, which is two to fifteen years. The estimated life of amortized intangibles is reassessed if circumstances occur that indicate the life has changed. Other intangible assets that have indefinite useful life primarily include trademark and domain names. The Company evaluates indefinite-lived intangible assets for impairment on an annual basis as of December 31, or an interim basis if events or other circumstances suggest that related fair value is below carrying value. An assessment is made on each December 31 as well to determine whether events and circumstances continue to support an indefinite useful life.

No impairment on other intangible assets was recognized for the years ended December 31, 2022, 2023 and 2024, respectively.

Impairment of long-lived assets

Long-lived assets (including intangible with definite lives) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Reviews are performed to determine whether the carrying value of an asset group is impaired, based on comparison to undiscounted expected future cash flows. If this comparison indicates that there is impairment, the Company recognizes an impairment of long-lived assets to the extent the carrying amount of such assets exceeds the fair value.

Accrued liability for rewards program

The Company provides a discretionary rewards program to its end users, which mainly represents loyalty points. The loyalty points awarded can be redeemed for discounted future bookings or used to purchase gifts through the Company's mobile applications, other mobile access channels, and websites ("Online Channels").

The estimated value of the loyalty points expected to be redeemed is generally recognized as a reduction of revenue at the time they are granted. Upon redemption or expiry of the rewards, the accrued liability is reduced correspondingly. As of December 31, 2023 and 2024, the accrued liability for the rewards program was RMB1,044 million and RMB2,452 million, respectively.

Revenue recognition

The Company recognizes revenues in accordance with ASC 606, "Revenue from Contracts with Customers" ("ASC 606"), under which, the Company's revenues are substantially reported on a net basis as the travel supplier is primarily responsible for providing the underlying travel services and the Company does not control the service provided by the travel supplier to the traveler. Revenues are recognized at gross amounts for merchant business where the Company undertakes substantive inventory risks by pre-purchasing inventories.

Revenue from accommodation reservation services, transportation ticketing services, packaged tours, and corporate travel are substantially recognized at a point of time when the performance obligations that are satisfied. Revenue from other businesses comprise primarily of online advertising services and financial services.

Accommodation reservation services

The Company receives commissions from travel suppliers for hotel room reservations through the Company's transaction and service platform. Commissions from hotel reservation services rendered are recognized when the reservation becomes non-cancelable (when the cancelation period provided by the reservation expires) which is the point at which the Company has fulfilled its performance obligation (successfully booking a reservation, which includes certain post-booking services during the cancelation period). The Company presents revenues from such transactions on a net basis in the statements of income and comprehensive income as the Company, generally, does not control the service provided by the travel supplier to the traveler and does not assume inventory risk for canceled hotel reservations. The amounts of accommodation reservation service revenues recognized on a gross basis were immaterial during the years ended December 31, 2022, 2023 and 2024, respectively.

Transportation ticketing services

Transportation ticketing service revenues mainly represent revenues from ticket reservations and other related services. The Company receives commissions from travel suppliers for ticketing reservations and other related services through the Company's transaction and service platform under various services agreements. Commissions from ticketing reservations rendered are recognized when tickets are issued as this is when the Company's performance obligation is satisfied. The Company is not entitled to a commission fee for the tickets canceled by the end users. Losses incurred from cancelations are immaterial due to a historical low cancelation rate and minimal administrative costs incurred in processing cancelations. Revenues from other related services are recognized at the time when the services are rendered. The Company presents revenues from such transactions on a net basis in the statements of income and comprehensive income as the Company, generally, does not control the service provided by the travel supplier to the traveler and does not assume inventory risk for canceled ticketing reservations and other related services. Over 90% of the Company's transportation ticketing services revenues were recognized on a net basis during the years ended December 31, 2022, 2023 and 2024, respectively.

Packaged tours

The Company receives referral fees from travel product providers for packaged-tour products and services through the Company's transaction and service platform. Referral fees are recognized on the departure date of the tours as this is when the Company's performance obligation is satisfied. The Company presents revenues from such transactions on a net basis in the statements of income and comprehensive income when the Company does not control the service provided by the travel supplier to the traveler and has no obligations for canceled packaged-tour products reservations. Over 90% of the Company's packaged-tour products and services revenues were recognized on a net basis during the years ended December 31, 2022, 2023 and 2024, respectively.

Corporate travel

Corporate travel management revenues primarily include commissions from transportation ticketing booking, hotel reservation and packaged-tour services rendered to corporate clients. The Company contracts with corporate clients based on service fee model. Travel reservations are made via on-line and off-line services for air tickets, hotel and package-tour. Revenue is recognized on a net basis after the services are rendered and collections are reasonably assured.

Other businesses

Other businesses comprise primarily of online advertising services and financial services.

The Company receives advertising revenues, which principally represent the sale of banners or sponsorship to customers through the Company's Online Channels. Advertising revenues are recognized ratably over the fixed term of the agreement as services are provided or upon relevant performance obligations being fulfilled through the display of the advertisements. The financial service revenues mainly represent the service fees from third party financial institutions for the Company's platform services that are recognized ratably over the service period as well as the interest income from the receivables due from the users that are recognized over the credit period. For the years ended December 31, 2022, 2023 and 2024, there was no service in other businesses that had the revenue exceeding 10% of the total revenue of the Company.

Allowance for expected credit losses

The Company's accounts receivable, prepayments and other current assets (including the receivables of financial services), due from related parties, long-term prepayments and other assets, and long-term receivables due from related parties are within the scope of ASC Topic 326. The Company has identified the relevant risk characteristics of its customers and the related receivables and prepayments, which include size, type of the reservation services the Company provides to its customers or geographic location of the customer, or a combination of these characteristics. Receivables with similar risk characteristics have been grouped into pools. For each pool, the Company considers the historical credit loss experience, current economic conditions, supportable forecasts of future economic conditions, and any historic recoveries in assessing the lifetime expected credit losses. Other key factors that influence the expected credit loss analysis include customer demographics, payment terms offered in the normal course of business to customers, and industry-specific factors that could impact the credit losses of the Company's receivables. Additionally, external data and macroeconomic factors are also considered. This is assessed at each quarter based on the Company's specific facts and circumstances.

Judgments and assumptions are required to estimate the allowance for expected credit losses on receivables from and prepayments to customers and such assumptions may change in future periods. As of December 31, 2023 and 2024, no significant impairment indicators were identified, however, it is possible that the Company may have to record additional significant provisions for expected credit losses in the future.

The following table summarized the details of the Company's allowance for expected credit losses (RMB in millions):

	2022	2023	2024
Allowance at beginning of year	815	770	496
Business combination	—	—	14
Provisions for credit losses	296	79	330
Write-offs	(341)	(353)	(218)
Allowance at end of year	770	496	622

Cost of revenues

Cost of revenues consists primarily of payroll compensation of customer service center personnel, credit card service fees, payments to travel suppliers, telecommunication expenses, direct costs of principal travel tour services, depreciation, rentals, direct costs of financial service and related expenses incurred by the Company which are directly attributable to the Company's user orders and the rendering of travel related services and other businesses.

Product development

Product development expenses primarily include payroll compensation of product development personnel, consulting expenses and other expenses incurred by the Company that are directly attributable to develop the Company's travel supplier networks as well as to maintain, monitor and manage the Company's transaction and service platforms. The Company recognizes website, software and mobile applications development costs in accordance with ASC 350-50 "Website development costs" and ASC 350-40 "Software — internal use software" respectively, which are not material. The Company expenses all costs that are incurred in connection with the planning and implementation phases of development. The Company also expenses all costs that are associated with repair or maintenance of the existing websites and mobile applications or the development of software or mobile applications for internal use and websites content.

Sales and marketing

Sales and marketing expenses consist primarily of costs of payroll and related compensation for the Company's sales and marketing personnel, advertising expenses, and other related marketing and promotion expenses. Advertising expenses, amounting to approximately RMB2.1 billion, RMB5.3 billion and RMB7.0 billion for the years ended December 31, 2022, 2023 and 2024 respectively, are charged to the statements of income and comprehensive income as incurred.

Share-based compensation

The Company grants restricted share units ("RSUs") and share options of the Company to eligible employees. The Company accounts for share-based awards issued to employees in accordance with ASC Topic 718 *Compensation – Stock Compensation*. Under ASC 718, the Company measures at the grant date the fair value of the stock-based award and recognize compensation costs, net of estimated forfeitures, on a straight-line basis, over the requisite service period. The Company applies the Black-Scholes valuation model in determining the fair value of options granted. Risk-free interest rates are based on US Treasury yield for the terms consistent with the expected life of award at the time of grant. Expected life is based on historical exercise patterns. Expected dividend yield is determined in view of the Company's historical dividend payout rate and future business plan. The Company estimates expected volatility at the date of grant based on historical volatilities. The fair values of RSUs are determined with reference to the fair value of the underlying shares. Forfeiture rate is estimated based on historical forfeiture patterns and adjusted to reflect future change in circumstances and facts, if any. If actual forfeitures differ from those estimates, the Company may need to revise those estimates used in subsequent periods.

According to ASC 718, a change in any of the terms or conditions of stock options shall be accounted for as a modification of the plan. Therefore, the Company calculates incremental compensation cost of a modification as the excess of the fair value of the modified option over the fair value of the original option immediately before its terms are modified, measured based on the share price and other pertinent factors at the modification date. For vested options, the Company would recognize incremental compensation cost in the period the modification occurs and for unvested options, the Company would recognize, over the remaining requisite service period, the sum of the incremental compensation cost and the remaining unrecognized compensation cost for the original award on the modification date.

According to ASC 718, the Company classifies certain options or similar instruments as liabilities if the Company can be required under any circumstances to settle the option or similar instrument by transferring cash or other assets and such cash settlement is probable. The percentage of the fair value that is accrued as compensation cost at the end of each period shall equal the percentage of the requisite service that has been rendered at that date. Changes in fair value of the liability classified award that occur during the requisite service period shall be recognized as compensation cost over that period. Changes in fair value that occur after the end of the requisite service period are compensation cost of the period in which the changes occur. Any difference between the amount for which a liability award is settled and its fair value at the settlement date as estimated is an adjustment of compensation cost in the period of settlement.

Share incentive plans

In October 2007, the Company adopted a 2007 Share Incentive Plan ("2007 Incentive Plan"). As of December 31, 2023, and 2024, 13,150,932 and 11,381,131 options were outstanding and there were no RSUs outstanding under the 2007 Incentive Plan.

In June 2017, the Company adopted a Global Share Incentive Plan ("Global Incentive Plan"). The Company granted 17,311,708, 12,332,490 and 11,406,176 new share options and 255,000, nil and nil new RSUs to employees with 4-year requisite service period for years ended December 31, 2022, 2023 and 2024, respectively.

As of December 31, 2023, and 2024, 71,442,044 and 68,745,927 options and 553,688 and 301,502 RSUs were outstanding under the Global Incentive Plan.

The following table summarized the Company's share option activities under all the option plans (in US$, except for shares):

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in millions)
Outstanding at December 31, 2021	66,081,119	23.02	5.42	398
Granted	17,311,708	14.15		
Exercised	(4,493,648)	5.70		
Forfeited	(1,424,477)	10.80		
Outstanding at December 31, 2022	77,474,702	22.26	5.01	995
Granted	12,332,490	18.82		
Exercised	(4,590,690)	12.18		
Forfeited	(623,526)	12.57		
Outstanding at December 31, 2023	84,592,976	22.38	4.70	1,195
Granted	11,406,176	15.31		
Exercised	(14,954,835)	16.08		
Forfeited	(917,259)	16.60		
Outstanding at December 31, 2024	80,127,058	22.62	4.23	3,689
Vested and expect to vest at December 31, 2024	77,403,958	22.78	4.17	3,551
Exercisable at December 31, 2024	46,088,307	26.14	3.06	1,960

The Company's current practice is to issue new shares to satisfy share option exercises.

The expected-to-vest options are the result of applying the pre-vesting forfeiture rate assumptions of 8% to total unvested options.

The aggregate intrinsic value in the table above represents the total intrinsic value (the aggregate difference between the Company's closing stock price at each reporting date and the exercise price for in-the-money options) that would have been received by the option holders if all in-the-money options had been exercised at each reporting date.

The total intrinsic value of options exercised during the years ended December 31, 2022, 2023 and 2024 were US$90 million, US$114 million and US$518 million, respectively.

The weighted average fair value of options granted during the years ended December 31, 2022, 2023 and 2024 was US$10.14, US$25.61 and US$32.05 per share, respectively.

As of December 31, 2024, there was US$446 million of total unrecognized compensation cost, net of estimated forfeitures, related to unvested share options which are expected to be recognized over a weighted average period of 2.3 year. Total unrecognized compensation cost may be adjusted for future changes in estimated forfeitures. Total cash received from the exercise of share options amounted to RMB179 million, RMB399 million and RMB1,726 million for the years ended December 31, 2022, 2023 and 2024, respectively.

The Company calculated the estimated fair value of share options on the date of grant using the Black-Scholes pricing model with the following assumptions:

	2022	2023	2024
Risk-free interest rate	1.55%-4.45%	3.60%-4.72%	3.86%-4.30%
Expected life (years)	4 – 5	4 – 5	4 – 5
Expected dividend yield	0%	0%	0%
Volatility	41%-49%	48%-49%	46%-48%
Fair value of options at grant date per share	from US$7.44 to US$24.58	from US$16.08 to US$36.51	from US$16.37 to US$58.01

The following table summarizes the Company's RSUs activities under all incentive plans (in US$, except for shares):

	Number of Shares	Weighted average grant date fair value (US$)
Restricted shares		
Unvested at December 31, 2021	869,620	32.65
Granted	255,000	24.67
Vested	(243,625)	36.15
Forfeited	(129,489)	33.92
Unvested at December 31, 2022	751,506	28.59
Vested	(197,250)	30.51
Forfeited	(568)	29.03
Unvested at December 31, 2023	553,688	27.90
Vested	(192,072)	29.44
Forfeited	(60,114)	32.10
Unvested at December 31, 2024	301,502	26.08

As of December 31, 2024, there was US$2 million unrecognized compensation cost, net of estimated forfeitures, related to unvested restricted shares, which are to be recognized over a weighted average vesting period of 0.8 years. Total unrecognized compensation cost may be adjusted for future changes in estimated forfeitures. The Company determined the fair value of RSUs based on its stock price on the date of grant.

Leases

The Company applies ASC 842, Leases, and determines if an arrangement is a lease at inception. Operating leases are primarily for office and operation space and are included in right-of-use ("ROU") assets, other payables and accruals and long-term lease liabilities on its consolidated balance sheets. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. The operating lease ROU assets and liabilities are recognized at lease commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at lease commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. Renewal options are considered within the ROU assets and lease liability when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

For operating leases with a term of one year or less, the Company has elected not to recognize a lease liability or ROU asset on its consolidated balance sheet. Instead, it recognizes the lease payments as expense on a straight-line basis over the lease term. Short-term lease costs are immaterial to its consolidated statements of income and comprehensive income and cash flows. The Company has operating lease agreements with insignificant non-lease components and have elected the practical expedient to combine and account for lease and non-lease components as a single lease component.

Taxation

Current income taxes are provided on the basis of net income for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions. Deferred income taxes are provided using the balance sheet liability method. Under this method, deferred income taxes are recognized for the tax consequences of significant temporary differences by applying enacted statutory rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. The effect on deferred taxes of a change in tax rates is recognized in income in the period enacted. A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered unlikely that some portion of, or all of, the deferred tax assets will not be realized.

The Company applies ASC 740, "Income Taxes". It clarifies the accounting for uncertainty in income taxes recognized in the Company's consolidated financial statements and prescribes a more likely than not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, accounting for interest and penalties associated with tax positions, accounting for income taxes in interim periods, and income tax disclosures.

Other income/(expense)

Other income/(expense) consists of financial subsidies and investment income/(loss). Financial subsidies primarily relate to the non-recurring grants by central and local governments of China. The Company recognizes the income when the grants are received and no further conditions need to be met. Components of other income/(expense) were as follows (RMB in millions):

	2022	2023	2024
Fair value changes of equity securities investments and Exchangeable Senior Notes	1,338	(1,507)	1,082
Gain from the fair value remeasurement upon the discontinuance of the equity method investment(a)	1,135	—	—
Government grants	618	608	787
Dividend from long-term investments	53	177	170
Gain from acquirement of business or disposal of long-term investments	23	11	12
Foreign exchange (losses) /gains	(69)	29	(12)
Impairments of long-term investments (b)	(949)	(115)	(122)
Others	(134)	130	303
Total	2,015	(667)	2,220

(a) In 2022, an equity method investee of the Company completed an initial public offering, upon which the Company lost significant influence over the investee due to its reduced voting rights and changes in the investee's governing documents. Consequently, the Company discontinued the equity method accounting and the investment was classified as an equity security investment with readily determinable fair value. Immediately after discontinuing the equity method, the Company recognized a gain from the remeasurement of the investment at fair value with amount of RMB1.1 billion.

(b) In 2022, 2023 and 2024, the Company recorded a RMB906 million, RMB115 million and RMB92 million impairment loss for certain redeemable preferred shares investments which are accounted for as available-for-sale debt securities (Note 7).

Statutory reserves

The Company's PRC subsidiaries and VIEs are required to allocate at least 10% of their after-tax profit determined based on the PRC accounting standards and regulations to the general reserve. The allocation to the general reserve will cease if such reserve has reached to 50% of the registered capital of respective company. Appropriations to discretionary surplus reserve are at the discretion of the board of directors of subsidiaries and VIEs. These reserves can only be used for specific purposes and are not transferable to the Company in form of loans, advances, or cash dividends. There is no such regulation of providing statutory reserve in Hong Kong and other countries or regions.

Dividends

Dividends are recognized when declared.

PRC regulations currently permit payment of dividends only out of accumulated profits determined based on the PRC accounting standards and regulations. The Company's PRC subsidiaries can only distribute dividends after they have met the PRC requirements for appropriation to statutory reserves. Additionally, as the Company does not have any direct ownership in the VIEs, the VIEs cannot directly distribute dividends to the Company. The PRC government imposes control over its foreign currency reserves in part through direct regulation of the conversion of RMB into foreign exchange and through restrictions on foreign trade. As the majority of the Company's revenues are in RMB, any restrictions on currency exchange may limit the Company's ability to use revenue generated in RMB to fund the Company's business activities outside China or to make dividend payments in U.S. dollars. However, the Company believes the restrictions on currency exchange imposed by the PRC foreign exchange regulations and enforced by the PRC State Administration of Foreign Exchange ("SAFE") do not constitute the "restrictions" under Rule 4-08(e)(3) under Regulation S-X, because such restrictions in substance do not prohibit the Company's subsidiaries or VIEs from transferring net assets to the Company in the combined forms of loans, advances and cash dividends without the consent of SAFE, provided that certain procedural formalities should be complied with. As of December 31, 2024, the restricted net assets of the Company's PRC subsidiaries and VIEs not distributable in the form of dividends to the parent as a result of the aforesaid PRC regulations and other restrictions were RMB8.8 billion.

In November 2023, the Company adopted a regular capital return policy to benefit the shareholders of the Company in the form of share repurchases, cash dividends, or a combination thereof, commencing from the year of 2024. Under the policy, the Company reserves the discretion relating to the determination of the form, timing, and amount of the capital return measures, depending on the Company's financial condition, results of operations, cash flow, capital requirements, and other relevant factors.

No dividends have been paid or declared by the Company during the years ended December 31, 2022, 2023 and 2024.

Earnings per share

In accordance with *"Computation of Earnings Per Share"*, basic earnings per share is computed by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding during the year. Diluted earnings per share is calculated by dividing net income attributable to common shareholders as adjusted for the effect of dilutive ordinary equivalent shares, if any, by the weighted average number of ordinary and dilutive ordinary equivalent shares outstanding during the year. Dilutive ordinary equivalent shares consist of ordinary shares issuable upon the exercise of outstanding share options (using the treasury stock method). Vested but unexercised stock options with exercise prices that represent little or no consideration are included in the weighted average shares outstanding in the basic earnings per share calculation.

If the number of common shares outstanding increases as a result of a stock dividend or stock split or decreases as a result of a reverse stock split, the computations of basic and diluted EPS shall be adjusted retroactively for all periods presented to reflect that change in capital structure. If changes in common stock resulting from stock dividends, stock splits, or reverse stock splits occur after the close of the period but before the financial statements are issued or are available to be issued, the per-share computations for those and any prior-period financial statements presented shall be based on the new number of shares.

Treasury stock

In 2023 and 2024, the Company purchased 6.8 million and 6.0 million ADSs in aggregate with a total gross consideration of US$224 million and US$300 million pursuant to its existing plan adopted in 2014, respectively. The share-repurchase programs do not require the Company to acquire a specific number of shares and may be suspended or discontinued at any time.

Treasury stock is accounted for under the cost method. Under this method, the cost incurred to purchase the shares is recorded in "Treasury stock" on the consolidated balance sheets.

Segment reporting

The Company operates and manages its business as a single segment. Resources are allocated and performance is assessed by the CEO, who is determined to be the Chief Operating Decision Maker ("CODM"). The CODM assesses performance for the single segment and decides how to allocate resources based on net income that also is reported on the consolidated statements of income and comprehensive income as consolidated net income. Significant segment expenses reviewed by the CODM on a regular basis within net income included cost of revenue, product development expenses, sales and marketing expenses, general and administrative expenses and income tax expenses, of which each are separately presented on the consolidated statements of income and comprehensive income. Other segment item within net income included sales tax and surcharges, interest income, interest expense, other income/(expense) and equity in (loss) /income of affiliates on the consolidated statements of income and comprehensive income. Since the Company operates in one reportable segment, all financial and product information required can be found in the consolidated financial statements.

For geographic information, please refer to Note 20.

Recent Accounting Pronouncements

In June 2022, the FASB issued ASU 2022-03 Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions. The update clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The update also clarifies that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. The update also requires certain additional disclosures for equity securities subject to contractual sale restrictions. The amendments in this update are effective for the Company beginning January 1, 2024 on a prospective basis. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. The Company adopted this update in the first quarter of 2024 and did not have a material impact to the Company's Consolidated Financial Statements.

In November 2023, the FASB issued ASU No. 2023-07, Improvements to Reportable Segment Disclosures (Topic 280). This ASU updates reportable segment disclosure requirements by requiring disclosures of significant reportable segment expenses that are regularly provided to the CODM and included within each reported measure of a segment's profit or loss. This ASU also requires disclosure of the title and position of the individual identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. The ASU is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Adoption of the ASU should be applied retrospectively to all prior periods presented in the financial statements. Early adoption is also permitted. This ASU will likely result in the Company including the additional required disclosures when adopted. The Company adopted the new guidance on its consolidated financial statement and did not have a material impact to the Company's Consolidated Financial Statements.

In December 2023, the FASB issued ASU No. 2023-08, Accounting for and Disclosure of Crypto Assets (Subtopic 350-60). This ASU requires certain crypto assets to be measured at fair value separately in the balance sheet and income statement each reporting period. This ASU also enhances the other intangible asset disclosure requirements by requiring the name, cost basis, fair value, and number of units for each significant crypto holding. The ASU is effective for annual periods beginning after December 15, 2024, including interim periods within those fiscal years. Adoption of the ASU requires a cumulative-effect adjustment to the opening balance of retained earnings as of the beginning of the annual reporting period in which an entity adopts the amendments. Early adoption is also permitted, including adoption in an interim period. However, if the ASU is early adopted in an interim period, an entity must adopt the ASU as of the beginning of the fiscal year that includes the interim period. This ASU will result in gains and losses recorded in the consolidated financial statements of income and comprehensive income and additional disclosures when adopted. The Company will adopt this update in the first quarter of 2025 and does not expect the adoption to have a material impact to the Company's Consolidated Financial Statements.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures (Topic 740). The ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is in the process of evaluating the impact of the new guidance on its consolidated financial statement and expect to adopt them for the year ending December 31, 2025.

In November 2024, the FASB issued new guidance expanding disclosure requirements related to certain income statement expenses. The guidance requires tabular footnote disclosure of certain operating expenses disaggregated into categories, such as employee compensation, depreciation, and intangible asset amortization, included within each interim and annual income statement's expense caption, as applicable. The effective date is for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. The Company is in the process of evaluating the impact of the new guidance on its consolidated financial statement.

Certain risks and concentration

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, amounts due from related parties, prepayments and other current assets. As of December 31, 2023 and 2024, substantially all of the Company's cash and cash equivalents, restricted cash and short-term investments were held in major financial institutions located in the Mainland China and in Hong Kong, which management considers to be of high credit quality based on their credit ratings. Accounts receivable are generally unsecured and denominated in RMB, and are derived from revenues earned from operations arising primarily in the PRC.

No individual customer accounted for more than 10% of net revenues for the years ended December 31, 2022, 2023 and 2024. No individual customer accounted for more than 10% of accounts receivable as of December 31, 2023 and 2024.

3. PREPAYMENTS AND OTHER CURRENT ASSETS

Components of prepayments and other current assets as of December 31, 2023 and 2024 were as follows (RMB in millions):

	2023	2024
Prepayments and other deposits	6,919	9,531
Receivable related to financial services (Note 2)	4,193	5,662
Interest receivables	514	918
Prepaid expenses	168	170
Others	955	1,009
Total	12,749	17,290

4. LONG-TERM PREPAYMENTS AND OTHER ASSETS

The Company is required to pay certain amounts of deposits to airline companies and hotel suppliers. The Company is also required to pay deposits to local travel bureaus as a pledge for insurance of traveler's safety.

Components of long-term prepayments and other assets as of December 31, 2023 and 2024 were as follows (RMB in millions):

	2023	2024
Deposits paid to airline suppliers	215	209
Deposits paid to hotel suppliers	117	5
Deposit paid to lessor	50	50
Deposits paid to advertising suppliers	42	7
Other deposit	46	55
Prepayment for acquisition of property and equipment	76	93
Long-term derivative assets	39	—
Others	78	35
Total	663	454

5. LAND USE RIGHTS

Land use rights are amortized under straight-line method through the respective period of land rights, which are from 40-50 years. Amortization expense for the years ended December 31, 2022, 2023 and 2024 was approximately RMB3 million, RMB3 million and RMB3 million, respectively. As of December 31, 2023, and 2024, the net book value was RMB80 million and RMB77 million respectively.

6. PROPERTY, EQUIPMENT AND SOFTWARE

Property, equipment and software and its related accumulated depreciation and amortization as of December 31, 2023 and 2024 were as follows (RMB in millions):

	2023	2024
Buildings	5,409	5,409
Website-related equipment	2,075	2,156
Computer equipment	796	837
Software	755	793
Furniture and fixtures	301	382
Leasehold improvements	253	258
Less: accumulated depreciation and amortization	(4,447)	(4,782)
Total net book value	5,142	5,053

Depreciation expense for the years ended December 31, 2022, 2023 and 2024 was RMB632 million, RMB627 million and RMB655 million, respectively.

7. INVESTMENTS

The Company's long-term investments are consisted of the follows (RMB in millions):

	2023	2024
Debt investments	17,625	11,394
Equity investments	31,717	35,800
	49,342	47,194

Debt investments

Held to maturity debt securities

Held to maturity investments were time deposits and financial products in commercial banks with maturities of more than one year with the carrying amount of RMB15.5 billion and RMB10.5 billion as of December 31, 2023 and 2024 respectively. As of December 31, 2023 and 2024, the weighted average maturities periods are 1.6 years and 2.8 years, respectively.

Available-for-sale debt investments

The following table summarizes the Company's available-for-sale debt investments (RMB in millions):

	2023	2024
Cost	4,030	1,597
Gross Unrealized Gains, including foreign exchange adjustment	143	163
Gross Unrealized Losses, including foreign exchange adjustment	(2,078)	(819)
Fair Value	2,095	941

For the years ended December 31, 2022, 2023 and 2024, the unrealized securities holding gains/(loss), net of tax expense/(benefit) of RMB32 million, RMB(162) million and RMB(2) million, respectively, was reported in other comprehensive income.

The Company's available-for-sale debt investments mainly include the redeemable preferred shares investments. At December 31, 2024, the Company did not have the intent or a requirement to sell its available-for-sale debt investments. The Company assesses the unrealized losses of the investments and determines whether the decline in fair value is related to credit or non-credit factors. For the years ended December 31, 2022, 2023 and 2024, the Company recognized credit related impairments for the available-for-sale debt investment of RMB906 million, RMB115 million and RMB92 million.

As of December 31, 2023 and 2024, the fair value of certain available-for-sale debt investments were below their amortized costs. For the year ended December 31, 2023 and 2024, considering the prolonged business performance of these available-for-sale debt investments, the quality of the investments' credit and other adverse conditions specifically related to the investments, the Company, with the assistance from an independent appraiser, performed a quantitative assessment and recognized the credit impairment related to these available-for-sale debt investments with aggregated amounts of RMB115 million and RMB92 million (Note 2). Upon recognition of the credit impairment, RMB108 million and RMB69 million (net of tax of RMB7 million and RMB23 million) that was previously recorded in accumulated other comprehensive income was reclassified into other income/(expense). For the years ended December 31, 2023 and 2024, the Company also evaluated the fair value change associated with the non-credit losses of the redeemable preferred shares investment in these available-for-sale debt investments was amounted to RMB325 million and RMB27 million, respectively, which was reported in other comprehensive income. The Company reviewed other available information and at December 31, 2024, concludes the amortized cost basis of the investment is able to be recovered.

Equity investments

Equity securities with readily determinable fair values

The following table summarizes the Company's equity securities with readily determinable fair values (RMB in millions):

	2023	2024
Cost	5,486	5,583
Gross Unrealized Gains, including foreign exchange adjustment	5,706	7,240
Gross Unrealized Losses, including foreign exchange adjustment	(1,202)	(1,401)
Fair Value	9,990	11,422

Equity securities with readily determinable fair values are measured and recorded at fair value on a recurring basis with changes in fair value, whether realized or unrealized, recorded through the income statement. The change of fair value is reported in other income/(expense).

Equity securities without readily determinable fair values

Equity securities without readily determinable fair values and over which the Company has neither significant influence nor control through investments in common stock or in-substance common stock, are measured and recorded using a measurement alternative that measures the securities at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes. The carrying value of equity securities without readily determinable fair values was RMB375 million and RMB369 million as of December 31, 2023 and 2024 respectively. For the years ended December 31, 2022, 2023 and 2024, there was no observable price changes for these investments. None of the investments individually is considered as material to the Company's financial position.

For the years ended December 31, 2022, 2023 and 2024, the Company disposed of certain equity securities without readily determinable fair values for total consideration of nil, RMB13 million and RMB7 million, respectively, which resulted in a gain of nil, RMB8 million and RMB3 million as reported in other income/(expense), respectively.

For the years ended December 31, 2022, 2023 and 2024, the Company made investments in equity investments without readily determinable fair values in the amounts of RMB10 million, RMB8 million and RMB15 million, respectively.

Equity method investments

In December 2016, in connection with a share exchange transaction with BTG Hotels Company ("BTG") and Homeinns Hotel Company ("Homeinns"), the Company exchanged its previously held equity interest in Homeinns for a 22% equity interest of BTG. The Company has historically applied the equity method to account for the investment in BTG on a one quarter lag basis. The use of this accounting convention did not have a material impact upon the Company's reported results for each of the periods presented. In 2022 and 2023, the Company consummated the transactions to sell approximately 4 million and 1 million BTG's shares in open market for a total consideration of RMB101 million and RMB19 million, respectively. The Company recorded a gain of RMB20 million and RMB3 million in 2022 and 2023, respectively, reported in "Other income/ (expense)" (Note 2). After the above transactions, the Company held approximately 12% equity interest in BTG and is still able to exercise significant influence over BTG (primarily due to the Company's ability to appoint one member to BTG's Board of Directors), and continuously recorded this investment as an equity method investment. In 2024, the market value of BTG had remained below the carrying value of the investment for a prolonged period of time, management considered that there is an other-than-temporary impairment and wrote down its investment on BTG by an amount of RMB605 million, with an impairment loss of RMB514 million (net of tax effect of RMB91 million) recorded in equity in income/(loss) of affiliates. As of December 31, 2023 and 2024, the carrying value of its investment in BTG were RMB2.5 billion and RMB2.0 billion respectively.

After a series of transactions from 2015 to 2018, the Company owned 27% equity interest in Tongcheng Travel. The Company applies the equity method to account for the investment in Tongcheng Travel on one quarter lag basis. The use of this accounting convention did not have a material impact upon the Company's reported results for each of the periods presented. As of December 31, 2023 and 2024, the carrying value of its equity investment was RMB6.4 billion and RMB6.8 billion respectively, the change of which primarily relates to the equity income recognized.

After a series of transactions in 2019, the Company held approximately 49% equity interest in MakeMyTrip. The Company applies the equity method to account for the investment in MakeMyTrip on one quarter lag basis. The use of this accounting convention did not have a material impact upon the Company's reported results for each of the periods presented. As of December 31, 2023, and 2024, the carrying value of its investment was RMB6.2 billion and RMB7.1 billion.

As of December 31, 2024, equity method investments that are publicly traded with an aggregate carrying amount of RMB16.0 billion have increased in value and the total market value of these investments amounted to RMB53.1 billion.

The Company made some investments in several third party investment funds and accounted for the investments under the equity method. As of December 31, 2023, and 2024, the carrying value of these investments were RMB3.6 billion and RMB5.3 billion respectively.

As of December 31, 2023, and 2024, the carrying value of the remaining equity method investments were RMB2.6 billion and RMB2.7 billion, respectively.

The Company summarizes the condensed financial information of the Company's equity method investments as a group below in compliance with Rule 4-08 of Regulation S-X (RMB in millions).

	2022 equity investments	2023 equity investments	2024 equity investments
Operating data:			
Revenue	23,159	30,885	41,540
Gross profit	10,911	17,698	22,297
Income/(loss) from operations	(1,377)	2,557	4,149
Net income/(loss)	(3,129)	888	5,575
Net (loss)/income attributable to equity method investments	(788)	983	3,329
Equity dilution impact	202	89	51
Impairment, net of tax	—	—	(552)
Equity in (loss)/income of affiliates	(586)	1,072	2,828

	2022 equity investments	2023 equity investments	2024 equity investments
Balance sheet data:			
Current assets	48,132	67,149	82,554
Long-term assets	54,308	55,097	58,598
Current liabilities	35,589	54,235	63,397
Long-term liabilities	21,862	19,721	23,413
Non-controlling interests	217	238	1,117

For the years ended December 31, 2022, 2023 and 2024, the total cash paid for equity method investments was RMB502 million, RMB543 million and RMB53 million, respectively.

Impairments

The Company performs an impairment assessment of its investments by considering factors including, but not limited to, current economic and market conditions, as well as the operating performance of the investees. For the years ended December 31, 2022, 2023 and 2024, impairment charges in connection with the available-for-sale debt investment of RMB906 million, RMB115 million and RMB92 million were recorded. Impairment charges in connection with the equity securities without readily determinable fair value of RMB40 million, nil and RMB30 million were recorded. Impairment charges in connection with the equity method investments, net of tax, of RMB3 million, nil and RMB552 million were recorded.

8. FAIR VALUE MEASUREMENT

In accordance with ASC 820-10, the Company measures financial products, derivative instruments, available-for-sale debt investments and equity securities with readily determinable fair value at fair value on a recurring basis. Equity securities classified within Level 1 are valued using quoted market prices that currently available on a securities exchange registered with the Securities and Exchange Commission (SEC), Shanghai Stock Exchange (SSE) or Hong Kong Stock Exchange (HKEX). Financial products and derivative instruments classified within Level 2 are valued using directly or indirectly observable inputs in the market place. The available-for-sale debt investments classified within Level 3 are valued based on a model utilizing unobservable inputs which require significant management judgment and estimation.

The equity securities without readily determinable fair value, equity method investments and certain non-financial assets are recorded at fair value only if an impairment or observable price adjustment is recognized in the current period. If an impairment or observable price adjustment is recognized on the equity securities during the period, the Company classify these assets as Level 3 within the fair value hierarchy based on the nature of the fair value inputs.

Assets and liabilities measured at fair value on a recurring basis are summarized below (in millions):

	Fair Value Measurement at December 31, 2023 Using			Fair Value at December 31, 2023
	Level 1 RMB	Level 2 RMB	Level 3 RMB	RMB
Assets				
Financial products (Note 2, 7)	—	9,658	—	9,658
Derivative instruments (Note 2)	—	101	60	161
Listed equity securities (Note 7)	9,990	—	—	9,990
Available-for-sale debt investments (Note 7)	—	—	2,095	2,095
Total Assets	9,990	9,759	2,155	21,904
Liabilities				
Exchangeable senior notes (Note 12)	—	3,696	—	3,696
Derivative instruments (Note 2)	—	61	—	61
Total Liabilities	—	3,757	—	3,757

	Fair Value Measurement at December 31, 2024 Using				
	Level 1 RMB	Level 2 RMB	Level 3 RMB	Fair Value at December 31, 2024 RMB	US$
Assets					
Financial products (Note 2, 7)	—	20,174	—	20,174	2,764
Derivative instruments (Note 2)	—	171	33	204	28
Listed equity securities (Note 7)	11,422	—	—	11,422	1,565
Available-for-sale debt investments (Note 7)	—	—	941	941	129
Total Assets	11,422	20,345	974	32,741	4,486
Liabilities					
Exchangeable senior notes (Note 12)	—	3,906	—	3,906	535
Derivative instruments (Note 2)	—	5	—	5	1
Total Liabilities	—	3,911	—	3,911	536

The roll forward of major Level 3 Investments are as follows (RMB in millions):

	Total
Fair value of Level 3 Investments as at December 31, 2022	2,601
Transfer into Level 3	183
New addition	55
Effect of exchange rate change	57
Expected credit losses	(115)
The change in fair value of the investments	(686)
Fair value of Level 3 Investments as at December 31, 2023	2,095
Transfer out of Level 3	(1,216)
New addition	228
Disposal	(83)
Effect of exchange rate change	32
Expected credit losses	(92)
The change in fair value of the investments	(23)
Fair value of Level 3 Investments as at December 31, 2024	941

Management determined the fair value of these Level 3 Investments based on valuation models using various unobservable inputs. The determination of the fair value required significant judgement by management with respect to the assumptions and estimates for the revenue growth rate, weighted average cost of capital, lack of marketability discounts, expected volatility and probability in equity allocation. The significant unobservable inputs adopted in the valuation as of December 31, 2023 and 2024 are as follows:

Unobservable Input	2023	2024
Revenue growth rate	-61%-31%	8%-20%
Weighted average cost of capital	13%-21%	13%-14%
Lack of marketability discount	10%-21%	10%-23%
Expected volatility	33%-67%	25%-60%
Probability	Liquidation scenario: 5%-95% Redemption scenario: 0%-30% Conversion scenario: 5%~95%	Liquidation scenario: 5%-95% Redemption scenario: 0%-30% Conversion scenario: 5%~95%

9. GOODWILL

Goodwill, which is not tax deductible, represents the synergy effects of the business combinations. The changes in the carrying amount of goodwill for the years ended December 31, 2023 and 2024 were as follows (RMB in millions):

	2023	2024
Balance at beginning of year	59,337	59,372
Acquisition of an OTA company focusing on accommodation reservation (Note 2)	—	1,533
Others	35	6
Balance at end of year	59,372	60,911

Goodwill resulting from the business combinations has been allocated to the single reporting unit of the Company. For the years ended December 31, 2022, 2023 and 2024, the Company performed a qualitative assessment by evaluating relevant events and circumstances that would affect the Company's single reporting unit and did not note any indicator that it is more likely than not that the fair value of the Company's reporting unit is less than its carrying amount, and therefore the Company's goodwill was not impaired. As of December 31, 2024, there had not been any accumulated goodwill impairment provided.

10. INTANGIBLE ASSETS

Intangible assets were as follows (RMB in millions):

	2023	2024
Intangible assets to be amortized		
Business Relationship (Representing the relationship with the travel service providers and other business partners)	1,878	1,878
Technology	610	799
Others	796	802
Intangible assets not subject to amortization		
Trade mark	11,773	11,972
Others	159	158
	15,216	15,609
Less: accumulated amortization		
Intangible assets to be amortized		
Business Relationship	(1,617)	(1,750)
Technology	(610)	(621)
Others	(425)	(475)
	(2,652)	(2,846)
Net book value		
Intangible assets to be amortized		
Business Relationship	261	128
Technology	—	178
Others	371	327
Intangible assets not subject to amortization		
Trade mark	11,773	11,972
Others	159	158
	12,564	12,763

Indefinite-lived intangible assets are not subject to legal, regulatory, contractual, competitive, economic or other limitation on their useful lives. The Company evaluates to determine whether events and circumstances continue to support an indefinite useful life in each reporting period.

Finite-lived intangible assets are tested for impairment if impairment indicators arise. The Company amortizes its finite-lived intangible assets over their estimated economic useful lives using the straight-line method:

Business Relationship	5-10 years
Technology	2-10 years
Others	2-15 years

Amortization expense for the years ended December 31, 2022, 2023 and 2024 was approximately RMB240 million, RMB187 million and RMB193 million respectively.

The annual estimated amortization expense for intangible assets subject to amortization for the five succeeding years is as follows (RMB in millions):

	Amortization
2025	184
2026	78
2027	74
2028	52
2029	43
	431

11. LEASES

The Company has operating leases primarily for office and operation space. The Company's operating lease arrangements have remaining lease terms of one to twelve years.

Operating lease costs were RMB416 million, RMB235 million and RMB256 million for the years ended December 31, 2022, 2023 and 2024, respectively.

Supplemental cash flow information related to leases were as follows (RMB in millions):

	2023	2024
Cash paid for the rentals included in the lease liabilities	309	272
Right-of-use assets obtained in exchange for operating lease liabilities	149	288

As of December 31, 2023 and 2024, supplemental consolidated balance sheet information related to leases were as follows (RMB in millions):

	2023	2024
Right-of-use assets	641	755
Current lease liabilities included within Other payables and accruals (Note 16)	140	194
Long-term lease liabilities	477	561
Total lease liabilities	617	755
Weighted average remaining lease term	6 years	5 years
Weighted average discount rate	4.6%	4.7%

Maturities of lease liabilities are as follows (RMB in millions):

	As of December 31, 2024
2025	243
2026	194
2027	85
2028	76
2029	62
Thereafter	200
Total operating lease payments	860
Less: imputed interest	(105)
Total	755

As of December 31, 2023, and 2024, the operating lease arrangements of the Company, primarily for offices premises, that have not yet commenced is immaterial. For the years ended December 31, 2022, 2023 and 2024, the variable lease costs, short-term lease costs and sub-lease income are immaterial.

12. SHORT-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT

	2023	2024
	RMB (in millions)	
Short-term bank borrowings and current portion of long-term loan (Note 17)	21,197	13,832
Exchangeable Senior Notes	3,696	3,906
Securitization debt	964	1,666
2025 Notes (Note 17)	—	29
Total	25,857	19,433

Loans from Commercial Banks

As of December 31, 2024, the Company has recorded short-term bank borrowings of RMB13.8 billion (US$1.9 billion) in the aggregate, and none was collateralized. The weighted average interest rate for the outstanding borrowings was approximately 2.22%.

The short-term borrowings contain covenants including, among others, those related to certain financial metrics, liens, consolidation, merger and sale of the Company's assets. The Company is in compliance with all of the loan covenants as of December 31, 2023 and 2024.

Exchangeable Senior Notes

On July 13, 2020, the Company issued exchangeable senior notes due 2027 (the "Exchangeable Senior Notes") at an aggregate principal amount of US$500 million. The Exchangeable Senior Notes are due on July 1, 2027 and bears interest of 1.5% per annum, which will be paid semi-annually beginning on January 1, 2021. The Exchangeable Senior Notes may be converted, at an initial conversion rate of 24.7795 ADSs of H World Group Limited (formerly known as Huazhu Group Limited), or H World, per US$1,000 principal amount of the Notes (which represents an initial conversion price of US$40.36 per H World ADS) at each holder's option. Since the exchange option is not indexed to the Company's own stock, the scope exception prescribed in ASC 815-10-15-74 is not met and exchange option is subject to the derivative accounting. Therefore, the Company elects to account for and measures the Exchangeable Senior Notes in its entirety at fair value. As of December 31, 2023, and 2024, the fair value of the Exchangeable Senior Notes amounted to RMB3.7 billion (US$521 million) and RMB3.9 billion (US$535 million), respectively. For the year ended December 31, 2023 and 2024, the change in fair value gain/(loss) were RMB623 million (US$88 million) and RMB(105) million (US$(14) million), respectively, which was recorded in "Other income/(expense)".

Since December 31, 2022, RMB4.2 billion of Exchangeable Senior Notes are reclassified as short-term debt because the holders had a non-contingent option to require the Company to repurchase for cash all or any portion of their Exchangeable Senior Notes on July 1, 2023. In addition, starting from July 1, 2023 to the Exchangeable Senior Notes' maturity date, the holders have the right to exchange all or any portion of the notes for the ADSs of H World Group Limited that are held by the Company. Therefore, the Exchangeable Senior Notes remained as short-term classification as of December 31, 2024.

Securitization debt

As of December 31, 2024, securitization debt represents the revolving debt securities which are collateralized by the receivables related to financial services. The revolving debt securities have the term of less than 12 months with the annual interest rate from 2.04% to 6.50%.

13. RELATED PARTY TRANSACTIONS AND BALANCES

Significant related party transactions were as follows (RMB in millions):

	2023	2024
Commissions/service fee from Tongcheng Travel (a)	253	274
Commissions from H World (a)	248	283
Commissions from BTG (a)	129	160
Service fee from Shangcheng (b)	200	196
Service fee to Tongcheng Travel (c)	51	51
Loans provided to Lvyue (d)	20	—
Repayment of loan from Lvyue (d)	89	41

(a) H World (which has a director in common with the Company and a director who is a family member of one of the Company's officers), BTG (an equity method investee of the Company) and Tongcheng Travel (an equity method investee of the Company), have entered into agreements with the Company, respectively, to provide hotel rooms for its end users. The transactions above represent the commissions earned from these related parties. The Company also provides technology service to Tongcheng Travel and earns a service fee.

(b) The Company provided Shangcheng, an equity method investee of the Company, the access to the platform of the Company for Shangcheng to provide financial services to the Company's users. In exchange, the Company receives technology service fees from Shangcheng. In 2023 and 2024, the total technology service fees from Shangcheng amounted to RMB200 million and RMB196 million.

(c) The Company entered into agreements with Tongcheng Travel, under which Tongcheng Travel uses its platform to promote the hotel rooms provided by the Company's travel suppliers. The Company paid related service fee to Tongcheng Travel.

(d) In 2023 and 2024, the Company provided loans of RMB20 million and nil to Lvyue (an equity method investee of the Company), with repayment terms of 3~12 months. In 2023 and 2024, Lvyue repaid RMB90 million and RMB47 million of the loan and interest to the Company, respectively. For the years ended December 31, 2023 and 2024, the total interest income from Lvyue amounted to RMB7 million and RMB5 million.

Significant balances with related parties were as follows (RMB in millions):

	2023	2024
Due from related parties, current:		
Trade related		
Due from Tongcheng Travel	2,268	2,546
Due from others	404	184
Non-trade related		
Due from Lvyue	115	73
Due from Others	55	—
	2,842	2,803
Due from related parties, non-current:		
Non-trade related		
Due from others	25	—
	25	—
Due to related parties, current:		
Trade related		
Due to Tongcheng Travel	27	37
Due to others	276	360
	303	397

14. EMPLOYEE BENEFITS

The Company's employee benefit primarily related to the full-time employees of the PRC subsidiaries and the VIEs, including medical care, welfare subsidies, housing fund, unemployment insurance and pension benefits. The PRC subsidiaries and VIEs are required to accrue for these benefits based on certain percentages of the employees' salaries in accordance with the relevant PRC regulations and make contributions to the state-sponsored pension and medical plans out of the amounts accrued for medical and pension benefits. The PRC government is responsible for the medical benefits and ultimate pension liability to these employees. The Company also makes payments for the benefits of employees employed by subsidiaries outside of the PRC. The total expenses recorded for such employee benefits amounted to RMB1.9 billion, RMB2.2 billion and RMB2.9 billion for the years ended December 31, 2022, 2023 and 2024 respectively.

15. TAXATION

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

Singapore

The Company's subsidiaries incorporated in Singapore are subject to Singapore tax law at the corporate tax rate at 17% on the assessable income arising in Singapore during its tax year.

Hong Kong

The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong Profits Tax on the taxable income as reported in their respective statutory financial statements adjusted in accordance with relevant Hong Kong tax laws. For the years 2022, 2023 and 2024, the first HK$2 million of profits earned by one of our subsidiaries incorporated in Hong Kong was taxed at a rate of 8.25%, while the remaining profits were taxed at the 16.5% tax rate.

Mainland China

The Company's subsidiaries and VIEs registered in mainland China are subject to PRC Enterprise Income Tax ("EIT") on the taxable income as reported in their respective statutory financial statements adjusted in accordance with relevant PRC income tax laws.

The PRC EIT laws apply a general enterprise income tax rate of 25% to both foreign-invested enterprises and domestic enterprises.

Preferential tax treatments are granted to enterprises, which conduct business in certain encouraged sectors and to enterprises otherwise classified as a High and New Technology Enterprise ("HNTE"). The HNTE certificate is effective for a period of three years. Further, preferential EIT rates are available for qualified Software Enterprises whereby entities are entitled to full exemption from EIT for two years beginning from their first profitable calendar year and a 50% reduction for the subsequent three calendar years.

Certain subsidiaries and VIEs including Ctrip Computer Technology, Ctrip Travel Information, Ctrip Travel Network, Qunar Software, Qunar Beijing, Beijing Hujinxinrong Technology Co., Ltd, Ctrip Business Travel Information Service (Shanghai) Co., Ltd. and Shanghai Xielv Information Technology Co., Ltd. are qualified as HNTEs for the years ended December 31, 2022, 2023 and 2024, which entitled a preferential tax rate of 15%. Certain subsidiaries were entitled a reduced tax rate as qualified Software Enterprise for the years ended 2022 and 2023 and such tax benefit expired at the end of the five-year period on December 31, 2023.

In 2001, the PRC state taxation administration ("STA") started to implement preferential tax policy in China's western regions, and companies located in applicable jurisdictions covered by the Western Regions Catalog are eligible to apply for a preferential income tax rate of 15% if their businesses fall within the "encouraged" category of the policy. On April 23, 2020, the Ministry of Finance, the STA, and the PRC National Development and Reform Commission ("NDRC") jointly issued the Announcement on Renewing the Enterprise Income Tax Policy for Western Development, which reduced the revenue percentage requirement of the "encouraged" businesses to no less than 60% and would be applied from 2021 to 2030. Chengdu Ctrip, Chengdu Ctrip International, and Chengdu Information are entitled to enjoy a preferential tax rate of 15% until 2030, provided that their "encouraged" businesses account for no less than required percentage pursuant to current policies.

Pursuant to the PRC EIT Law, effective January 1, 2008, a 10% withholding income tax is imposed for dividends distributed by foreign invested enterprises ("FIE") to their immediate holding companies outside mainland China. A lower withholding tax rate will be applied if there is a tax treaty arrangement between mainland China and the jurisdiction of the foreign holding company. Distributions to holding companies in Hong Kong that satisfy certain requirements specified by PRC tax authorities, for example, will be subject to a 5% withholding tax rate. Furthermore, pursuant to the applicable circular and interpretations of the current EIT Law, dividends from earnings created prior to 2008 but distributed after 2008 are not subject to withholding income tax. Prior to 2023, the Company intended to indefinitely reinvest undistributed earnings generated after January 1, 2008 in the onshore PRC entities.

From 2023, the Company decided to distribute earnings of its FIE subsidiaries in onshore PRC entities to their immediate foreign holding company in Hong Kong. For the years ended December 31, 2023 and 2024, the Company accrued RMB475 million and RMB735 million withholding tax expenses at 5% tax rate associated with its earnings expected to be distributed from its FIEs in the Chinese mainland to their immediate foreign holding company, respectively. As of December 31, 2023 and 2024, the Company has accrued withholding tax liabilities associated with all of its earnings expected to be distributed from its FIEs in mainland China to overseas, except for unrecognized deferred tax liabilities of RMB1.2 billion and RMB1.0 billion related to the remaining undistributed earnings that the Company still intends to indefinitely reinvest in the mainland China, respectively.

In December 2021, the Organization for Economic Cooperation and Development ("OECD") released model rules introducing a 15% global minimum tax rate for large multinational corporations ("Pillar Two"). Certain tax jurisdictions in which the Company operate have enacted legislations consistent with the Pillar Two model rules effective beginning in 2024. The Company have assessed the Pillar Two tax impact for entities and jurisdictions that would be impacted by the Pillar Two model rules enacted in 2024, and concluded there is no material effect on our tax provision for the year ended December 31, 2024. The Company will continue to evaluate the potential effect of Pillar Two on future reporting periods.

Income/(loss) from domestic and foreign components before income tax expenses and equity in (loss)/income of affiliates (RMB in millions):

	2022	2023	2024
Domestic	3,501	13,368	15,922
Foreign	(866)	(2,688)	1,081
Total	2,635	10,680	17,003

The (loss)/income from foreign components mainly includes the (loss)/gain from the fair value changes of equity securities investments and exchangeable senior notes, impairments for investments, share-based compensation charges, foreign exchange gain/(loss) and interest (expense)/income incurred in its overseas companies.

The income tax expenses from domestic components for the years ended December 31, 2022, 2023 and 2024 was RMB476 million, RMB875 million and RMB1,475 million, respectively. The income tax expenses from foreign components for the years ended December 31, 2022 and 2023 and 2024 was RMB206 million, RMB875 million and RMB1,129 million, respectively.

Composition of income tax expense

The current and deferred portion of income tax expense were as follows (RMB in millions):

	2022	2023	2024
Current income tax expense	387	2,511	3,109
Deferred tax (benefit)/expense	295	(761)	(505)
Income tax expense	682	1,750	2,604

Reconciliation of the differences between statutory tax rate and the effective tax rate

The reconciliation between 25% which is the PRC statutory tax rate and the Company's effective tax rate were as follows:

	2022	2023	2024
Statutory tax rate	25%	25%	25%
Non-deductible expenses and non-taxable income incurred			
— Share-based compensation expenses	6%	2%	2%
— Change in fair value of equity securities investments and exchangeable senior notes	(22%)	3%	(2%)
— Others	(2%)	(2%)	(3%)
R&D expense super deduction	(16%)	(6%)	(5%)
Effect of preferential tax treatments inside mainland China	(7%)	(10%)	(6%)
Difference in tax rates of subsidiaries outside mainland China	19%	1%	1%
Changes in valuation allowance	23%	(5%)	(1%)
Withholding tax on the earnings distributed and anticipated to be remitted	—	8%	4%
Effective EIT rate	26%	16%	15%

The change in the Company's effective tax rates from year over year is primarily attributable to the tax differences from certain subsidiaries with preferential tax rates, changes in deferred tax liabilities relating to withholding tax, the non-deductible expenses and tax effects from investing activities.

The provisions for income taxes for the years ended December 31, 2022, 2023 and 2024 differ from the amounts computed by applying the EIT primarily due to preferential tax treatments enjoyed by certain subsidiaries and the VIEs of the Company. The following table sets forth the effect of preferential tax treatments on China operations:

	2022	2023	2024
	RMB (in millions, except per share data)		
Preferential tax treatments effect	183	826	1,098
Basic net income per ADS effect	0.28	1.27	1.68
Diluted net income per ADS effect	0.28	1.23	1.59

The impacts on effective tax rates from the Company's subsidiaries with different tax rates of subsidiaries outside mainland China and preferential tax treatments are as follows:

		2022	2023	2024
Ctrip Computer Technology	15%	(2.7%)	(3.1%)	(2.3%)
Ctrip Travel Information	15%	0.2%	(0.1%)	0.1%
Ctrip Travel Network	15%	(2.7%)	(3.2%)	(1.5%)
Chengdu Information	15%	(0.8%)	(0.8%)	(0.5%)
Beijing Hujinxinrong Technology Co., Ltd	15%	(2.2%)	(0.7%)	(0.7%)
The Company and its subsidiaries in Hong Kong, Singapore, UK and Cayman Islands	0%-25%	19.6%	1.4%	1.4%
Qunar and subsidiaries	15%	(0.2%)	(1.6%)	(1.1%)
Others	various	0.8%	(0.9%)	(0.8%)
Total		12.0%	(9.0%)	(5.4%)

Significant components of deferred tax assets and liabilities were as follows (RMB in millions):

	2023	2024
Deferred tax assets		
Accrued expenses	1,044	1,454
Losses carry forwards	1,406	1,402
Accrued liability for rewards programs	177	370
Accrued staff related expenses	395	346
Others	476	394
Less: Valuation allowance of deferred tax assets	(922)	(712)
	2,576	3,254
Deferred tax liabilities		
Recognition of intangible assets arise from business combinations and unrealized holding gain	(3,350)	(3,363)
Withholding tax on undistributed earnings	(475)	(735)
	(3,825)	(4,098)
Net deferred tax liabilities	(1,249)	(844)

Movement of valuation allowances were as follows (RMB in millions):

	2022	2023	2024
Balance at beginning of year	892	1,513	922
Changes in current year	621	(591)	(210)
Balance at end of year	1,513	922	712

As of December 31, 2023, and 2024, valuation allowance of RMB922 million and RMB712 million was mainly provided for net operating tax loss carry forwards related to certain subsidiaries and the VIEs based on the assessment that it is more likely than not that such deferred tax assets will not be realized. If events were to occur in the future that would allow the Company to realize more of its deferred tax assets than the presently recorded net amount, an adjustment would be made to the deferred tax assets that would increase income for the period when those events occurred.

As of December 31, 2024, the accumulated net operating loss of RMB4.0 billion of the Company's subsidiaries incorporated in Singapore, Hong Kong, the Netherlands, UK, can be carried forward indefinitely to offset future taxable income, the remaining accumulated net operating loss of RMB3,526 million mainly arose from the Company's subsidiaries and consolidated VIEs established in the Chinese mainland and Japan, which can be carried forward to offset future taxable income. The remaining accumulated net operating loss will expire during the period from 2025 to 2029.

As of December 31, 2023 and 2024, the unrecognized tax benefit and accrual is nil.

Tax years subject to examination by major jurisdictions

In general, the PRC and the UK tax authorities have up to five years or four years to review a company's tax filings, respectively. Accordingly, tax filings of the Company's PRC subsidiaries and VIEs for tax years 2020 through 2024 and the Company's UK subsidiaries for tax years 2021 through 2024 remain subject to the review by the relevant tax authorities.

16. OTHER PAYABLES AND ACCRUALS

Components of other payables and accruals were as follows (RMB in millions):

	2023	2024
Accrued operating expenses	5,617	6,269
Deposits received from travel suppliers and packaged tours users	1,119	1,200
Due to employees for stock option proceeds received on their behalf	195	657
Interest payable	143	117
Current lease liabilities (Note 11)	140	194
Others	768	1,224
Total	7,982	9,661

17. LONG-TERM DEBTS

	2023	2024
	RMB (in millions)	
Long-term loans	19,061	8,730
2025 Notes	34	—
Securitization debt	4	590
2029 Notes	—	10,814
Total	19,099	20,134

As of December 31, 2023, and 2024, the fair value of the Company's long-term debt, based on Level 2 inputs, was RMB19.1 billion and RMB22.8 billion, respectively.

Description of 2025 Convertible Senior Notes

On June 18, 2015, the Company issued US$400 million of 1.99% Convertible Senior Notes due 2025 (the "2025 Notes"). The 2025 Notes may be converted, at an initial conversion rate of 9.3555 ADSs per US$1,000 principal amount of the 2025 Notes (which represents an initial conversion price of US$106.89 per ADS), at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of July 1, 2025. Debt issuance costs were US$6.8 million and are being amortized to interest expense to the put date of the 2025 Notes (July 1, 2020).

Each holder of the 2025 Notes has a right at such holder's option to require the Company to repurchase for cash all or any portion of such holder's 2025 Notes on July 1, 2020 (the "Early Redemption Right"). In addition, if a fundamental change occurs, each holder has a right at such holder's option to require the Company to repurchase for cash all or any portion of such holder's 2025 Notes on the date notified in writing by the Company in accordance with the indenture for the 2025 Notes. The Company believes that the likelihood of occurrence of the fundamental change is remote. The 2025 Notes are generally not redeemable prior to the maturity date of July 1, 2025, except that the Company may, at its option, redeem all but not part of the 2025 Notes if the Company has or will become obligated to pay holders additional amount due to certain changes in tax law of the relevant jurisdiction. As of December 31, 2024, there has been no such change in tax laws occurred.

In 2020, as a result of exercise of the Early Redemption Right by certain debt holders, the Company redeemed US$395 million (RMB2.8 billion) aggregate principal amount of the 2025 Notes as requested by the holders.

The Company accounted for the respective 2025 Notes as a single instrument as a long-term debt. The debt issuance cost was recorded as reduction to the long-term debts and are amortized as interest expense using the effective interest method. As of December 31, 2024, the remaining RMB29 million of 2025 Notes are reclassified as short-term debt because the holders had a non-contingent option to require the Company to repurchase for cash all or any portion of their 2025 Notes on or before July 1, 2025.

Description of 2029 Cash-par Settled Convertible Senior Notes

In June 2024, the Company completed an offering of US$1.5 billion in aggregate principal amount of cash-par settled convertible senior notes due 2029 (the "2029 Notes"), including the initial purchasers' full exercise of option to purchase an additional US$200 million in aggregate principal amount of the 2029 Notes. The 2029 Notes bear interest at a rate of 0.75% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2024. Debt issuance costs were US$22.5 million and are being amortized to interest expense to the put date of the 2029 Notes (June 15, 2027).

Holders may convert their 2029 Notes at their option on or after the 50th scheduled trading day before the maturity date of June 15, 2029 until the close of business on the third scheduled trading day immediately preceding the maturity date. The initial conversion rate of the 2029 Notes is 15.0462 ADSs per US$1,000 principal amount of the 2029 Notes, which is equivalent to an initial conversion price of approximately US$66.46 per ADS. The conversion rate of the Notes is subject to adjustment upon the occurrence of certain events. The 2029 Notes contemplate cash-par settlement upon conversion. Upon conversion, the Company will pay cash up to the aggregate principal amount of 2029 Notes being converted and have the right to elect to settle the conversion consideration for amounts in excess of the aggregate principal amount using cash, ADSs, or a combination of cash and ADSs.

Each holder of the 2029 Notes has the right to require the Company to repurchase in cash for all or part of such holder's 2029 Notes on June 15, 2027 or in the event of certain fundamental changes at a repurchase price equal to 100% of the principal amount of the 2029 Notes to be repurchased plus accrued and unpaid interest. The Company believes that the likelihood of occurrence of the fundamental change is remote. The 2029 Notes are generally not redeemable prior to the maturity date of June 15, 2029, except that the Company may, at its option, redeem all but not part of the 2029 Notes if the Company has or will become obligated to pay holders additional amount in the event of certain changes in the tax laws or if less than 10% of the aggregate principal amount of the 2029 Notes originally issued remains outstanding at such time. As of December 31, 2024, there has been no such event occurred.

The Company accounted for the respective 2029 Notes as a single instrument as a long-term debt. The debt issuance cost was recorded as reduction to the long-term debts and are amortized as interest expense using the effective interest method.

Securitization Debt

As of December 31, 2024, securitization debt represents the revolving debt securities which are collateralized by the receivable related to financial services. The revolving debt securities have the terms ranged from 1 years to 2 years with the annual interest rate from 2.04% to 3.50%.

Long-term Loans from Commercial Banks

As of December 31, 2024, the Company's long-term loans included long-term bank borrowings of RMB8.7 billion (US$1.2 billion) in aggregate, of which the current portion of RMB6.0 million was classified as short-term debt (Note 12) and the remaining RMB8.7 billion was reported as long-term debt. The Company's long-term bank loans were substantially credit borrowings and the weighted average interest rate for the outstanding borrowings was approximately 6.75% as of December 31, 2024. As of December 31, 2024, the Company has loan facilities up to RMB10.9 billion, and RMB2.2 billion was unused under such facilities. The Company was in compliance with the applicable financial covenants with respect to certain financial metrics as of December 31, 2024.

As of December 31, 2024, the long-term loans will be due according to the following schedule (RMB in millions):

	As of December 31, 2024
2025	6
2026	8,705
2027	—
2028	—
2029	14
Thereafter	11
Total	8,736

18. EARNINGS PER SHARE

Basic earnings per share and diluted earnings per share were calculated as follows (RMB in millions, except for share and per share data):

	2022	2023	2024
Numerator:			
Net income attributable to Trip.com Group Limited	1,403	9,918	17,067
Eliminate the dilutive effect of interest expense of convertible notes	—	1	1
Numerator for diluted earnings per share	1,403	9,919	17,068
Denominator:			
Denominator for basic earnings per ordinary share - weighted average ordinary shares outstanding	648,380,590	652,859,211	654,035,399
Dilutive effect of convertible notes	—	89,065	82,750
Dilutive effect of share options and RSUs	8,712,236	18,113,964	34,586,733
Denominator for diluted earnings per ordinary share	657,092,826	671,062,240	688,704,882
Basic earnings per ordinary share	2.17	15.19	26.10
Diluted earnings per ordinary share	2.14	14.78	24.78
Basic earnings per ADS	2.17	15.19	26.10
Diluted earnings per ADS	2.14	14.78	24.78

All the convertible senior notes were included in the computation of diluted EPS in 2023 and 2024. All the convertible senior notes had anti-dilutive impact and were excluded in the computation of diluted EPS in 2022.

For the years ended December 31, 2022, 2023 and 2024, the Company had securities which could potentially dilute basic earnings per share in the future, which were excluded from the computation of diluted earnings per share as their effects would have been anti-dilutive. Such weighted average numbers of ordinary shares outstanding are as following:

	2022	2023	2024
Convertible Notes	906,820	—	—
Outstanding weighted average stock options and RSUs	18,155,730	4,583,793	837,301
	19,062,550	4,583,793	837,301

19. COMMITMENTS AND CONTINGENCIES

Capital commitments

As of December 31, 2024, the Company had outstanding capital commitments totaling RMB95 million, which consisted of capital expenditures of property, equipment and software.

Deposits under guarantee arrangement

In connection with its air ticketing business, the Company is required by an affiliate of Civil Aviation Administration of China ("CAAC") and International Air Transport Association ("IATA") to enter into guarantee arrangements and to pay deposits of which the amount is indexed to the air ticket the Company could issue. The unused deposits are repaid at the end of the guaranteed period on an annual basis. As of December 31, 2024, the total quota of the air tickets that the Company was entitled to issue was up to RMB1.1 billion. The total amount of the deposit the Company paid was RMB149 million.

Based on the guarantee arrangements, the maximum amount of future payments of Company to issue air tickets under the guarantee arrangements is approximately RMB961 million. Such quota is not considered a financial guarantee since the issuance of air ticketing is at the discretion of the Company in the normal course of business. The Company will be liable to pay only when it issues the air tickets to its users and such payable is included in the accounts payable. Therefore, the Company believes the guarantee arrangements do not constitute any contractual and constructive obligation of the Company and has not recorded any liability beyond the amount of the tickets that have already been issued.

Contingencies

The Company is not currently a party to any pending material litigation or legal proceeding or claims.

The Company is incorporated in the Cayman Islands and is considered as a foreign entity under PRC laws. Due to the restrictions on foreign ownership of the value-added telecommunications business, the Company conducts these businesses partly through various VIEs. These VIEs hold the licenses and approvals that are essential for the Company's business operations. In the opinion of the Company's PRC legal counsel, the current ownership structures and the contractual arrangements with these VIEs and their shareholders as well as the operations of these VIEs are in compliance with all existing PRC laws, rules and regulations. However, there may be changes and other developments in PRC laws and regulations. Accordingly, the Company cannot be assured that PRC government authorities will not take a view in the future contrary to the opinion of the Company's PRC legal counsel. If the current ownership structures of the Company and its contractual arrangements with VIEs were found to be in violation of any existing or future PRC laws or regulations, the Company may be required to restructure its ownership structure and operations in China to comply with changing and new PRC laws and regulations.

20. GEOGRAPHIC INFORMATION

The following table presents revenue by geographic area, the Greater China and all other countries, based on the geographic location of its Online Channels for the years ended December 31, 2022, 2023 and 2024 (RMB in millions). No revenue result from an individual country other than the Greater China accounted for more than 10% of revenue for the presented years.

	2022	2023	2024
Total Revenue			
The Greater China	16,326	38,668	45,656
Others	3,729	5,894	7,721
	20,055	44,562	53,377

21. SUBSEQUENT EVENTS

On February 25, 2025, the Group approved and declared a cash dividend of US$0.30 per ordinary share, or US$0.30 per ADS, to the holders of its ordinary shares and ADSs of record as of the close of business on March 17, 2025, Hong Kong time and New York time, respectively. Such dividend of US$200 million was fully paid in April 2025.

Exhibit 4.26

TRIP.COM GROUP LIMITED

AND

THE BANK OF NEW YORK MELLON,

as Trustee

INDENTURE

Dated as of June 7, 2024

0.75% Convertible Senior Notes due 2029

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EXHIBIT

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INDENTURE dated as of June 7, 2024 between TRIP.COM GROUP LIMITED, a Cayman Islands exempted company, as issuer (the "**Company**," as more fully set forth in Section 1.01) and THE BANK OF NEW YORK MELLON, a banking corporation organized and existing under the laws of the State of New York with limited liability, as trustee (the "**Trustee**," as more fully set forth in Section 1.01).

W I T N E S S E T H:

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issuance of its 0.75% Convertible Senior Notes due 2029 (the "**Notes**"), initially in an aggregate principal amount not to exceed US$1,500,000,000, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Form of Note, the certificate of authentication to be borne by each Note, the Form of Notice of Conversion, the Form of Fundamental Change Repurchase Notice, the Form of Repurchase Notice and the Form of Assignment and Transfer to be borne by the Notes are to be substantially in the forms hereinafter provided; and

WHEREAS, all acts and things necessary to make the Notes, when executed by the Company and authenticated and delivered by the Trustee, as in this Indenture provided, the valid, binding and legal obligations of the Company, and this Indenture a valid agreement according to its terms, have been done and performed, and the execution of this Indenture and the issuance hereunder of the Notes have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Notes are, and are to be, authenticated, issued and delivered, and in consideration of the premises and of the purchase and acceptance of the Notes by the Holders thereof, the Company covenants and agrees with the Trustee for the equal and proportionate benefit of the respective Holders from time to time of the Notes (except as otherwise provided below), as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions.* The terms defined in this Section 1.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.01. The words "herein," "hereof," "hereunder," and words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"**Additional ADSs**" shall have the meaning specified in Section 14.03(a).

"**Additional Amounts**" shall have the meaning specified in Section 4.07(a).

"**Additional Interest**" means all amounts, if any, payable pursuant to Section 4.06(d), Section 4.06(e) and Section 6.03, as applicable.

"**ADS**" means an American Depositary Share, issued pursuant to the Deposit Agreement, representing one Ordinary Share of the Company as of the date of this Indenture, and deposited with the ADS Custodian.

"**ADS Custodian**" means The Bank of New York Mellon, with respect to the ADSs delivered pursuant to the Deposit Agreement, or any successor entity thereto.

"**ADS Depositary**" means The Bank of New York Mellon (formerly, The Bank of New York), as depositary for the ADSs, or any successor entity thereto.

"**ADS Price**" shall have the meaning specified in Section 14.03(c).

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control," when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of this Indenture and the Notes, each of the Chairman of the Board of Directors, the Chief Executive Officer of the Company, the Chief Operating Officer of the Company and the Chief Financial Officer of the Company shall be Affiliates of the Company.

"**Agents**" means the Paying Agent, the Transfer Agent, the Note Registrar and the Conversion Agent, the Bid Solicitation Agent, any Authenticating Agent or any other agent, custodian or other Person employed to act hereunder, in each case, unless the Company is acting in such capacity.

"**Amendment Event**" shall have the meaning specified in Section 14.08.

"**Applicable PRC Rate**" means (i) in the case of deduction or withholding of PRC income tax, 10%, (ii) in the case of deduction or withholding of, or reduction for, PRC value added tax, 6% plus any related local levies, or (iii) in the case of deduction or withholding of, or reduction for, both PRC income tax and PRC value added tax, 16% plus any related local levies.

"**Authenticating Agent**" shall have the meaning specified in Section 2.11.

"**Bid Solicitation Agent**" means the Company or any Person appointed by the Company to solicit bids for the Trading Price in accordance with Section 14.01(b)(i). The Company shall initially act as the Bid Solicitation Agent.

"**Board of Directors**" means the board of directors of the Company or a committee of such board duly authorized to act for it hereunder.

"**Board Resolution**" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"**Business Day**" means, with respect to any Note, each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close, provided that, with respect to any delivery of ordinary shares in lieu of any ADSs deliverable upon conversion (together with the remaining Conversion Consideration, if any) upon conversion of any Note set forth in Section 14.02(c) and any delivery of Consideration due upon a conversion with a Conversion Date prior to the 50th Scheduled Trading Day before the Maturity Date, which is not subject to clauses (i) to (iv) of Section 14.02(c), a "Business Day" shall exclude days on which banking institutions in Hong Kong are authorized or obligated by law or executive order to close.

"**Capital Stock**" means, for any entity, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that entity.

"Cash Settlement" shall have the meaning specified in Section 14.02(a).

"**CCASS**" means Central Clearing and Settlement System of the Hong Kong Stock Exchange.

"**Change in Tax Law**" shall have the meaning specified in Section 16.01.

"**Clause A Distribution**" shall have the meaning specified in Section 14.04(c).

"**Clause B Distribution**" shall have the meaning specified in Section 14.04(c).

"**Clause C Distribution**" shall have the meaning specified in Section 14.04(c).

"**Cleanup Redemption**" shall have the meaning specified in Section 16.02(a).

"**Cleanup Redemption Date**" shall have the meaning specified in Section 16.02(a).

"**Cleanup Redemption Notice**" shall have the meaning specified in Section 16.02(b).

"**Cleanup Redemption Price**" shall have the meaning specified in Section 16.02(b).

"**close of business**" means 5:00 p.m. (New York City time).

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Combination Settlement**" shall have the meaning specified in Section 14.02(a).

"**Commission**" means the U.S. Securities and Exchange Commission.

"**Common Equity**" of any Person means ordinary share capital or common stock of such Person that is generally entitled (a) to vote in the election of directors of such Person or (b) if such Person is not a corporation, to vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

"**Company**" shall have the meaning specified in the first paragraph of this Indenture, and subject to the provisions of Article 11, shall include its successors and assigns.

"**Company Notice**" shall have the meaning specified in Section 15.01(a).

"**Company Order**" means a written order of the Company, signed by an Officer of the Company and delivered to the Trustee.

"**Conversion Agent**" shall have the meaning specified in Section 4.02.

"**Conversion Date**" shall have the meaning specified in Section 14.02(c).

"**Conversion Obligation**" shall have the meaning specified in Section 14.01.

"**Conversion Price**" means as of any time, US$1,000, *divided by* the Conversion Rate as of such time.

"**Conversion Rate**" shall have the meaning specified in Section 14.01.

"**Corporate Trust Office**" means the principal office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 101 Barclay Street, 21st Floor West, Floor 4E, New York, NY 10286, USA, Attention: Global Corporate Trust, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor trustee (or such other address as such successor trustee may designate from time to time by notice to the Holders and the Company).

"**Daily Conversion Value**" means, for each of the 40 consecutive Trading Days during the Observation Period, 2.5% of the product of (a) the Conversion Rate in effect immediately after the close of business on such Trading Day and (b) the Daily VWAP for such Trading Day.

"**Daily Measurement Value**" means the Specified Dollar Amount (if any), *divided by* 40.

"**Daily Settlement Amount**," for each of the 40 consecutive Trading Days during the Observation Period, shall consist of:

(a) cash in an amount equal to the lesser of (i) the Daily Measurement Value and (ii) the Daily Conversion Value on such Trading Day; and

(b) if the Daily Conversion Value on such Trading Day exceeds the Daily Measurement Value, a number of ADSs equal to (i) the difference between the Daily Conversion Value and the Daily Measurement Value, *divided by* (ii) the Daily VWAP for such Trading Day.

"**Daily VWAP**" means, for each of the 40 consecutive Trading Days during the relevant Observation Period, the per ADS volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "TCOM<equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one ADS on such Trading Day determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained for this purpose by the Company, which may include any of the Initial Purchasers). The "**Daily VWAP**" shall be determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours.

"**Default**" means any event that is, or after notice or passage of time, or both, would be, an Event of Default.

"**Default Settlement Method**" shall have the meaning specified in Section 14.02(a)(iii).

"**Defaulted Amounts**" means any amounts on any Note (including, without limitation, the Redemption Price, the Repurchase Price, the Fundamental Change Repurchase Price, principal and interest) that are payable but are not punctually paid or duly provided for.

"**Deferred Additional Interest**" shall have the meaning specified in Section 4.06(j).

"**De-legending Deadline Date**" shall have the meaning specified in Section 4.06(e).

"**Deposit Agreement**" means the deposit agreement dated as of December 8, 2003, as amended and restated as of August 11, 2006, and as further amended and restated as of December 3, 2007, by and among the Company, the ADS Depositary, and the owners and beneficial owners of the ADSs delivered thereunder or, if amended or supplemented as provided therein, as so amended or supplemented.

"**Depositary**" means, with respect to each Global Note, the Person specified in Section 2.05(c) and Section 2.05(e) as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this Indenture, and thereafter, "**Depositary**" shall mean or include such successor.

"**Designated Financial Institution**" shall have the meaning specified in Section 14.13(a).

"**Distributed Property**" shall have the meaning specified in Section 14.04(c).

"**Distribution Conversion Period**" shall have the meaning specified in Section 14.01(b)(ii).

"**DTC**" means The Depository Trust Company, a New York corporation.

"**Effective Date**" shall have the meaning specified in Section 14.03(c), except that, as used in Section 14.04 and Section 14.05, "**Effective Date**" means the first date on which ADSs trade on the applicable exchange or in the applicable market, regular way, reflecting the relevant share split or share combination, as applicable.

"**Electronic Means**" shall mean the following communications methods: (i) non-secure methods of transmission or communication such as e-mail transmission and (ii) secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee and/or other Agents, or another method or system specified by the Trustee and/or other Agents as available for use in connection with its services hereunder.

"**Event of Default**" shall have the meaning specified in Section 6.01.

"**Ex-Dividend Date**" means the first date on which the ADSs trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Company or, if applicable, from the seller of the ADSs on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Exchange Election**" shall have the meaning specified in Section 14.13(a).

"**Expiring Rights**" means any rights, options or warrants to purchase Ordinary Shares or ADSs that expire on or prior to the Maturity Date.

"**FATCA**" shall have the meaning specified in Section 4.07(a)(i)(E).

"**FATCA Withholding**" means any withholding or deduction required pursuant to FATCA.

"**Form of Assignment and Transfer**" shall mean the "Form of Assignment and Transfer" attached as Attachment 4 to the Form of Note attached hereto as Exhibit A.

"**Form of Fundamental Change Repurchase Notice**" shall mean the "Form of Fundamental Change Repurchase Notice" attached as Attachment 2 to the Form of Note attached hereto as Exhibit A.

"**Form of Note**" shall mean the "Form of Note" attached hereto as Exhibit A.

"**Form of Notice of Conversion**" shall mean the "Form of Notice of Conversion" attached as Attachment 1 to the Form of Note attached hereto as Exhibit A.

"**Form of Repurchase Notice**" shall mean the "Form of Repurchase Notice" attached as Attachment 3 to the Form of Note attached hereto as Exhibit A.

"**Fractional ADS**" shall have the meaning specified in Section 14.02(a).

"**Fundamental Change**" shall be deemed to have occurred at the time after the Notes are originally issued if any of the following occurs:

(a) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than the Company, its Subsidiaries and the employee benefit plans of the Company and its Subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of the Company's ordinary share capital (including ordinary share capital held in the form of ADSs) representing more than 50% of the voting power of the Company's ordinary share capital (including ordinary share capital held in the form of ADSs);

(b) the consummation of (A) any recapitalization, reclassification or change of the Ordinary Shares or the ADSs (other than changes resulting from a subdivision or combination and changes to par value) as a result of which the Ordinary Shares or the ADSs would be converted into, or exchanged for, stock, other securities, other property or assets; (B) any share exchange, consolidation or merger of the Company, or any similar transaction pursuant to which the Ordinary Shares or the ADSs will be converted into cash, securities or other property; or (C) any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and its Subsidiaries, taken as a whole, to any Person other than one of the Company's wholly-owned Subsidiaries; *provided*, *however*, that a transaction described in clause (B) in which the holders of all classes of the Company's ordinary share capital (including ordinary share capital held in the form of ADSs) immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of the continuing or surviving corporation or transferee or the parent thereof immediately after such transaction in substantially the same proportion vis-à-vis each other as such ownership immediately prior to such transaction shall not be a Fundamental Change pursuant to this clause (b);

(c) the shareholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company;

(d) the ADSs (or other Common Equity or ADSs in respect of the Common Equity underlying the Notes) cease to be listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors) and none of the ADSs, Ordinary Shares, other Common Equity and ADSs in respect of Reference Property is listed or quoted on one of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors); or

(e) (i) any change in or amendment to the laws, regulations and rules of the PRC or the official interpretation or official application thereof (a "**change in law**") that results in (x) the Company and its Subsidiaries (collectively, the "**Company Group**") (as in existence immediately subsequent to such change in law), as a whole, being legally prohibited from operating substantially all of the business operations conducted by the Company Group (as in existence immediately prior to such change in law) as of the last date of the period described in the Company's consolidated financial statements for the most recent fiscal quarter and (y) the Company being unable to continue to derive substantially all of the economic benefits from the business operations conducted by the Company Group (as in existence immediately prior to such change in law) in the same manner as reflected in the Company's consolidated financial statements for the most recent fiscal quarter and (ii) the Company has not furnished to the Trustee, prior to the date that is six months after the date of the change in law, an opinion from an independent financial advisor or an independent legal counsel stating either (x) that the Company is able to continue to derive substantially all of the economic benefits from the business operations conducted by the Company Group (as in existence immediately prior to such change in law), taken as a whole, as reflected in the Company's consolidated financial statements for the most recent fiscal quarter (including after giving effect to any corporate restructuring or reorganization plan of the Company Group) or (y) that such change in law would not materially adversely affect the Company's ability to make principal and interest payments on the Notes when due or to convert the Notes in accordance with the terms in the Notes and this Indenture;

provided, *however*, that a transaction or transactions described in clause (a) or (b) above shall not constitute a Fundamental Change, if at least 90% of the consideration received or to be received by holders of the ADSs, excluding cash payments for Fractional ADSs, in connection with such transaction or transactions consists of shares of Common Equity or ADSs in respect of Common Equity that are listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors) or will be so listed or quoted when issued or exchanged in connection with such transaction or transactions and as a result of such transaction or transactions the Notes become convertible into such consideration, excluding cash payments for Fractional ADSs (subject to settlement in accordance with Section 14.02, Section 14.03 and Section 14.04).

"**Fundamental Change Company Notice**" shall have the meaning specified in Section 15.02(c).

"**Fundamental Change Repurchase Date**" shall have the meaning specified in Section 15.02(a).

"**Fundamental Change Repurchase Notice**" shall have the meaning specified in Section 15.02(b)(i).

"**Fundamental Change Repurchase Price**" shall have the meaning specified in Section 15.02(a).

"**Global Note**" shall have the meaning specified in Section 2.05(b).

"**Holder**," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), shall mean any Person in whose name at the time a particular Note is registered on the Note Register.

"**Hong Kong Share Register**" means the Hong Kong branch register of members of the Company maintained by the Hong Kong Share Registrar.

"**Hong Kong Share Registrar**" means the share registrar engaged by the Company to maintain the branch register of members in Hong Kong for the Ordinary Shares, which shall initially be Computershare Hong Kong Investor Services Limited.

"**Hong Kong Stock Exchange**" means the Main Board of The Stock Exchange of Hong Kong Limited.

"**Indenture**" means this instrument as originally executed or, if amended or supplemented as herein provided, as so amended or supplemented.

"**Initial Purchasers**" means J.P. Morgan Securities LLC and Goldman Sachs (Asia) L.L.C..

"**Interest Payment Date**" means each June 15 and December 15 of each year, beginning on December 15, 2024.

"**Last Reported Sale Price**" of the ADSs on any date means the closing sale price per ADS (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which the ADSs are traded. If the ADSs are not listed for trading on a U.S. national or regional securities exchange on the relevant date, the "**Last Reported Sale Price**" shall be the last quoted bid price for the ADSs in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. or a similar organization. If the ADSs are not so quoted, the "**Last Reported Sale Price**" shall be the average of the mid-point of the last bid and ask prices for the ADSs on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

"**Make-Whole Fundamental Change**" means any transaction or event described in clause (a), (b), (d) or (e) of the definition of Fundamental Change (determined after giving effect to any exceptions to or exclusions from such definition, including in the *proviso* immediately succeeding clause (e) of the definition thereof, but without regard to the *proviso* in clause (b) of the definition thereof).

"**Market Disruption Event**" means, for the purposes of determining amounts due upon conversion, (a) a failure by the primary U.S. national or regional securities exchange or market on which the ADSs are listed or admitted for trading to open for trading during its regular trading session or (b) the occurrence or existence prior to 1:00 p.m., New York City time, on any Scheduled Trading Day for the ADSs for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in the ADSs or in any options contracts or futures contracts relating to the ADSs.

"**Maturity Date**" means June 15, 2029.

"Measurement Period" shall have the meaning specified in Section 14.01(b)(i).

"**Merger Event**" shall have the meaning specified in Section 14.07(a).

"**Non-affiliate Representation**" shall have the meaning specified in Section 14.02(b).

"**Note**" or "**Notes**" shall have the meaning specified in the first paragraph of the recitals of this Indenture.

"**Notes Fungibility Date**" means the date, if any, following the Resale Restriction Termination Date on which all of the Rule 144A Notes are no longer Restricted Securities, do not bear the restrictive legend required by Section 2.05(c), are fungible for U.S. securities law purposes and are assigned an identical, unrestricted CUSIP number.

"**Note Register**" shall have the meaning specified in Section 2.05(a).

"**Note Registrar**" shall have the meaning specified in Section 2.05(a).

"**Notice of Conversion**" shall have the meaning specified in Section 14.02(b).

"**Observation Period**" with respect to any Note surrendered for conversion means: (i) subject to clause (ii), if the relevant Conversion Date occurs prior to the 50th Scheduled Trading Day immediately preceding the Maturity Date, the 40 consecutive Trading Day period beginning on, and including, the second Trading Day immediately succeeding such Conversion Date; (ii) if the relevant Conversion Date occurs during the Redemption Period, the 40 consecutive Trading Days beginning on, and including, the 41st Scheduled Trading Day immediately preceding such Redemption Date; and (iii) subject to clause (ii), if the relevant Conversion Date occurs on or after the 50th Scheduled Trading Day immediately preceding the Maturity Date, the 40 consecutive Trading Days beginning on, and including, the 41st Scheduled Trading Day immediately preceding the Maturity Date.

"**Offering Memorandum**" means the preliminary offering memorandum dated June 4, 2024, as supplemented by the pricing term sheet dated June 4, 2024, relating to the offering and sale of the Notes.

"**Officer**" means, with respect to the Company, the President, the Chief Executive Officer, the Treasurer, the Secretary, any Executive or Senior Vice President or any Vice President (whether or not designated by a number or numbers or word or words added before or after the title "Vice President").

"**Officers' Certificate**," when used with respect to the Company, means a certificate that is delivered to the Trustee and that is signed by (a) two Officers of the Company or (b) one Officer of the Company and one of any Assistant Treasurer, any Assistant Secretary or the Controller of the Company. Each such certificate shall include the statements provided for in Section 17.06 if and to the extent required by the provisions of such Section. One of the Officers giving an Officers' Certificate pursuant to Section 4.09 shall be the principal executive, financial or accounting officer of the Company.

"**open of business**" means 9:00 a.m. (New York City time).

"**Opinion of Counsel**" means an opinion in writing signed by legal counsel and in a form reasonably acceptable to the Trustee, who may be an employee of or counsel to the Company, or other counsel acceptable to the Trustee, that is delivered to the Trustee. Each such opinion shall include the statements provided for in Section 17.06 if and to the extent required by the provisions of such Section 17.06.

"**Ordinary Shares**" means ordinary shares of the Company, par value US$0.00125 per ordinary share, at the date of this Indenture, subject to Section 14.07.

"**outstanding**," when used with reference to Notes, shall, subject to the provisions of Section 8.04, mean, as of any particular time, all Notes authenticated and delivered by the Trustee under this Indenture, except:

(a) Notes theretofore canceled by the Paying Agent or accepted by the Paying Agent for cancellation;

(b) Notes, or portions thereof, that have become due and payable and in respect of which monies in the necessary amount shall have been deposited with the Trustee, the ADS Depositary or with any Paying Agent (other than the Company) or shall have been set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent);

(c) Notes that have been paid pursuant to Section 2.06 or Notes in lieu of which, or in substitution for which, other Notes shall have been authenticated and delivered pursuant to the terms of Section 2.06 unless proof satisfactory to the Trustee is presented that any such Notes are held by protected purchasers in due course;

(d) Notes converted pursuant to Article 14 and required to be cancelled pursuant to Section 2.08;

(e) Notes redeemed pursuant to Article 16; and

(f) Notes repurchased by the Company pursuant to the third sentence of Section 2.10.

"**Paying Agent**" shall have the meaning specified in Section 4.02.

"**Permitted Exchange**" means The Singapore Exchange Securities Trading Limited, Stock Exchange of Hong Kong Limited or London Stock Exchange (or any of their respective successors).

"**Person**" means an individual, a corporation, a limited liability company, an association, a partnership, a joint venture, a joint stock company, a trust, an unincorporated organization or a government or an agency or a political subdivision thereof.

"**Physical Notes**" means permanent certificated Notes in registered form issued in denominations of US$1,000 principal amount and multiples thereof.

"**PRC**" means the People's Republic of China, excluding, for the purpose of this Indenture only, Taiwan, Hong Kong, and Macau.

"**Predecessor Note**" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 2.06 in lieu of or in exchange for a mutilated, lost, destroyed or stolen Note shall be deemed to evidence the same debt as the mutilated, lost, destroyed or stolen Note that it replaces.

"**Principal Share Register**" means the principal register of members of the Company maintained by the Principal Share Registrar.

"**Principal Share Registrar**" means the share registrar engaged by the Company to maintain the principal register of members in Cayman Islands for the Ordinary Shares, which shall initially be Maples Fund Services (Cayman) Limited.

"**Purchase Agreement**" means that certain Purchase Agreement, dated as of June 4, 2024, among the Company and the Initial Purchasers.

"**Record Date**" means, with respect to any dividend, distribution or other transaction or event in which the holders of the ADSs (or other applicable security) have the right to receive any cash, securities or other property or in which the ADSs (or other applicable security) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the ADSs (or other applicable security) entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors, statute, contract or otherwise).

"**Redemption Date**" means the Tax Redemption Date or Cleanup Redemption Date, as the context requires.

"**Redemption Notice**" means the Tax Redemption Notice or Cleanup Redemption Notice, as the context requires.

"**Redemption Period**" shall have the meaning specified in Section 14.01(b)(v).

"**Redemption Price**" means the Tax Redemption Price or Cleanup Redemption Price, as the context requires.

"**Redemption Reference Date**" shall have the meaning specified in Section 14.03(g).

"**Redemption Reference Price**" shall have the meaning specified in Section 14.03(g).

"**Redemption**" means a Tax Redemption or Cleanup Redemption as the context requires.

"**Reference Property**" shall have the meaning specified in Section 14.07(a).

"**Reference Property Unit**" shall have the meaning specified in Section 14.07(a).

"**Regular Record Date**," with respect to any Interest Payment Date, shall mean the June 1 or December 1 (whether or not such day is a Business Day) immediately preceding the applicable June 15 or December 15 Interest Payment Date, respectively.

"**Relevant Jurisdiction**" shall have the meaning specified in Section 4.07(a).

"**Relevant Taxing Jurisdiction**" shall have the meaning specified in Section 4.07(a).

"**Repurchase Date**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Expiration Time**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Notice**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Price**" shall have the meaning specified in Section 15.01(a).

"**Resale Restriction Termination Date**" shall have the meaning specified in Section 2.05(c).

"**Responsible Officer**" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"**Restricted Issuance Agreement**" means the letter agreement dated as of June 7, 2024 between the Company and the ADS Depositary.

"**Restricted Securities**" shall have the meaning specified in Section 2.05(c).

"**Rule 144**" means Rule 144 as promulgated under the Securities Act.

"**Rule 144A**" means Rule 144A as promulgated under the Securities Act.

"**Rule 144A Notes**" means the notes initially offered and sold pursuant to Rule 144A.

"**Scheduled Trading Day**" means a day that is scheduled to be a Trading Day on the principal U.S. national or regional securities exchange or market on which the ADSs are listed or admitted for trading. If the ADSs are not so listed or admitted for trading, "**Scheduled Trading Day**" means a Business Day.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Settlement Amount**" has the meaning specified in Section 14.02(a)(v).

"**Settlement Method**" means, with respect to any conversion of Notes, Cash Settlement or Combination Settlement, as elected (or deemed to have been elected) by the Company.

"**Settlement Method Election Deadline**" shall have the meaning specified in Section 14.02(a)(i).

"**Settlement Notice**" has the meaning specified in Section 14.02(a)(i).

"**Significant Subsidiary**" means a Subsidiary of the Company that meets the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act. Each of the Company's variable interest entities will be deemed to be a Subsidiary for purposes of this definition.

"**Specified Dollar Amount**" means the maximum cash amount per US$1,000 principal amount of Notes to be received upon conversion as specified in the Settlement Notice related to any converted Notes (or deemed specified pursuant to Section 14.02(a)(i)).

"**Spin-Off**" shall have the meaning specified in Section 14.04(c).

"**Subsidiary**" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person. For the avoidance of doubt, the term "Subsidiary" or "Subsidiaries" shall include the Company's variable interest entities.

"**Successor Company**" shall have the meaning specified in Section 11.01(a).

"**Tax**" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

"**Tax Redemption**" shall have the meaning specified in Section 16.01.

"**Tax Redemption Date**" shall have the meaning specified in Section 16.01.

"**Tax Redemption Notice**" shall have the meaning specified in Section 16.01.

"**Tax Redemption Price**" shall have the meaning specified in Section 16.01.

"**Tender/Exchange Offer Consideration**" shall have the meaning specified in Section 14.04(e).

"**Trading Day**" means a day on which (i) trading in the ADSs (or other security for which a closing sale price must be determined) generally occurs on The NASDAQ Global Select Market or, if the ADSs (or such other security) are not then listed on The NASDAQ Global Select Market, on the principal other U.S. national or regional securities exchange on which the ADSs (or such other security) are then listed or, if the ADSs (or such other security) are not then listed on a U.S. national or regional securities exchange, on the principal other market on which the ADSs (or such other security) are then traded and (ii) a Last Reported Sale Price for the ADSs (or closing sale price for such other security) is available on such securities exchange or market; *provided* that if the ADSs (or such other security) are not so listed or traded, "**Trading Day**" means a Business Day; and *provided further*, that for the purposes of determining the settlement amounts due upon conversion only, "Trading Day" means a day on which (i) there is no Market Disruption Event and (ii) trading in the ADSs generally occurs on The NASDAQ Global Select Market or, if the ADSs are not then listed on The NASDAQ Global Select Market, on the principal other U.S. national or regional securities exchange on which the ADSs are then listed or, if the ADSs are not then listed on a U.S. national or regional securities exchange, on the principal other market on which the ADSs are then listed or admitted for trading, except if the ADSs are not so listed or admitted for trading, "Trading Day" means a "Business Day."

"**Trading Price**" means, with respect to the Notes and any date of determination, the average of the secondary market bid quotations obtained by the Bid Solicitation Agent for US$1,000,000 principal amount of Notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers the Company selects for this purpose; *provided* that if three such bids cannot reasonably be obtained by the Bid Solicitation Agent but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Bid Solicitation Agent, that one bid shall be used. If the Bid Solicitation Agent cannot reasonably obtain at least one bid for US$1,000,000 principal amount of Notes from a nationally recognized securities dealer on any determination date, then the Trading Price per US$1,000 principal amount of Notes on such determination date shall be deemed to be less than 98% of the product of the Last Reported Sale Price of the ADSs and the Conversion Rate.

"**transfer**" shall have the meaning specified in Section 2.05(c) and Section 2.05(e), as applicable.

"**Transfer Agent**" shall have the meaning specified in Section 2.05(a).

"**Trigger Event**" shall have the meaning specified in Section 14.04(c).

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended, as it was in force at the date of execution of this Indenture; *provided*, *however*, that in the event the Trust Indenture Act of 1939 is amended after the date hereof, the term "Trust Indenture Act" shall mean, to the extent required by such amendment, the Trust Indenture Act of 1939, as so amended.

"**Trustee**" means the Person named as the "**Trustee**" in the first paragraph of this Indenture until a successor trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "**Trustee**" shall mean or include each Person who is then a Trustee hereunder.

"**U.S. Person**" shall have the meaning as such term is defined under Regulation S.

"**Valuation Period**" shall have the meaning specified in Section 14.04(c).

Section 1.02. *References to Interest.* Unless the context otherwise requires, any reference to interest on, or in respect of, any Note in this Indenture shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of Section 4.06(d), Section 4.06(e) and Section 6.03. Unless the context otherwise requires, any express mention of Additional Interest in any provision hereof shall not be construed as excluding Additional Interest in those provisions hereof where such express mention is not made.

Section 1.03. *References to Ordinary Shares in lieu of ADSs.* Unless the context otherwise requires, any reference to Ordinary Shares in lieu of any ADSs deliverable upon conversion in this Indenture shall be deemed to refer to the Ordinary Shares delivered or deliverable upon conversion of the Notes in lieu of such ADSs at a Holder's election pursuant to Section 14.02(a)(vii).

ARTICLE 2
ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01. *Designation and Amount.* The Notes shall be designated as the "0.75% Convertible Senior Notes due 2029." The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is initially limited to US$1,500,000,000, subject to Section 2.10 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.05, Section 2.06, Section 2.07, Section 10.04, Section 14.02 and Section 15.04.

Section 2.02. *Form of Notes.* The Notes and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the respective forms set forth in Exhibit A, the terms and provisions of which shall constitute, and are hereby expressly incorporated in and made a part of this Indenture. To the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

Any Global Note may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Indenture as may be required by the Depositary, or as may be required to comply with any applicable law or any regulation thereunder or with the rules and regulations of any securities exchange or automated quotation system upon which the Notes may be listed or traded or designated for issuance or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Notes are subject.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the Officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

Each Global Note shall represent such principal amount of the outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be increased or reduced to reflect redemptions, repurchases, cancellations, conversions, transfers or exchanges permitted hereby. Any endorsement of the Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Trustee or the Note Registrar in such manner and upon instructions given by the Holder of such Notes in accordance with this Indenture. Payment of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Global Note shall be made to the Holder of such Note on the date of payment, unless a record date or other means of determining Holders eligible to receive payment is provided for herein.

Section 2.03. *Date and Denomination of Notes; Payments of Interest and Defaulted Amounts.* (a) The Notes shall be issuable in registered form without coupons in denominations of US$1,000 principal amount and integral multiples thereof. Each Note shall be dated the date of its authentication and shall bear interest from the date specified on the face of such Note. Accrued interest on the Notes shall be computed on the basis of a 360-day year composed of twelve 30-day months and, for partial months, on the basis of days actually elapsed over a 30-day month.

(b) The Person in whose name any Note (or its Predecessor Note) is registered on the Note Register at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office or agency of the Company maintained by the Company for such purposes in the Borough of Manhattan, The City of New York, which shall initially be the Corporate Trust Office. The Company shall pay interest (i) on any Physical Notes or (ii) on any Global Note, in each case, by wire transfer (at its expense) in immediately available funds to the account of the Depositary or its nominee.

(c) Any Defaulted Amounts shall forthwith cease to be payable to the Holder on the relevant payment date but shall accrue interest per annum at the rate per annum borne by the Notes *plus* one percent, subject to the enforceability thereof under applicable law, from, and including, such relevant payment date, and such Defaulted Amounts together with such interest thereon shall be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Amounts to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on a special record date for the payment of such Defaulted Amounts, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of the Defaulted Amounts proposed to be paid on each Note and the date of the proposed payment (which shall be not less than 25 days after the receipt by the Trustee of such notice, unless the Trustee in its sole discretion shall consent to an earlier date), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount to be paid in respect of such Defaulted Amounts or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Amounts as in this clause provided. Thereupon the Company shall fix a special record date for the payment of such Defaulted Amounts which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment, and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Company shall promptly notify the Trustee of such special record date and the Trustee, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Amounts and the special record date therefor to be mailed, first-class postage prepaid (at the Company's expense), to each Holder at its address as it appears in the Note Register, not less than 10 days prior to such special record date. Notice of the proposed payment of such Defaulted Amounts and the special record date therefor having been so mailed, such Defaulted Amounts shall be paid to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on such special record date and shall no longer be payable pursuant to the following clause (ii) of this Section 2.03(c).

(ii) The Company may make payment of any Defaulted Amounts in any other lawful manner not inconsistent with the requirements of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, and upon such notice as may be required by such exchange or automated quotation system, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Section 2.04. *Execution, Authentication and Delivery of Notes.* The Notes shall be signed in the name and on behalf of the Company by the manual or facsimile signature of its Chief Executive Officer, President, Chief Financial Officer, Treasurer, Secretary or any of its Executive or Senior Vice Presidents. With the delivery of this Indenture, the Company is furnishing, and from time to time thereafter may furnish, a certificate substantially in the form of Exhibit B (an "**Authorization Certificate**") identifying and certifying the incumbency and specimen (and/or facsimile) signatures of its active authorized Officers. Until the Trustee receives a subsequent Authorization Certificate, the Trustee shall be entitled to conclusively rely on the last Authorization Certificate delivered to it for purposes of determining the relevant authorized Officers. Typographical and other minor errors or defects in any signature shall not affect the validity or enforceability of any Note which has been duly authenticated and delivered by the Trustee.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Notes, and the Trustee in accordance with such Company Order shall authenticate and deliver such Notes, without any further action by the Company hereunder.

The Company Order shall specify the amount of Notes to be authenticated (including the initial amount of Rule 144A Notes), the applicable rate at which interest will accrue on such Notes, the date on which the original issuance of such Notes is to be authenticated, the date from which interest will begin to accrue, the date or dates on which interest on such Notes will be payable and the date on which the principal of such Notes will be payable and other terms relating to such Notes. The Trustee shall thereupon authenticate and deliver said Notes to or upon the written order of the Company (as set forth in such Company Order).

The Trustee shall have the right to decline to authenticate and deliver any Notes under this Section (a) unless and until it receives from the Company a Company Order instructing it to so authenticate and deliver such Notes; (b) if the Trustee determines that such action may not lawfully be taken; or (c) if the Trustee determines that such action would expose the Trustee to personal liability, unless indemnity, pre-funding and/or security satisfactory to the Trustee against such liability is provided to the Trustee.

Only such Notes as shall bear thereon a certificate of authentication substantially in the form set forth on the Form of Note, executed manually or by facsimile by an authorized officer of the Trustee, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Note executed by the Company shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

In case any Officer of the Company who shall have signed any of the Notes shall cease to be such Officer before the Notes so signed shall have been authenticated and delivered by the Trustee, or disposed of by the Company, such Notes nevertheless may be authenticated and delivered or disposed of as though the Person who signed such Notes had not ceased to be such Officer of the Company; and any Note may be signed on behalf of the Company by such Persons as, at the actual date of the execution of such Note, shall be the Officers of the Company, although at the date of the execution of this Indenture any such Person was not such an Officer.

Section 2.05. *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.* (a) The Company shall cause to be kept at the Corporate Trust Office a register (the register maintained in such office or in any other office or agency of the Company designated pursuant to Section 4.02, the "**Note Register**") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and of transfers of Notes. Such register shall be in written form or in any form capable of being converted into written form within a reasonable period of time. The Trustee is hereby initially appointed the "**Note Registrar**" and "**Transfer Agent"** for the purpose of registering Notes and transfers of Notes as herein provided. The Company may appoint one or more co-Note Registrars in accordance with Section 4.02.

Prior to the Notes Fungibility Date, upon surrender for registration of transfer of any Rule 144A Note to the Note Registrar or any co-Note Registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.05, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Rule 144A Notes of any authorized denominations and of a like aggregate principal amount and bearing such restrictive legends as may be required by this Indenture. Following the Notes Fungibility Date, upon surrender for registration of transfer of any Note to the Note Registrar or any co-Note Registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.05, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount and not bearing the restrictive legends required by Section 2.05(c).

Prior to the Notes Fungibility Date, Rule 144A Notes may be exchanged for other Rule 144A Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Rule 144A Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Rule 144A Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Rule 144A Notes that the Holder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding. Following the Notes Fungibility Date, Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount but not bearing the restrictive legend required by Section 2.05(c), upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes that the Holder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Note Registrar or any co-Note Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Holder thereof or its attorney-in-fact duly authorized in writing.

No service charge shall be imposed by the Company, the Transfer Agent, the Note Registrar, any co-Note Registrar or the Paying Agent for any exchange or registration of transfer of Notes, but the Company may require a Holder to pay a sum sufficient to cover any documentary, stamp or similar issue or transfer tax required in connection therewith as a result of the name of the Holder of new Notes issued upon such exchange or registration of transfer being different from the name of the Holder of the old Notes surrendered for exchange or registration of transfer. The Company shall pay the ADS Depositary's fees for issuance of the ADSs deliverable upon conversion of the Notes.

None of the Company, the Trustee, the Note Registrar or any co-Note Registrar shall be required to exchange or register a transfer of (i) any Notes surrendered for conversion or, if a portion of any Note is surrendered for conversion, such portion thereof surrendered for conversion, (ii) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article 15 or (iii) any Notes selected for redemption in accordance with Article 16.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Indenture shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture as the Notes surrendered upon such registration of transfer or exchange.

(b) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, subject to the fourth paragraph from the end of Section 2.05(c) all Notes shall be represented by one or more Notes in global form (each, a "**Global Note**") registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note that does not involve the issuance of a Physical Note shall be effected through the Depositary in accordance with this Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

(c) Every Note that bears or is required under this Section 2.05(c) to bear the legend set forth in this Section 2.05(c) (together with any ADSs (including the Ordinary Shares represented thereby) delivered upon conversion of the Notes that are required to bear the legend set forth in Section 2.05(d) and the Ordinary Shares deliverable in lieu of any ADSs deliverable upon conversion of the Notes that are required to be subject to certain transfer restrictions set forth in Section 2.05(d), collectively, the "**Restricted Securities**") shall be subject to the restrictions on transfer set forth in this Section 2.05(c) (including the legend set forth below), unless such restrictions on transfer shall be eliminated or otherwise waived by written consent of the Company, and the Holder of each such Restricted Security, by such Holder's acceptance thereof, agrees to be bound by all such restrictions on transfer. As used in this Section 2.05(c) and Section 2.05(d), the term "**transfer**" encompasses any sale, pledge, transfer or other disposition whatsoever of any Restricted Security.

Until the date (the "**Resale Restriction Termination Date**") that is the later of (1) the date that is one year after the last date of original issuance of the Notes, or such shorter period of time as permitted by Rule 144 under the Securities Act or any successor provision thereto, and (2) such later date, if any, as may be required by applicable law, any certificate evidencing such Note (and all securities issued in exchange therefor or substitution thereof, other than ADSs (including the Ordinary Shares represented thereby or deliverable in lieu thereof) issued upon conversion thereof, which shall bear the legend or be subject to certain transfer restrictions, in each case, set forth in Section 2.05(d), if applicable) shall bear a legend in substantially the following form (unless such Notes have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company in writing, with notice thereof to the Trustee):

THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF (OR THEREOF) OR OF A BENEFICIAL INTEREST HEREIN (OR THEREIN), THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF TRIP.COM GROUP LIMITED. (THE "**COMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF, OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE).

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) ABOVE, THE COMPANY, THE ADS DEPOSITARY AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION HEREOF, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF, OR A BENEFICIAL INTEREST HEREIN OR THEREIN.

No transfer of any Note prior to the Resale Restriction Termination Date will be registered by the Note Registrar unless the applicable box on the Form of Assignment and Transfer has been checked.

Any Note (or security issued in exchange or substitution therefor) as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of such Note for exchange to the Note Registrar in accordance with the provisions of this Section 2.05, be exchanged for a new Note or Notes, of like tenor and aggregate principal amount, which shall not bear the restrictive legend required by this Section 2.05(c) and shall not be assigned a restricted CUSIP number. The Company shall be entitled to instruct the Trustee in writing to so surrender any Global Note as to which such restrictions on transfer shall have expired in accordance with their terms for exchange, and, upon such instruction, the Trustee shall so surrender such Global Note for exchange; and any new Global Note so exchanged therefor shall not bear the restrictive legend specified in this Section 2.05(c) and shall not be assigned a restricted CUSIP number. The Company shall promptly notify the Trustee upon the occurrence of the Resale Restriction Termination Date and after a registration statement, if any, with respect to the Notes or the ADSs (including the Ordinary Shares represented thereby or in lieu thereof) issued upon conversion of the Notes has been declared effective under the Securities Act.

Notwithstanding any other provisions of this Indenture (other than the provisions set forth in this Section 2.05(c)), a Global Note may not be transferred as a whole or in part except (i) by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary and (ii) for transfers of portions of a Global Note in certificated form made upon request of a member of, or a participant in, the Depositary (for itself or on behalf of a beneficial owner) by written notice given to the Trustee by or on behalf of the Depositary in accordance with customary procedures of the Depositary and in compliance with this Section 2.05(c).

The Depositary shall be a clearing agency registered under the Exchange Act. The Company initially appoints The Depository Trust Company to act as Depositary with respect to each Global Note. Initially, each Global Note shall be issued to the Depositary, registered in the name of Cede & Co., as the nominee of the Depositary, and deposited with the Trustee as custodian for Cede & Co.

If (i) the Depositary notifies the Company at any time that the Depositary is unwilling or unable to continue as securities depositary for the Global Notes and a successor depositary is not appointed within 90 days, (ii) the Depositary ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days or (iii) an Event of Default with respect to the Notes has occurred and is continuing, subject to the Depositary's applicable procedures, and a beneficial owner of any Note requests that its beneficial interest therein be issued as a Physical Note, the Company shall execute, and the Trustee, upon receipt of an Officers' Certificate and a Company Order for the authentication and delivery of Notes, shall authenticate and deliver (x) in the case of clause (iii), a Physical Note to such beneficial owner in a principal amount equal to the principal amount of such Note corresponding to such beneficial owner's beneficial interest and (y) in the case of clause (i) or (ii), Physical Notes to each beneficial owner of the related Global Notes (or a portion thereof) in an aggregate principal amount equal to the aggregate principal amount of such Global Notes in exchange for such Global Notes, and upon delivery of the Global Notes to the Trustee such Global Notes shall be canceled.

Physical Notes issued in exchange for all or a part of the Global Note pursuant to this Section 2.05(c) shall be registered in such names and in such authorized denominations as the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. Upon execution and authentication, the Trustee shall deliver such Physical Notes to the Persons in whose names such Physical Notes are so registered.

At such time as all interests in a Global Note have been converted, canceled, repurchased, redeemed or transferred, such Global Note shall be, upon receipt thereof, canceled by the Trustee in accordance with standing procedures and existing instructions of the Depositary. At any time prior to such cancellation, if any interest in a Global Note is exchanged for Physical Notes, converted, canceled, repurchased, redeemed or transferred to a transferee who receives Physical Notes therefor or any Physical Note is exchanged or transferred for part of such Global Note, the principal amount of such Global Note shall, in accordance with the standing procedures and existing instructions of the Depositary, be appropriately reduced or increased, as the case may be, and an endorsement shall be made on such Global Note, by the Trustee, to reflect such reduction or increase.

None of the Company, the Trustee, any agent of the Company or any agent of the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Note or maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(d) Until the Resale Restriction Termination Date, any certificate representing ADSs (including the Ordinary Shares represented thereby) issued upon conversion of such Note shall bear a legend in substantially the following form (unless the Note or such ADSs (including the Ordinary Shares represented thereby) has been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such ADS or the Ordinary Shares represented thereby have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company with written notice thereof to the Trustee and any transfer agent for the ADSs):

THE AMERICAN DEPOSITARY SHARES EVIDENCED HEREBY AND THE ORDINARY SHARES REPRESENTED THEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF (OR THEREOF) OR OF A BENEFICIAL INTEREST HEREIN (OR THEREIN), THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF TRIP.COM GROUP LIMITED (THE "**COMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, THE ORDINARY SHARES REPRESENTED THEREBY, OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE OF THE NOTES UPON THE CONVERSION OF WHICH THIS SECURITY WAS ISSUED OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE).

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) ABOVE, THE COMPANY, THE ADS DEPOSITARY AND THE TRANSFER AGENT FOR THE COMPANY'S AMERICAN DEPOSITARY SHARES RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THE AMERICAN DEPOSITARY SHARES EVIDENCED HEREBY OR A BENEFICIAL INTEREST HEREIN OR THEREIN.

Any such ADSs as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of the certificates representing such ADSs for exchange in accordance with the procedures of the ADS Depositary, be exchanged for a new certificate or certificates for a like aggregate number of ADSs, which shall not bear the restrictive legend required by this Section 2.05(d).

Until the Resale Restriction Termination Date, the Ordinary Shares deliverable in lieu of ADSs upon conversion shall be subject to the same transfer restrictions as described in the legend in this Section 2.05(d) and as imposed by the Hong Kong Share Registrar, unless the Note or such Ordinary Share has been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such Ordinary Shares in lieu thereof have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company and the Hong Kong Share Registrar with written notice thereof to the Note Registrar.

(e) Any Note or ADS (and the Ordinary Shares represented thereby or deliverable in lieu thereof) delivered upon the conversion or exchange of any Note that is repurchased or owned by any Affiliate of the Company may not be resold by such Affiliate (or a Holder that is an Affiliate of the Company or was an Affiliate of the Company at any time during three months preceding the resale) unless registered under the Securities Act or resold pursuant to Rule 144 under the Securities Act or a successor exemption from the registration requirements of the Securities Act in a transaction that results in such Note or ADS (or Ordinary Shares in lieu thereof), as the case may be, no longer being a "restricted security" (as defined under Rule 144 under the Securities Act). The Company shall cause any Note that is repurchased or owned by it to be surrendered to the Paying Agent for cancellation in accordance with Section 2.08.

Section 2.06. *Mutilated, Destroyed, Lost or Stolen Notes.* In case any Note shall become mutilated or be destroyed, lost or stolen, the Company in its discretion may execute, and upon its written request the Trustee shall authenticate and deliver, a new Note, bearing a registration number not contemporaneously outstanding, in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. In every case the applicant for a substituted Note shall furnish to the Company and to the Trustee such security and/or indemnity as may be required by them to save each of them harmless from any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Company and to the Trustee evidence to their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

The Trustee may authenticate any such substituted Note and deliver the same upon the receipt of such security and/or indemnity as the Trustee and the Company may require. No service charge shall be imposed by the Company, the Transfer Agent, the Note Registrar, any co-Note Registrar or the Paying Agent upon the issuance of any substitute Note, but the Company may require a Holder to pay a sum sufficient to cover any documentary, stamp or similar issue or transfer tax required in connection therewith as a result of the name of the Holder of the new substitute Note being different from the name of the Holder of the old Note that became mutilated or was destroyed, lost or stolen. In case any Note that has matured or is about to mature or has been surrendered for required repurchase (and not withdrawn) in accordance with Article 15 or is about to be converted in accordance with Article 14 shall become mutilated or be destroyed, lost or stolen, the Company may, in its sole discretion, instead of issuing a substitute Note, pay or authorize the payment of or convert or authorize the conversion of the same (without surrender thereof except in the case of a mutilated Note), as the case may be, if the applicant for such payment or conversion shall furnish to the Company and to the Trustee such security and/or indemnity as may be required by them to save each of them harmless for any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, evidence satisfactory to the Company, and the Trustee evidence of their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

Every substitute Note issued pursuant to the provisions of this Section 2.06 by virtue of the fact that any Note is destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be found at any time, and shall be entitled to all the benefits of (but shall be subject to all the limitations set forth in) this Indenture equally and proportionately with any and all other Notes duly issued hereunder. To the extent permitted by law, all Notes shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement, payment, redemption, conversion or repurchase of mutilated, destroyed, lost or stolen Notes and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement, payment, redemption, conversion or repurchase of negotiable instruments or other securities without their surrender.

Section 2.07. *Temporary Notes.* Pending the preparation of Physical Notes, the Company may execute and the Trustee shall, upon written request of the Company, authenticate and deliver temporary Notes (printed or lithographed). Temporary Notes shall be issuable in any authorized denomination, and substantially in the form of the Physical Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Company. Every such temporary Note shall be executed by the Company and authenticated by the Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the Physical Notes. Without unreasonable delay, the Company shall execute and deliver to the Trustee Physical Notes (other than any Global Note) and thereupon any or all temporary Notes (other than any Global Note) may be surrendered in exchange therefor, at each office or agency maintained by the Company pursuant to Section 4.02 and the Trustee shall authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of Physical Notes. Such exchange shall be made by the Company at its own expense and without any charge therefor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and subject to the same limitations under this Indenture as Physical Notes authenticated and delivered hereunder.

Section 2.08. *Cancellation of Notes Paid, Converted, Etc.*. The Company shall cause all Notes surrendered for the purpose of payment, repurchase, redemption, registration of transfer or exchange or conversion, if surrendered to any Person other than the Paying Agent (including any of the Company's agents, Subsidiaries or Affiliates), to be delivered and surrendered to the Paying Agent for cancellation. All Notes delivered to the Paying Agent shall be canceled promptly by it. Except for Notes surrendered for transfer or exchange, no Notes shall be authenticated in exchange thereof except as expressly permitted by any of the provisions of this Indenture. The Paying Agent shall dispose of canceled Notes in accordance with its customary procedures and, after such disposition, shall deliver a certificate of such cancellation and disposition to the Company, at the Company's written request in a Company Order.

Section 2.09. *CUSIP Numbers.* The Company in issuing the Notes may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in all notices issued to Holders as a convenience to such Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or on such notice and that reliance may be placed only on the other identification numbers printed on the Notes. The Company shall promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

Section 2.10. *Additional Notes; Repurchases.* The Company may, without the consent of the Holders and notwithstanding Section 2.01, reopen this Indenture and issue additional Notes hereunder with the same terms as the Notes initially issued hereunder (except for any differences in the issue price, the issue date and interest accrued, if any, and, if applicable, restrictions on transfer in respect of such additional Notes) in an unlimited aggregate principal amount; *provided* that if any such additional Notes are not fungible with the Notes initially issued hereunder for U.S. federal income tax or securities law purposes, such additional Notes shall have a separate CUSIP, ISIN or other identifying number from the Rule 144A Notes. Prior to the issuance of any such additional Notes, the Company shall deliver to the Trustee a Company Order, an Officers' Certificate and an Opinion of Counsel, such Officers' Certificate and Opinion of Counsel to cover such matters, in addition to those required by Section 17.06, as the Trustee shall reasonably request. In addition, the Company may, to the extent permitted by law, and without the consent of the Holders, directly or indirectly (regardless of whether such Notes are surrendered to the Company), repurchase Notes in the open market or otherwise, whether by the Company or through its Subsidiaries or through a private or public tender or exchange offer or through counterparties to private agreements. The Company shall cause any Notes so repurchased to be surrendered to the Paying Agent for cancellation in accordance with Section 2.08. The Company may also enter into cash-settled swaps or other derivatives with respect to the Notes. For the avoidance of doubt, any Notes underlying such cash-settled swaps or other derivatives shall not be required to be surrendered to the Paying Agent for cancellation in accordance with Section 2.08 and will continue to be considered outstanding for purposes of this Indenture, subject to the provisions of Section 8.04.

Section 2.11. *Appointment of Authenticating Agent.* As long as any Notes remain outstanding, the Trustee may, by an instrument in writing, appoint with the approval of the Company an authenticating agent (an "**Authenticating Agent**"), which shall be authorized to act on behalf of the Trustee to authenticate Notes pursuant to this Indenture. Notes authenticated by such Authenticating Agent shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee. Whenever reference is made in this Indenture to the authentication and delivery of Notes by the Trustee or to the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Such Authenticating Agent shall at all times be a Person that is eligible pursuant to the Trust Indenture Act (as if the Trust Indenture Act were applicable hereto) to act as such and that has a combined capital and surplus of at least US$50,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

ARTICLE 3
SATISFACTION AND DISCHARGE

Section 3.01. *Satisfaction and Discharge.* This Indenture shall upon request of the Company contained in an Officers' Certificate cease to be of further effect, and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when (a) (i) all Notes theretofore authenticated and delivered (other than (x) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.06 and (y) Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 4.04(d)) have been delivered to the Trustee for cancellation; or (ii) the Company has deposited with the Trustee or delivered to Holders, as applicable, after the Notes have become due and payable, whether on the Maturity Date, a Redemption Date, the Repurchase Date, any Fundamental Change Repurchase Date, upon conversion or otherwise, cash or other consideration, sufficient to pay all of the outstanding Notes and all other sums due and payable under this Indenture by the Company; and (b) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with. Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 7.06 shall survive.

ARTICLE 4
PARTICULAR COVENANTS OF THE COMPANY

Section 4.01. *Payment of Principal and Interest.* The Company covenants and agrees that it will cause to be paid the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, each of the Notes at the places, at the respective times and in the manner provided herein and in the Notes.

Section 4.02. *Maintenance of Office or Agency.* The Company will maintain in the Borough of Manhattan, The City of New York, an office or agency (which will be the Corporate Trust Office initially) where the Notes may be surrendered for registration of transfer or exchange or for presentation for payment or repurchase (the "**Paying Agent**") or for conversion (the "**Conversion Agent**") and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office or the office or agency of the Trustee in the Borough of Manhattan, The City of New York.

The Company may also from time to time designate as co-Note Registrars one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided* that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. The terms "**Paying Agent**" and "**Conversion Agent**" include any such additional or other offices or agencies, as applicable.

The Company hereby initially designates the Trustee as the Paying Agent, Note Registrar and Conversion Agent and the Corporate Trust Office and the office or agency of the Trustee in the Borough of Manhattan, The City of New York, each shall be considered as one such office or agency of the Company for each of the aforesaid purposes.

Section 4.03. *Appointments to Fill Vacancies in Trustee's Office.* The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.09, a Trustee, so that there shall at all times be a Trustee hereunder.

Section 4.04. *Provisions as to Paying Agent.* (a) If the Company shall appoint a Paying Agent other than the Trustee, the Company will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 4.04:

(i) that it will hold all sums held by it as such agent for the payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes for the benefit of the Holders of the Notes;

(ii) that it will give the Trustee prompt notice of any failure by the Company to make any payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes when the same shall be due and payable; and

(iii) that at any time during the continuance of an Event of Default, upon request of the Trustee, it will forthwith pay to the Trustee all sums so held.

The Company shall, on or before each due date of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes, deposit with the Paying Agent a sum sufficient to pay such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) or accrued and unpaid interest and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of any failure to take such action; *provided* that such deposit must be received by the Paying Agent by 10:00 a.m., New York City time, on the relevant due date. The Paying Agent shall not be bound to make any payment until it has received, in immediately available and cleared funds, an amount which shall be sufficient to pay, as applicable, the aggregate amount of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes when such principal or interest shall become due and payable. The Paying Agent shall not be responsible or liable for any delay in making the payment if it does not receive funds before 10:00 a.m. New York City time on the payment date.

(b) If the Company shall act as its own Paying Agent, it will, on or before each due date of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes, set aside, segregate and hold in trust for the benefit of the Holders of the Notes a sum sufficient to pay such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) and accrued and unpaid interest so becoming due and will promptly notify the Trustee in writing of any failure to take such action and of any failure by the Company to make any payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes when the same shall become due and payable.

(c) Anything in this Section 4.04 to the contrary notwithstanding, the Company may, at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture, or for any other reason, pay, cause to be paid or deliver to the Trustee all sums or amounts held by the Company in trust or by any Paying Agent as required by this Section 4.04, such sums or amounts to be held by the Trustee upon the trusts herein contained and upon such payment or delivery by the Company or any Paying Agent to the Trustee, the Company or such Paying Agent shall be released from all further liability but only with respect to such sums or amounts.

(d) Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, any Note and remaining unclaimed for two years after such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) or interest has become due and payable shall be paid or delivered, as the case may be, to the Company on request of the Company contained in an Officers' Certificate, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such money or property, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment or delivery, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in The Borough of Manhattan, The City of New York, notice that such money and ADSs remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money and ADSs then remaining will be repaid or delivered to the Company.

Section 4.05. *Existence.* Subject to Article 11, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence.

Section 4.06. *Rule 144A Information Requirement and Annual Reports*. (a) At any time the Company is not subject to Section 13 or 15(d) of the Exchange Act, the Company shall, so long as any of the Notes, any ADSs (or Ordinary Shares in lieu thereof) deliverable upon conversion thereof, if any, or any Ordinary Shares underlying, or in lieu thereof, ADSs deliverable upon conversion thereof shall, at such time, constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, promptly provide to the Trustee and shall, upon written request, provide to any Holder, beneficial owner or prospective purchaser of such Notes or the ADSs (or Ordinary Shares in lieu thereof) deliverable upon conversion of such Notes or Ordinary Shares represented thereby, if any, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to facilitate the resale of such Notes or ADSs (or Ordinary Shares represented thereby or deliverable in lieu thereof) pursuant to Rule 144A. The Company shall take such further action as any Holder or beneficial owner of such Notes or such ADSs (or Ordinary Shares represented thereby or deliverable in lieu thereof) may reasonably request to the extent from time to time required to enable such Holder or beneficial owner to sell such Notes or ADSs (or Ordinary Shares represented thereby or deliverable in lieu thereof) in accordance with Rule 144A, as such rule may be amended from time to time.

(b) The Company shall provide to the Trustee within 30 days after the same are required to be filed with the Commission, copies of any documents or reports that the Company is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act (giving effect to any applicable grace period provided by Rule 12b-25 under the Exchange Act). Any such document or report that the Company files with the Commission via the Commission's EDGAR system (or any successor thereto) shall be deemed to be provided to the Trustee for purposes of this Section 4.06(b) at the time such documents are filed via the EDGAR system (or any successor thereto).

(c) Delivery of the reports and documents described in subsection (b) above to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely on an Officers' Certificate).

(d) If, at any time during the six-month period beginning on, and including, the date that is six months after the last date of original issuance of the Notes, the Company fails to timely file any document or report that it is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, as applicable (after giving effect to all applicable grace periods thereunder and other than reports on Form 6-K), or the Notes are not otherwise freely tradable by Holders other than the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding (as a result of restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes), the Company shall pay Additional Interest on the Notes. Such Additional Interest shall accrue on the Notes at the rate of 0.50% per annum of the principal amount of the Notes outstanding for each day during such period for which the Company's failure to file has occurred and is continuing or the period during which the Notes are not freely tradable, as described in this subsection (d), by Holders other than the Affiliates of the Company (or Holders that were Affiliates of the Company at any time during the three months immediately preceding). As used in this Section 4.06(d), documents or reports that the Company is required to "file" with the Commission pursuant to Section 13 or 15(d) of the Exchange Act does not include documents or reports that the Company furnishes to the Commission pursuant to Section 13 or 15(d) of the Exchange Act.

(e) If, and for so long as, the restrictive legend on the Notes specified in Section 2.05(c) has not been removed, the Notes are assigned a restricted CUSIP or the Notes are not otherwise freely tradable by Holders other than the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding (without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes) as of the 380th day after the last date of original issuance of the Notes (the "**De-legending Deadline Date**"), the Company shall pay Additional Interest on the Notes at a rate equal to 0.50% per annum of the principal amount of Notes outstanding until the restrictive legend on the Notes has been removed in accordance with Section 2.05(c), the Notes have been assigned an unrestricted CUSIP and the Notes are freely tradable by Holders other than the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding (without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes).

(f) Except as described in this Section 4.06, any Additional Interest will be payable in arrears on each Interest Payment Date following accrual in the same manner as regular interest on the Notes.

(g) The Additional Interest that is payable in accordance with Section 4.06(d) or Section 4.06(e) shall be in addition to, and not in lieu of, any Additional Interest that may be payable as a result of the Company's election pursuant to Section 6.03. In no event shall Additional Interest accrue on any day under the terms of this Indenture (taking any Additional Interest payable pursuant to Section 4.06(d) and Section 4.06(e) together with any Additional Interest payable pursuant to Section 6.03) at an annual rate in excess of 0.50%, in the aggregate, for any violation or Default caused by the Company's failure to be current in respect of its Exchange Act reporting obligations.

(h) If Additional Interest is payable by the Company pursuant to Section 4.06(d) or Section 4.06(e), the Company shall deliver to the Trustee an Officers' Certificate to that effect stating (i) the amount of such Additional Interest that is payable and (ii) the date on which such Additional Interest is payable. Unless and until a Responsible Officer of the Trustee receives at the Corporate Trust Office such a certificate, the Trustee may assume without inquiry that no such Additional Interest is payable. If the Company has paid such Additional Interest directly to the Persons entitled to it, the Company shall deliver to the Trustee an Officers' Certificate setting forth the particulars of such payment.

(i) The accrual of Additional Interest will be the exclusive remedy available to Holders of the Notes for a failure of their Notes to become freely tradable.

(j) Notwithstanding anything to the contrary, Additional Interest on any note for any period on or after the De-legending Deadline Date of such note will accrue, but will not be payable on any Interest Payment Date occurring on or after such De-legending Deadline Date unless (i) a Holder (or an owner of a beneficial interest in a Global Note) has delivered to the Company (with a copy to the Trustee), before the Regular Record Date immediately before such Interest Payment Date, a written notice demanding payment of Additional Interest; or (ii) the Company, in its sole and absolute discretion, elects, by sending notice of such election to Holders before such Regular Record Date, to pay such Additional Interest on such Interest Payment Date.

Any accrued and unpaid Additional Interest that, in accordance with the provision described in the preceding sentence, is not paid on such Interest Payment Date is referred to as "Deferred Additional Interest," and without further action by the Company or any other Person, interest will automatically accrue on such Deferred Additional Interest from, and including, such Interest Payment Date at a rate per annum equal to the stated interest rate to, but excluding, the date on which such Deferred Additional Interest, together with interest thereon, is paid. Each reference in this Indenture to any accrued interest (including in the calculations of the Redemption Price and Fundamental Change Repurchase Price for any Note) or to any accrued Additional Interest includes, to the extent applicable, and without duplication, any Deferred Additional Interest, together with accrued and unpaid interest thereon.

Once any accrued and unpaid Additional Interest becomes payable on an Interest Payment Date (whether as a result of the delivery of a written notice as described above or, if earlier, the Company's election to pay the same), Additional Interest will thereafter not be subject to deferral as described above. In addition, all accrued and unpaid Additional Interest, if any, will be paid on the Interest Payment Date occurring on the Maturity Date of the Notes, and no portion thereof may be deferred.

For the avoidance of doubt, the failure to pay any accrued and unpaid Additional Interest on an Interest Payment Date will not constitute a default or an event of default under this Indenture or the Notes if such payment is deferred in accordance with the provisions described above. Otherwise, such a failure to pay will be subject to Section 6.01(b).

The Company will send notice to the Holder of each Note (with a copy to the Trustee) of the commencement and termination of any period in which Additional Interest accrues on such note, except that no such notice is required in respect of any Additional Interest that is deferred in accordance with the provisions described above.

The Trustee will have no duty to determine whether any Additional Interest is payable or the amount thereof or if deferred additional interest is accruing on the Notes, and may assume without inquiry that no Additional Interest is payable or has been deferred until written notice of such Additional Interest has been provided to it by the Company.

Section 4.07. *Additional Amounts.* (a) All payments and deliveries made by, or on behalf of, the Company or any successor to the Company under or with respect to this Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable, the Repurchase Price and the Fundamental Change Repurchase Price), payments of interest and payments of cash and/or deliveries of ADSs or any other consideration due on conversion of a Note (together with payments of cash for any Fractional ADS), including any Ordinary Shares deliverable upon conversion of the Notes in lieu of such ADSs at a Holder's election, shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied (including any penalties and interest related thereto) by or within any jurisdiction in which the Company or any successor to the Company is, for tax purposes, organized or resident or doing business (each, as applicable, a "**Relevant Taxing Jurisdiction**") or through which payment is made or deemed made (together with each Relevant Taxing Jurisdiction, a "**Relevant Jurisdiction**," and in each case, any political subdivision or taxing authority thereof or therein), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. The Paying Agent and Trustee shall be entitled to make any withholding or deduction pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Section 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretation thereof. The Company will provide the Trustee and the Paying Agent with sufficient information so as to enable the Trustee and the Paying Agent to determine whether or not it is obliged to make such a withholding or deduction. In the event that any such withholding or deduction is so required with respect to any such payments or deliveries (but excluding, for the avoidance of doubt, any payments or deliveries that are made upon conversion of the Notes, whether made in cash, ADSs, Ordinary Shares or other consideration, and including, for the avoidance of doubt, any payments of cash for any Fractional ADSs or other consideration), the Company or any successor to the Company shall pay to each Holder such additional amounts of cash or ADSs (or additional amounts of Ordinary Shares if such Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion), as applicable ("**Additional Amounts**") as may be necessary to ensure that the net amount received by the beneficial owner after such withholding or deduction (and after deducting any taxes on the Additional Amounts) shall equal the amounts that would have been received by such beneficial owner had no such withholding or deduction been required; *provided* that no Additional Amounts shall be payable:

(i) for or on account of:

(A) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(1) the existence of any present or former connection between the Holder or beneficial owner of such Note and the Relevant Jurisdiction, other than merely acquiring or holding such Note, receiving ADSs or Ordinary Shares in lieu thereof or any other consideration due on conversion of a Note (together with payment of cash for any Fractional ADSs), or the receipt of payments thereunder, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having had a permanent establishment therein;

(2) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of (including the Repurchase Price and Fundamental Change Repurchase Price, if applicable) or interest became due and payable pursuant to the terms thereof or was made or duly provided for;

(3) the failure of the Holder or beneficial owner to comply with a timely written request from the Company or any successor of the Company, addressed to the Holder or beneficial owner, as the case may be, to the extent such Holder or beneficial owner is legally entitled, to provide certification, information, documents or other evidence concerning such Holder's or beneficial owner's nationality, residence, identity or connection with the Relevant Jurisdiction, or to make any declaration or satisfy any other reporting requirement relating to such matters, if and to the extent that due and timely compliance with such request is required by statute, regulation or administrative practice of the Relevant Jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder or beneficial owner; or

(4) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(B) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge or any excise or similar taxes imposed with respect to a transfer;

(C) any tax, duty, assessment or other governmental charge that is payable otherwise than by withholding from payments under or with respect to the Notes;

(D) any tax, duty, assessment or other governmental charge that is imposed in connection with any payments or deliveries that are made upon conversion of the Notes, whether made in cash, ADSs, Ordinary Shares or other consideration, and including, for the avoidance of doubt, any payment of cash for any Fractional ADS or other consideration;

(E) any tax required to be withheld or deducted under Sections 1471 to 1474 of the Code (or any amended or successor versions of such Sections) ("**FATCA**"), any regulations or other official guidance thereunder, any intergovernmental agreement entered into in connection with FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement; or

(F) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (A), (B), (C), (D) or (E); or

(ii) with respect to any payment of the principal of (including the Repurchase Price and Fundamental Change Repurchase Price, if applicable) or interest on such Note, if the Holder is a fiduciary, partnership or person other than the sole beneficial owner of that payment to the extent that such payment would be required to be included in the income under the laws of the Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a partner or member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, member or beneficial owner been the Holder thereof.

(b) Any reference in this Indenture or the Notes in any context the payment of principal of (including the Redemption Price, the Repurchase Price and Fundamental Change Repurchase Price, if applicable) and interest on, any Note or any other amount payable with respect to such Note, shall be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable with respect to that amount pursuant to this Section 4.07.

(c) If the Company or its successor is required to make any deduction or withholding from any payments with respect to the Notes, it will deliver to the Trustee official tax receipts evidencing the remittance to the relevant tax authorities of the amounts so withheld or deducted.

(d) The foregoing obligations shall survive termination or discharge of this Indenture.

Section 4.08. *Stay, Extension and Usury Laws.* The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law that would prohibit or forgive the Company from paying all or any portion of the principal of or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture; and the Company (to the extent it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.09. *Compliance Certificate; Statements as to Defaults.* The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company (beginning with the fiscal year ending on December 31, 2024) an Officers' Certificate stating that a review has been conducted of the Company's activities under this Indenture and the Company has fulfilled its obligations hereunder, and whether the authorized Officers thereof have knowledge of any Default by the Company that occurred during the previous year that is then continuing and, if so, specifying each such Default and the nature thereof.

In addition, the Company shall deliver to the Trustee, as soon as possible, and in any event within 30 days after the Company becomes aware of the occurrence of any Default if such Default is then continuing, an Officers' Certificate setting forth the details of such Default, its status and the action that the Company is taking or proposing to take in respect thereof. The Trustee shall have no responsibility to take any steps to ascertain whether any Event of Default or Default has occurred, and until (i) a Responsible Officer of the Trustee has received an Officers' Certificate regarding such an occurrence, or (ii) the Trustee has received notice from the Holders of at least 25% in aggregate principal amount of the Notes then outstanding regarding such an occurrence, the Trustee is entitled to assume, without liability, that no Event of Default or Default has occurred.

Section 4.10. *Further Instruments and Acts.* Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

ARTICLE 5
LISTS OF HOLDERS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 5.01. *Lists of Holders.* The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee, semi-annually, not more than 15 days after each June 1 and December 1 in each year beginning with December 1, 2024, and at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request (or such lesser time as the Trustee may reasonably request in order to enable it to timely provide any notice to be provided by it hereunder), a list in such form as the Trustee may reasonably require of the names and addresses of the Holders as of a date not more than 15 days (or such other date as the Trustee may reasonably request in order to so provide any such notices) prior to the time such information is furnished, except that no such list need be furnished so long as the Trustee is acting as Note Registrar.

Section 5.02. *Preservation and Disclosure of Lists.* The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders contained in the most recent list furnished to it as provided in Section 5.01 or maintained by the Trustee in its capacity as Note Registrar, if so acting. The Trustee may destroy any list furnished to it as provided in Section 5.01 upon receipt of a new list so furnished.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default.* The following events shall be "**Events of Default**" with respect to the Notes:

(a) default in any payment of interest on any Note when due and payable and the default continues for a period of 30 days;

(b) default in the payment of principal of any Note when due and payable on the Maturity Date, upon any Redemption in accordance with Article 16, upon any required repurchase, upon declaration of acceleration or otherwise;

(c) failure by the Company to comply with its obligation to convert the Notes in accordance with this Indenture upon exercise of a Holder's conversion right and such failure continues for a period of five Business Days;

(d) failure by the Company to issue a Redemption Notice in accordance with Article 16, a Fundamental Change Company Notice in accordance with Section 15.02(c), notice of a Make-Whole Fundamental Change in accordance with Section 14.03(a), a notice in accordance with Section 14.03(g) or a notice of a specified corporate transaction in accordance with Section 14.01(b)(iii) in each case, when due and such failure continues for a period of five Business Days;

(e) failure by the Company to comply with its obligations under Article 11;

(f) failure by the Company for 60 days after written notice from the Trustee or by the Trustee at the request of the Holders of at least 25% in aggregate principal amount of the Notes then outstanding has been received by the Company and the Trustee to comply with any of its other agreements contained in the Notes or this Indenture;

(g) default by the Company or any Significant Subsidiary of the Company with respect to any mortgage, agreement or other instrument under which there may be outstanding, or by which there may be secured or evidenced, any indebtedness for money borrowed in excess of US$100 million (or the foreign currency equivalent thereof) in the aggregate of the Company and/or any such Significant Subsidiary, whether such indebtedness now exists or shall hereafter be created (i) resulting in such indebtedness becoming or being declared due and payable or (ii) constituting a failure to pay the principal or interest of any such debt when due and payable at its stated maturity, upon required repurchase, upon declaration of acceleration or otherwise;

(h) a final judgment for the payment of US$100 million (or the foreign currency equivalent thereof) or more (excluding any amounts covered by insurance) rendered against the Company or any Significant Subsidiary of the Company, which judgment is not paid, bonded or otherwise discharged or stayed within 60 days after (i) the date on which the right to appeal thereof has expired if no such appeal has commenced, or (ii) the date on which all rights to appeal have been extinguished;

(i) the Company or any Significant Subsidiary shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Company or any such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or any such Significant Subsidiary or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due; or

(j) an involuntary case or other proceeding shall be commenced against the Company or any Significant Subsidiary seeking liquidation, reorganization or other relief with respect to the Company or such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or such Significant Subsidiary or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 30 consecutive days.

Section 6.02. *Acceleration; Rescission and Annulment*. Subject to Section 6.03 hereof, if one or more Events of Default shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), then, and in each and every such case (other than an Event of Default specified in Section 6.01(i) or Section 6.01(j) with respect to the Company or any of its Significant Subsidiaries), unless the principal of all of the Notes shall have already become due and payable, the Trustee may by notice in writing to the Company, or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding determined in accordance with Section 8.04, by notice in writing to the Company and to the Trustee may, and the Trustee at the request of such Holders accompanied by security, pre-funding and/or indemnity satisfactory to the Trustee shall, declare 100% of the principal of, and accrued and unpaid interest on, all the Notes to be due and payable immediately, and upon any such declaration the same shall become and shall automatically be immediately due and payable, notwithstanding anything contained in this Indenture or in the Notes to the contrary. If an Event of Default specified in Section 6.01(i) or Section 6.01(j) with respect to the Company or any of its Significant Subsidiaries occurs and is continuing, 100% of the principal of, and accrued and unpaid interest on, all Notes shall become and shall automatically be immediately due and payable without any action on the part of the Trustee. If an Event of Default occurs and is continuing, all agents of the Company appointed under this Indenture will be required to act on the direction of the Trustee.

The immediately preceding paragraph, however, is subject to the conditions that if, at any time after the principal of the Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the monies due shall have been obtained or entered as hereinafter provided, the Company shall pay or shall deposit with the Trustee a sum sufficient to pay installments of accrued and unpaid interest upon all Notes and the principal of any and all Notes that shall have become due otherwise than by acceleration (with interest on overdue installments of accrued and unpaid interest to the extent that payment of such interest is enforceable under applicable law, and on such principal at the rate per annum borne by the Notes *plus* one percent) and amounts due to the Trustee pursuant to Section 7.06, and if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) any and all existing Events of Default under this Indenture, other than the nonpayment of the principal of and accrued and unpaid interest on Notes that shall have become due solely by such acceleration, shall have been cured or waived pursuant to Section 6.09, then and in every such case (except as provided in the immediately succeeding sentence) the Holders of a majority in aggregate principal amount of the Notes then outstanding, by written notice to the Company and to the Trustee, may waive all Defaults or Events of Default with respect to the Notes and rescind and annul such declaration and its consequences and such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent Default or Event of Default, or shall impair any right consequent thereon. Notwithstanding anything to the contrary herein, no such waiver or rescission and annulment shall extend to or shall affect any Default or Event of Default resulting from (i) the nonpayment of the principal of, or accrued and unpaid interest on, any Notes, (ii) a failure to repurchase any Notes when required or (iii) a failure to pay or deliver, as the case may be, the consideration due upon conversion of the Notes.

Section 6.03. *Additional Interest*. Notwithstanding anything in this Indenture or in the Notes to the contrary, to the extent the Company elects, the sole remedy for Event of Default relating to the Company's failure to comply with its obligations as set forth in Section 4.06(b) shall for the first 180 days after the occurrence of such an Event of Default (which will be the 60th day after written notice is provided to the Company in accordance with an Event of Default pursuant to Section 6.01(f) consist exclusively of the right to receive Additional Interest on the Notes at a rate equal to:

(a) 0.25% per annum of the principal amount of the Notes outstanding for each day during the period beginning on, and including, the date on which such an Event of Default first occurs and ending on the earlier of (i) the date on which such Event of Default is cured or validly waived and (ii) the 90th day immediately following, and including, the date on which such Event of Default first occurred; and

(b) if such Event of Default has not been cured or validly waived prior to the 91st day immediately following, and including, the date on which such Event of Default first occurred, 0.50% per annum of the principal amount of the Notes outstanding for each day during the period beginning on, and including, the 91st day immediately following, and including, the date on which such an Event of Default first occurred and ending on the earlier of (i) the date on which such Event of Default is cured or validly waived and (ii) the 180th day immediately following, and including, the date on which such Event of Default first occurred.

Interest payable pursuant to this Section 6.03 shall be in addition to, not in lieu of, any Additional Interest payable pursuant to Section 4.06(d) or Section 4.06(e). In no event shall Additional Interest accrue on the Notes on any day under this Indenture (taking any Additional Interest payable pursuant to this Section 6.03 together with any Additional Interest payable pursuant to Section 4.06(d) and Section 4.06(e)) at an annual rate accruing in excess of 0.50%, in the aggregate, for any violation or Default caused by the Company's failure to be current in respect of its Exchange Act reporting obligations. If the Company so elects, such Additional Interest shall be payable in the same manner and on the same dates as regular interest on the Notes. On the 181st day after such Event of Default (if the Event of Default with respect to the Company's obligations under Section 4.06(b) is not cured or waived prior to such 181st day), the Notes will be subject to acceleration as provided in Section 6.02. In the event the Company does not elect to pay Additional Interest following an Event of Default in accordance with this Section 6.03 or the Company elected to make such payment but does not pay the Additional Interest when due, the Notes shall be subject to acceleration as provided in Section 6.02.

In order to elect to pay Additional Interest as the sole remedy during the first 180 days after the occurrence of any Event of Default described in the immediately preceding paragraph, the Company must notify in writing all Holders of the Notes, the Trustee and the Paying Agent of such election prior to the beginning of such 180-day period. Upon the failure to timely give such notice, the Notes shall be immediately subject to acceleration as provided in Section 6.02.

Section 6.04. *Payments of Notes on Default; Suit Therefor.* If an Event of Default described in clause (a) or (b) of Section 6.01 shall have occurred, the Company shall, upon demand of the Trustee acting in its own discretion or at the request of Holders of at least 25% in aggregate principal amount of the Notes then outstanding determined in accordance with Section 8.04 and subject to indemnity, pre-funding and/or security satisfactory to the Trustee, pay to the Trustee, for the benefit of the Holders of the Notes, the whole amount then due and payable on the Notes for principal and interest, if any, with interest on any overdue principal and interest, if any, at the rate per annum borne by the Notes at such time *plus* one percent, and, in addition thereto, such further amount as shall be sufficient to cover any amounts due to the Trustee under Section 7.06. If the Company shall fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon the Notes, wherever situated.

In the event there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor on the Notes under Title 11 of the United States Code, or any other applicable law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or such other obligor, the property of the Company or such other obligor, or in the event of any other judicial proceedings relative to the Company or such other obligor upon the Notes, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 6.04, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal and accrued and unpaid interest, if any, in respect of the Notes, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents and to take such other actions as it may deem necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation and properly incurred expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceedings relative to the Company or any other obligor on the Notes, its or their creditors, or its or their property, and to collect and receive any monies or other property payable or deliverable on any such claims, and to distribute the same after the deduction of any amounts due to the Trustee under Section 7.06; and any receiver, assignee or trustee in bankruptcy or reorganization, liquidator, custodian or similar official is hereby authorized by each of the Holders to make such payments to the Trustee, as administrative expenses, and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for compensation and properly incurred expenses, advances and disbursements, including agents and counsel fees, and including any other amounts due to the Trustee under Section 7.06, incurred by it up to the date of such distribution. To the extent that such payment of compensation and properly incurred expenses, advances and disbursements out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, monies, securities and other property that the Holders of the Notes may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting such Holder or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

All rights of action and of asserting claims under this Indenture, or under any of the Notes, may be enforced by the Trustee without the possession of any of the Notes, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the compensation and properly incurred expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes.

In any proceedings brought by the Trustee (and in any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party) the Trustee shall be held to represent all the Holders of the Notes, and it shall not be necessary to make any Holders of the Notes parties to any such proceedings.

In case the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of any waiver pursuant to Section 6.09 or any rescission and annulment pursuant to Section 6.02 or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company, the Holders, and the Trustee shall, subject to any determination in such proceeding, be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Company, the Holders, and the Trustee shall continue as though no such proceeding had been instituted.

Section 6.05. *Application of Monies Collected by Trustee.* Any monies collected by the Trustee pursuant to this Article 6 with respect to the Notes shall be applied in the following order, at the date or dates fixed by the Trustee for the distribution of such monies, upon presentation of the several Notes, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First, to the payment of all amounts due to the Trustee under Section 7.06 and any payments due to the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar;

Second, in case the principal of the outstanding Notes shall not have become due and be unpaid, to the payment of interest on, the Notes in default in the order of the date due of the payments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon such overdue payments at the rate per annum borne by the Notes at such time (including, without duplication, any additional interest on such overdue payments pursuant to Section 6.04) plus one percent, such payments to be made ratably to the Persons entitled thereto;

Third, in case the principal of the outstanding Notes shall have become due, by declaration or otherwise, and be unpaid to the payment of the whole amount (including, if applicable, the payment of the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price and any cash due upon conversion) then owing and unpaid upon the Notes for principal and interest, if any, with interest on the overdue principal and, to the extent that such interest has been collected by the Trustee, upon overdue installments of interest at the rate per annum borne by the Notes at such time *plus* one percent, and in case such monies shall be insufficient to pay in full the whole amounts so due and unpaid upon the Notes, then to the payment of such principal (including, if applicable, the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price and the cash due upon conversion) and interest without preference or priority of principal over interest, or of interest over principal or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably to the aggregate of such principal (including, if applicable, the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price) and accrued and unpaid interest; and

Fourth, to the payment of the remainder, if any, to the Company.

Section 6.06. *Proceedings by Holders.* Except to enforce the right to receive payment of principal (including, if applicable, the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price) or interest when due, or the right to receive payment or delivery of the consideration due upon conversion, no Holder of any Note shall have any right by virtue of or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture, or for the appointment of a receiver, trustee, liquidator, custodian or other similar official, or for any other remedy hereunder, unless:

(a) such Holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof, as herein provided;

(b) Holders of at least 25% in aggregate principal amount of the Notes then outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder;

(c) such Holders shall have offered to the Trustee such security, pre-funding and/or indemnity satisfactory to it against any loss, liability or expense to be incurred therein or thereby;

(d) the Trustee for 60 days after its receipt of such notice, request and offer of security and/or indemnity, shall have neglected or refused to institute any such action, suit or proceeding; and

(e) no direction that, in the opinion of the Trustee, is inconsistent with such written request shall have been given to the Trustee by the Holders of a majority of the aggregate principal amount of the Notes then outstanding within such 60-day period pursuant to Section 6.09,

it being understood and intended, and being expressly covenanted by the taker and Holder of every Note with every other taker and Holder and the Trustee that no one or more Holders shall have any right in any manner whatever by virtue of or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any other Holder, or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders (except as otherwise provided herein). For the protection and enforcement of this Section 6.06, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provision of this Indenture and any provision of any Note, the right of any Holder to receive payment or delivery, as the case may be, of (x) the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, (y) accrued and unpaid interest on, and (z) the consideration due upon conversion of, such Note, on or after the respective due dates expressed or provided for in such Note or in this Indenture, or to institute suit for the enforcement of any such payment or delivery, as the case may be, on or after such respective dates against the Company shall not be impaired or affected without the consent of such Holder.

Section 6.07. *Proceedings by Trustee.* In case of an Event of Default, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as are necessary to protect and enforce any of such rights, either by suit in equity or by action at law or by proceeding in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law; *provided* that the Trustee will not be bound to make any such proceeding unless (i) it shall have been so directed in writing by the Holders of at least 25% in aggregate principal amount of the Notes then outstanding and (ii) it shall have been indemnified, pre-funded and/or secured to its satisfaction. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

Section 6.08. *Remedies Cumulative and Continuing.* Except as provided in the last paragraph of Section 2.06, all powers and remedies given by this Article 6 to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders of the Notes, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder of any of the Notes to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Default or Event of Default or any acquiescence therein; and, subject to the provisions of Section 6.06, every power and remedy given by this Article 6 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 6.09. *Direction of Proceedings and Waiver of Defaults by Majority of Holders.* The Holders of a majority of the aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to Notes; *provided*, *however*, that (a) such direction shall not be in conflict with any rule of law or with this Indenture, and (b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. The Trustee may refuse to follow any direction that would involve the Trustee in personal liability, or if it is not provided with security, pre-funding and/or indemnity to its satisfaction. In addition, the Trustee will not be required to expend its own funds under any circumstances. The Holders of a majority in aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 may on behalf of the Holders of all of the Notes waive any past Default or Event of Default hereunder and its consequences except (i) a default in the payment of accrued and unpaid interest on, or the principal (including, if applicable, the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price) of, the Notes when due or the failure of the Company to comply with its obligation to repurchase any Notes when required by this Indenture that has not been cured pursuant to the provisions of Section 6.02, (ii) a failure by the Company to pay or deliver, or cause to be delivered, as the case may be, the consideration due upon conversion of the Notes or (iii) a default in respect of a covenant or provision hereof which under Article 10 cannot be modified or amended without the consent of each Holder of an outstanding Note affected. Upon any such waiver the Company, the Trustee and the Holders of the Notes shall be restored to their former positions and rights hereunder; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 6.09, said Default or Event of Default shall for all purposes of the Notes and this Indenture be deemed to have been cured and to be not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 6.10. *Notice of Defaults and Events of Default.* If a Default or Event of Default occurs and is continuing and is notified in writing to the Trustee, the Trustee shall, within 90 days after it receives written notice or obtains such knowledge, mail to all Holders (at the Company's expense) as the names and addresses of such Holders appear upon the Note Register, notice of all Defaults, unless such Defaults shall have been cured or waived before the giving of such notice; *provided* that the Trustee shall not be deemed to have knowledge of any occurrence of a Default or Event unless a Responsible Officer of the Trustee has received written notice. Except in the case of a Default in the payment of the principal of (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable), or accrued and unpaid interest on, any of the Notes or a Default in the payment or delivery of the consideration due upon conversion, the Trustee shall be protected in withholding such notice if and so long as the Trustee's board of directors, an executive committee or a committee of Responsible Officers of the Trustee (in its sole discretion) in good faith determines that the withholding of such notice is in the interests of the Holders.

Section 6.11. *Undertaking to Pay Costs.* All parties to this Indenture agree, and each Holder of any Note by its acceptance thereof shall be deemed to have agreed, that any court may, in its discretion, require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit and that such court may in its discretion assess costs, including attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; *provided* that the provisions of this Section 6.11 (to the extent permitted by law) shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Notes at the time outstanding determined in accordance with Section 8.04, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or accrued and unpaid interest on any Note (including, but not limited to, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price with respect to the Notes being repurchased as provided in this Indenture) on or after the due date expressed or provided for in such Note or to any suit for the enforcement of the right to convert any Note in accordance with the provisions of Article 14.

ARTICLE 7
CONCERNING THE TRUSTEE

Section 7.01. *Duties and Responsibilities of Trustee.* The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred that has not been cured or waived the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs; *provided* that if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity, pre-funding and/or security satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default and after the curing or waiving of all Events of Default that may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of gross negligence and willful misconduct on the part of the Trustee, the Trustee may conclusively and without liability rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but, in the case of any such certificates or opinions that by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of any mathematical calculations or other facts stated therein);

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority of the aggregate principal amount of the Notes at the time outstanding determined as provided in Section 8.04 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(d) whether or not therein provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee shall be subject to the provisions of this Section;

(e) the Trustee shall not be liable in respect of any payment (as to the correctness of amount, entitlement to receive or any other matters relating to payment) or notice effected by the Company or any Paying Agent or any records maintained by any co-Note Registrar with respect to the Notes;

(f) if any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture, requires notice to be sent to the Trustee, the Trustee may conclusively and without liability rely on its failure to receive such notice as reason to act as if no such event occurred;

(g) [Reserved];

(h) in the event that the Trustee or any of its affiliates is also acting as Note Registrar, Paying Agent, Conversion Agent, Bid Solicitation Agent or Transfer Agent hereunder, the rights and protections afforded to the Trustee pursuant to this Article 7 shall also be afforded to such Note Registrar, Paying Agent, Conversion Agent, Bid Solicitation Agent or Transfer Agent;

(i) the Trustee shall have no duty to inquire, no duty to determine and no duty to monitor as to the performance of the Company's covenants in this Indenture or the financial performance of the Company; the Trustee shall be entitled to assume, until it has received written notice in accordance with this Indenture, that the Company is properly performing its duties hereunder; and

(j) the Trustee shall be under no obligation to enforce any of the provisions of this Indenture unless it is instructed in writing by Holders of at least 25% of the aggregate principal amount of outstanding Notes and is provided with security, pre-funding and/or indemnity satisfactory to it.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 7.02. *Reliance on Documents, Opinions, Etc.*. Except as otherwise provided in Section 7.01:

(a) the Trustee may conclusively and without liability rely and shall be fully protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, Note, coupon or other paper or document believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any Board Resolution may be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company;

(c) the Trustee may consult with counsel and require an Opinion of Counsel and any advice of such counsel or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the expense of the Company and shall incur no liability of any kind by reason of such inquiry or investigation;

(e) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, delegates, custodians, nominees or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, delegate, representative, custodian, nominee or attorney appointed by it with due care hereunder;

(f) the permissive rights of the Trustee enumerated herein shall not be construed as duties;

(g) under no circumstances and notwithstanding any contrary provision included herein, neither the Trustee, the Paying Agent, the Conversion Agent, the Note Registrar nor any Agent shall be responsible or liable for special, indirect, punitive, or consequential damages or loss of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether any of them have been advised of the likelihood of such loss or damage and regardless of the form of action; this provision shall remain in full force and effect notwithstanding the discharge of the Notes, the termination of this Indenture or the resignation, replacement or removal of the Trustee, the Paying Agent, the Conversion Agent, the Note Registrar or any other Agent; and

(h) the Trustee, the Paying Agent, the Conversion Agent and the Note Registrar may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, of New York; furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or New York or if, in its opinion based on such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in New York or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

Section 7.03. *No Responsibility for Recitals, Etc.*. The recitals, statements, warranties and representations contained herein and in the Notes (except in the Trustee's certificate of authentication) shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the accuracy or correctness of the same or the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the Company of any Notes or the proceeds of any Notes authenticated and delivered by the Trustee in conformity with the provisions of this Indenture. Notwithstanding the generality of the foregoing, each Holder shall be solely responsible for making its own independent appraisal of, and investigation into, the financial condition, creditworthiness, condition, affairs, status and nature of the Company, and the Trustee shall not at any time have any responsibility for the same and each Holder shall not rely on the Trustee in respect thereof.

Section 7.04. *Trustee, Paying Agents, Conversion Agents, Bid Solicitation Agent or Note Registrar May Own Notes.* The Trustee, any Paying Agent, any Conversion Agent, Bid Solicitation Agent (if other than the Company or any Affiliate thereof) or Note Registrar, in its individual or any other capacity, may become the owner or pledgee of Notes with the same rights it would have if it were not the Trustee, Paying Agent, Conversion Agent, Bid Solicitation Agent or Note Registrar, and nothing herein shall obligate any of them to account for any profits earned from any business or transactional relationship.

Section 7.05. *Monies and ADSs to Be Held in Trust.* All monies and ADSs received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received. Money and ADSs held by the Trustee in trust or by the Paying Agent hereunder need not be segregated from other funds except to the extent required by law. Neither the Trustee nor the Paying Agent shall be under any liability for interest on any money or ADSs received by it hereunder.

Section 7.06. *Compensation and Expenses of Trustee.* (a) The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, compensation for all services rendered by it hereunder in any capacity (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) as mutually agreed to in writing between the Trustee and the Company, and the Company will pay or reimburse the Trustee upon its request for all expenses, disbursements and advances properly incurred or made by the Trustee in accordance with any of the provisions of this Indenture in any capacity thereunder (including the compensation and the properly incurred expenses and disbursements of its agents and counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advance as shall have been caused by its gross negligence or willful misconduct. The Company also covenants to indemnify the Trustee in any capacity under this Indenture and any other document or transaction entered into in connection herewith, and to hold it harmless against, any loss, claim (provided that the Company need not pay for settlement of any such claim made without prior notice), damage, liability or expense incurred without gross negligence or willful misconduct on the part of the Trustee, its officers, directors, agents or employees, as the case may be, and arising out of or in connection with the acceptance or administration of this Indenture or in any other capacity hereunder, including the costs and expenses of enforcing this Indenture (including this Section 7.06) and defending themselves against any claim of liability. The obligations of the Company under this Section 7.06 to compensate or indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall be secured by a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by the Trustee, except, subject to the effect of Section 6.05, funds held in trust herewith for the benefit of the Holders of particular Notes. The Trustee's right to receive payment of any amounts due under this Section 7.06 shall not be subordinate to any other liability or indebtedness of the Company. The indemnity under this Section 7.06(a) is payable upon demand by the Trustee. The obligation of the Company under this Section 7.06(a) shall survive the satisfaction and discharge of the Notes, the termination of this Indenture and the resignation or removal or the Trustee. The Company need not pay for any settlement made without its consent. The indemnification provided in this Section 7.06(a) shall extend to the officers, directors, agents and employees of the Trustee. Subject to Section 7.02(e), any negligence or misconduct of any agent, delegate, attorney or representative, in each case, of the Trustee, shall not affect indemnification of the Trustee.

Without prejudice to any other rights available to the Trustee under applicable law, when the Trustee and its agents incur expenses or render services after an Event of Default specified in Section 6.01(i) or Section 6.01(j) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any bankruptcy, insolvency or similar laws. If a Default or Event of Default shall have occurred or if the Trustee finds it expedient or necessary or is requested by the Company and/or the Holders to undertake duties which are of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Indenture, the Company will pay such additional remuneration as the Company and the Trustee may separately agree in writing.

(b) The Paying Agent, the Transfer Agent the Conversion Agent and the Note Registrar shall be entitled to the compensation to be agreed upon in writing with the Company for all services rendered by it under this Indenture, and the Company agrees promptly to pay such compensation and to reimburse the Paying Agent, the Transfer Agent the Conversion Agent and the Note Registrar for its out-of-pocket expenses (including fees and properly incurred expenses of counsel) incurred by it in connection with the services rendered by it under this Indenture. The Company hereby agrees to indemnify the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar and their respective officers, directors, agents and employees and any successors thereto for, and to hold it harmless against, any loss, liability or expense (including fees and properly incurred expenses of counsel) incurred without gross negligence or willful misconduct on its part arising out of or in connection with its acting as the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar hereunder. The obligations of the Company under this paragraph (b) shall survive the payment of the Notes, the termination of the Indenture and the resignation or removal of the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar.

Section 7.07. *Officers' Certificate as Evidence.* Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such Officers' Certificate shall be full warrant to the Trustee for any action taken or omitted by it under the provisions of this Indenture upon the faith thereof.

Section 7.08. *Eligibility of Trustee.* There shall at all times be a Trustee hereunder which shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and has a combined capital and surplus of at least US$50,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 7.09. *Resignation or Removal of Trustee*. (a) The Trustee may at any time resign by giving 60 days written notice of such resignation to the Company and by mailing notice thereof to the Holders at their addresses as they shall appear on the Note Register. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 60 days after the mailing of such notice of resignation to the Holders, the resigning Trustee may appoint a successor trustee on behalf of and at the expense of the Company or it may, upon ten Business Days' notice to the Company and the Holders, petition any court of competent jurisdiction for the appointment of a successor trustee, or any Holder who has been a bona fide holder of a Note or Notes for at least six months may, subject to the provisions of Section 6.11, on behalf of himself or herself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

(i) the Trustee shall cease to be eligible in accordance with the provisions of Section 7.08 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(ii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in either case, the Company may by a Board Resolution remove the Trustee and appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.11, any Holder who has been a bona fide holder of a Note or Notes for at least six months may, on behalf of himself or herself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The Holders of a majority in aggregate principal amount of the Notes at the time outstanding, as determined in accordance with Section 8.04, may at any time remove the Trustee and nominate a successor trustee that shall be deemed appointed as successor trustee unless within ten days after notice to the Company of such nomination the Company objects thereto, in which case the Trustee so removed or any Holder, upon the terms and conditions and otherwise as in Section 7.09(a) provided, may petition any court of competent jurisdiction for an appointment of a successor trustee.

(d) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 7.09 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.10.

Section 7.10. *Acceptance by Successor Trustee.* Any successor trustee appointed as provided in Section 7.09 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Company or of the successor trustee, the trustee ceasing to act shall, upon payment of any amounts then due to it pursuant to the provisions of Section 7.06, execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by such trustee as such, except for funds held in trust for the benefit of Holders of particular Notes, to secure any amounts then due to it pursuant to the provisions of Section 7.06.

No successor trustee shall accept appointment as provided in this Section 7.10 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 7.08.

Upon acceptance of appointment by a successor trustee as provided in this Section 7.10, each of the Company and the successor trustee, at the written direction and at the expense of the Company shall mail or cause to be mailed notice of the succession of such trustee hereunder to the Holders at their addresses as they shall appear on the Note Register. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

Section 7.11. *Succession by Merger, Etc.*. Any corporation or other entity into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation or other entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee (including the administration of this Indenture), shall be the successor to the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto; *provided* that in the case of any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee such corporation or other entity shall be eligible under the provisions of Section 7.08.

In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture, any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor trustee hereunder or in the name of the successor trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Indenture provided that the certificate of the Trustee shall have; *provided*, *however*, that the right to adopt the certificate of authentication of any predecessor trustee or to authenticate Notes in the name of any predecessor trustee shall apply only to its successor or successors by merger, conversion or consolidation.

Section 7.12. *Trustee's Application for Instructions from the Company.* Any application by the Trustee for written instructions from the Company (other than with regard to any action proposed to be taken or omitted to be taken by the Trustee that affects the rights of the Holders of the Notes under this Indenture) may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer that the Company has indicated to the Trustee should receive such application actually receives such application, unless any such officer shall have consented in writing to any earlier date), unless, prior to taking any such action (or the effective date in the case of any omission), the Trustee shall have received written instructions in accordance with this Indenture in response to such application specifying the action to be taken or omitted.

ARTICLE 8
CONCERNING THE HOLDERS

Section 8.01. *Action by Holders.* Whenever in this Indenture it is provided that the Holders of a specified percentage of the aggregate principal amount of the Notes may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action, the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in writing, or (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Article 9, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders. Whenever the Company or the Trustee solicits the taking of any action by the Holders of the Notes, the Company or the Trustee may fix, but shall not be required to, in advance of such solicitation, a date as the record date for determining Holders entitled to take such action. The record date if one is selected shall be not more than fifteen days prior to the date of commencement of solicitation of such action.

Section 8.02. *Proof of Execution by Holders.* Subject to the provisions of Section 7.01, Section 7.02 and Section 9.05, proof of the execution of any instrument by a Holder or its agent or proxy shall be sufficient if made in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee. The holding of Notes shall be proved by the Note Register or by a certificate of the Note Registrar. The record of any Holders' meeting shall be proved in the manner provided in Section 9.06.

Section 8.03. *Who Are Deemed Absolute Owners.* The Company, the Trustee, any Paying Agent, any Conversion Agent and any Note Registrar may deem the Person in whose name a Note shall be registered upon the Note Register to be, and may treat it as, the absolute owner of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon made by any Person other than the Company or any Note Registrar) for the purpose of receiving payment of or on account of the principal of and (subject to Section 2.03) accrued and unpaid interest on such Note, for the purpose of conversion of such Note and for all other purposes; and neither the Company nor the Trustee nor any Paying Agent nor any Conversion Agent nor any Transfer Agent nor any Note Registrar shall be affected by any notice to the contrary. All such payments or deliveries so made to any Holder for the time being, or upon its order, shall be valid, and, to the extent of the sums or ADSs so paid or delivered, effectual to satisfy and discharge the liability for monies payable or ADSs deliverable upon any such Note. Notwithstanding anything to the contrary in this Indenture or the Notes following an Event of Default, any Holder of a beneficial interest in a Global Note may directly enforce against the Company, without the consent, solicitation, proxy, authorization or any other action of the Depositary or any other Person, such Holder's right to exchange such beneficial interest for a Note in certificated form in accordance with the provisions of this Indenture.

In considering the interests of Holders of the Notes while title to the Notes is registered in the name of a nominee of DTC, the Trustee and the Agents may rely conclusively upon any information made available to it by DTC as to the identity (either individually or by category) of its participants with entitlements to Notes and may consider such interests as if such accountholders were the Holders of the Notes.

Section 8.04. *Company-Owned Notes Disregarded.* In determining whether the Holders of the requisite aggregate principal amount of Notes have concurred in any direction, consent, waiver or other action under this Indenture, Notes that are owned by the Company, by any Subsidiary thereof or by any Affiliate of the Company or any Subsidiary thereof shall be disregarded and deemed not to be outstanding for the purpose of any such determination; *provided* that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, consent, waiver or other action only Notes in respect of which a Responsible Officer is notified in writing shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section 8.04 if the pledgee shall establish its right to so act with respect to such Notes and that the pledgee is not the Company, a Subsidiary thereof or an Affiliate of the Company or a Subsidiary thereof. Within five days of acquisition of the Notes by any of the above described persons or entities, the Company shall furnish to the Trustee promptly an Officers' Certificate listing and identifying all Notes, if any, known by the Company to be owned or held by or for the account of any of the above described Persons; and, subject to Section 7.01, the Trustee shall be entitled to accept such Officers' Certificate as conclusive evidence of the facts therein set forth and of the fact that all Notes not listed therein are outstanding for the purpose of any such determination.

Section 8.05. *Revocation of Consents; Future Holders Bound.* At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the Holders of the percentage of the aggregate principal amount of the Notes specified in this Indenture in connection with such action, any Holder of a Note that is shown by the evidence to be included in the Notes the Holders of which have consented to such action may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Note. Except as aforesaid, any such action taken by the Holder of any Note shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Note and of any Notes issued in exchange or substitution therefor or upon registration of transfer thereof, irrespective of whether any notation in regard thereto is made upon such Note or any Note issued in exchange or substitution therefor or upon registration of transfer thereof.

ARTICLE 9
HOLDERS' MEETINGS

Section 9.01. *Purpose of Meetings.* A meeting of Holders may be called at any time and from time to time pursuant to the provisions of this Article 9 for any of the following purposes:

(a) to give any notice to the Company or to the Trustee or to give any directions to the Trustee permitted under this Indenture, or to consent to the waiving of any Default or Event of Default hereunder and its consequences, or to take any other action authorized to be taken by Holders pursuant to any of the provisions of Article 6;

(b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article 7;

(c) to consent to the execution of an indenture or indentures supplemental hereto pursuant to the provisions of Section 10.02; or

(d) to take any other action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Notes under any other provision of this Indenture or under applicable law.

Section 9.02. *Call of Meetings by Trustee.* The Trustee may at any time call a meeting of Holders to take any action specified in Section 9.01, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of the Holders, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting and the establishment of any record date pursuant to Section 8.01, shall be mailed to Holders of such Notes at their addresses as they shall appear on the Note Register. Such notice shall also be mailed to the Company. Such notices shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

Any meeting of Holders shall be valid without notice if the Holders of all Notes then outstanding are present in person or by proxy or if notice is waived before or after the meeting by the Holders of all Notes then outstanding, and if the Company and the Trustee are either present by duly authorized representatives or have, before or after the meeting, waived notice.

Section 9.03. *Call of Meetings by Company or Holders.* In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% of the aggregate principal amount of the Notes then outstanding, shall have requested the Trustee to call a meeting of Holders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Company or such Holders may determine the time and the place for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

Section 9.04. *Qualifications for Voting.* To be entitled to vote at any meeting of Holders a Person shall (a) be a Holder of one or more Notes on the record date pertaining to such meeting or (b) be a Person appointed by an instrument in writing as proxy by a Holder of one or more Notes on the record date pertaining to such meeting. The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

Section 9.05. *Regulations.* Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders, in regard to proof of the holding of Notes and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Holders as provided in Section 9.03, in which case the Company or the Holders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Holders of a majority in principal amount of the Notes represented at the meeting and entitled to vote at the meeting.

Subject to the provisions of Section 8.04, at any meeting of Holders each Holder or proxyholder shall be entitled to one vote for each US$1,000 principal amount of Notes held or represented by him or her; *provided*, *however*, that no vote shall be cast or counted at any meeting in respect of any Note challenged as not outstanding and ruled by the chairman of the meeting to be not outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Notes held by it or instruments in writing as aforesaid duly designating it as the proxy to vote on behalf of other Holders. Any meeting of Holders duly called pursuant to the provisions of Section 9.02 or Section 9.03 may be adjourned from time to time by the Holders of a majority of the aggregate principal amount of Notes represented at the meeting, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting of Holders of the Notes, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Section 9.06. *Voting.* The vote upon any resolution submitted to any meeting of Holders shall be by written ballot on which shall be subscribed the signatures of the Holders or of their representatives by proxy and the outstanding principal amount of the Notes held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Holders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02. The record shall show the principal amount of the Notes voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.07. *No Delay of Rights by Meeting.* Nothing contained in this Article 9 shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Holders or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of the Notes.

ARTICLE 10
SUPPLEMENTAL INDENTURES

Section 10.01. *Supplemental Indentures Without Consent of Holders.* The Company, when authorized by the resolutions of the Board of Directors, and the Trustee, at the Company's expense and direction, may from time to time and at any time enter into an indenture or indentures supplemental hereto or to the Notes for one or more of the following purposes:

(a) to cure any ambiguity, omission, defect or inconsistency;

(b) to provide for the assumption by a Successor Company of the obligations of the Company under this Indenture pursuant to Article 11;

(c) to add guarantees or any credit enhancements of similar nature with respect to the Notes;

(d) to secure the Notes;

(e) to add to the covenants or Events of Defaults of the Company for the benefit of the Holders or surrender any right or power conferred upon the Company;

(f) upon the occurrence of any transaction or event described in Section 14.07(a), to (i) provide that the Notes are convertible into Reference Property, subject to Section 14.02, and (ii) effect the related changes to the terms of the Notes described under Section 14.07(a), in each case, in accordance with Section 14.07;

(g) to make any change that does not adversely affect the rights of any Holder;

(h) to provide for or confirm the issuance of additional Notes pursuant to the terms of this Indenture;

(i) to comply with the rules of any applicable securities depositary, including the DTC;

(j) to evidence and provide for the acceptance of the appointment of a successor trustee in accordance with the indenture;

(k) to increase the Conversion Rate of the Notes;

(l) to conform the provisions of this Indenture or the Notes to the "Description of the Notes" section of the Offering Memorandum;

(m) to irrevocably elect a Settlement Method and/or a Specified Dollar Amount, or eliminate the Company's right to elect a Settlement Method; *provided* that such irrevocable election can in no event result in a Specified Dollar Amount of less than US$1,000 per US$1,000 principal amount of Notes applying to the conversion of any Note; or

(n) to make changes as contemplated under Section 14.08.

Upon the written request of the Company, the Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to, but may in its discretion, enter into any supplemental indenture that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Trustee shall be entitled to seek an Opinion of Counsel, at the Company's expense, that any such supplemental indenture is authorized and permitted by the terms of this Indenture and not contrary to law.

Any supplemental indenture authorized by the provisions of this Section 10.01 may be executed by the Company and the Trustee without the consent of the Holders of any of the Notes at the time outstanding, notwithstanding any of the provisions of Section 10.02.

Section 10.02. *Supplemental Indentures with Consent of Holders.* With the consent (evidenced as provided in Article 8) of the Holders of at least a majority of the aggregate principal amount of the Notes then outstanding (determined in accordance with Article 8 and including, without limitation, consents obtained in connection with a repurchase of, or tender or exchange offer for, Notes), the Company, when authorized by the resolutions of the Board of Directors, and the Trustee, at the Company's expense, may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or any supplemental indenture or of modifying in any manner the rights of the Holders; *provided*, *however*, that, without the consent of each Holder of an outstanding Note affected, no such supplemental indenture shall, among other things:

(a) reduce the amount of Notes whose Holders must consent to an amendment or waiver;

(b) reduce the rate of or extend the stated time for payment of interest on any Note;

(c) reduce the principal of or extend the Maturity Date of any Note;

(d) make any change that adversely affects the conversion rights of any Notes;

(e) reduce the Repurchase Price, the Fundamental Change Repurchase Price, the Redemption Price of any Note or amend or modify in any manner adverse to the Holders the Company's obligation to make such payments, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise;

(f) make any Note payable in a currency other than U.S. dollars;

(g) change the ranking of the Notes;

(h) impair the right of any Holder to receive payment of principal and interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Note;

(i) change the Company's obligation to pay Additional Amounts on any Note; or

(j) make any change in this Article 10 that requires each Holder's consent or in the waiver provisions in Section 6.02 or Section 6.09.

Upon the written request of the Company, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid and subject to Section 10.05, the Trustee shall join with the Company in the execution of such supplemental indenture unless (i) the Trustee has not received an Officers' Certificate and an Opinion of Counsel satisfactory to it that such supplemental indenture is authorized and permitted by the terms of this Indenture and not contrary to law or (ii) such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

Holders do not need under this Section 10.02 to approve the particular form of any proposed supplemental indenture. It shall be sufficient if such Holders approve the substance thereof. After any supplemental indenture becomes effective under Section 10.01 or Section 10.02, the Company shall mail to the Holders a notice briefly describing such supplemental indenture. However, the failure to give such notice to all the Holders, or any defect in the notice, will not impair or affect the validity of the supplemental indenture.

Section 10.03. *Effect of Supplemental Indentures.* Upon the execution of any supplemental indenture pursuant to the provisions of this Article 10, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitation of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.04. *Notation on Notes.* Notes authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 10 may, at the Company's expense, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Notes so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may, at the Company's expense, be prepared and executed by the Company, authenticated by the Trustee and delivered in exchange for the Notes then outstanding, upon surrender of such Notes then outstanding.

Section 10.05. *Evidence of Compliance of Supplemental Indenture to Be Furnished Trustee.* In addition to the documents required by Section 17.06, the Trustee shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant hereto complies with the requirements of this Article 10 and is permitted or authorized by this Indenture and is not contrary to law.

ARTICLE 11
CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 11.01. *Company May Consolidate, Etc. on Certain Terms.* Subject to the provisions of Section 11.02, the Company shall not consolidate with, merge with or into, or sell, convey, transfer or lease all or substantially all of its properties and assets to another Person, unless:

(a) the resulting, surviving or transferee Person (the "**Successor Company**"), if not the Company, shall be a corporation organized and existing under the laws of the United States of America, any State thereof, the District of Columbia, the Cayman Islands, the British Virgin Islands, Bermuda or Hong Kong and the Successor Company (if not the Company) shall expressly assume, by supplemental indenture all of the obligations of the Company under the Notes and this Indenture (including, for the avoidance of doubt, the obligation to pay Additional Amounts pursuant to Section 4.07); and

(b) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing under this Indenture.

For purposes of this Section 11.01, the sale, conveyance, transfer or lease of all or substantially all of the properties and assets of one or more Subsidiaries of the Company to another Person, which properties and assets, if held by the Company instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Company on a consolidated basis, shall be deemed to be the sale, conveyance, transfer or lease of all or substantially all of the properties and assets of the Company to another Person.

Section 11.02. *Successor Corporation to Be Substituted.* In case of any such consolidation, merger, sale, conveyance, transfer or lease and upon the assumption by the Successor Company, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the due and punctual payment of the principal of and accrued and unpaid interest on all of the Notes (including, for the avoidance of doubt, any Additional Amounts), the due and punctual delivery or payment, as the case may be, of any consideration due upon conversion of the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Company, such Successor Company (if not the Company) shall succeed to and, except in the case of a lease of all or substantially all of the Company's properties and assets, shall be substituted for the Company, with the same effect as if it had been named herein as the party of the first part. Such Successor Company thereupon may cause to be signed, and may issue either in its own name or in the name of the Company any or all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such Successor Company instead of the Company and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver, or cause to be authenticated and delivered, any Notes that previously shall have been signed and delivered by the Officers of the Company to the Trustee for authentication, and any Notes that such Successor Company thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Notes so issued shall in all respects have the same legal rank and benefit under this Indenture as the Notes theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Notes had been issued at the date of the execution hereof. In the event of any such consolidation, merger, sale, conveyance or transfer (but not in the case of a lease), upon compliance with this Article 11 the Person named as the "Company" in the first paragraph of this Indenture (or any successor that shall thereafter have become such in the manner prescribed in this Article 11) may be dissolved, wound up and liquidated at any time thereafter and, except in the case of a lease, such Person shall be released from its liabilities as obligor and maker of the Notes and from its obligations under this Indenture and the Notes.

In case of any such consolidation, merger, sale, conveyance, transfer or lease, such changes in phraseology and form (but not in substance) may be made in the Notes thereafter to be issued as may be appropriate.

Section 11.03. *Opinion of Counsel to Be Given to Trustee.* No consolidation, merger, sale, conveyance, transfer or lease shall be effective unless the Trustee shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale, conveyance, transfer or lease and any such assumption and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the provisions of this Article 11.

ARTICLE 12
IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

Section 12.01. *Indenture and Notes Solely Corporate Obligations.* No recourse for the payment of the principal of or accrued and unpaid interest on any Note, nor for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company in this Indenture or in any supplemental indenture or in any Note, nor because of the creation of any indebtedness represented thereby, shall be had against any incorporator, stockholder, employee, agent, Officer or director or Subsidiary, as such, past, present or future, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of the Notes.

ARTICLE 13
INTENTIONALLY OMITTED

ARTICLE 14
CONVERSION OF NOTES

Section 14.01. *Conversion Privilege.* (a) Subject to and upon compliance with the provisions of this Article 14, each Holder of a Note shall have the right, at such Holder's option, to convert all or any portion (if the portion to be converted is US$1,000 principal amount or an integral multiple thereof) of such Note (i) subject to satisfaction of the conditions described in Section 14.01(b), at any time prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date under the circumstances and during the period set forth in Section 14.01(b), and (ii) regardless of the conditions described in Section 14.01(b), on or after the 50th Scheduled Trading Day before the Maturity Date until the close of business on the third Scheduled Trading Day immediately preceding the Maturity Date, in each case, at an initial conversion rate of 15.0462 ADSs (subject to adjustment as provided in this Article 14, the "**Conversion Rate**") per US$1,000 principal amount of Notes (subject to, and in accordance with, the settlement provisions of Section 14.02, the "**Conversion Obligation**"). For the avoidance of doubt, "Conversion Rate" as of a particular date without setting forth a particular time on such date shall mean the Conversion Rate immediately after the close of business on such date.

(b)

(i) Prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date, a Holder may surrender all or any portion of its Notes for conversion at any time during the five Business Day period immediately after any ten consecutive Trading Day period (the "**Measurement Period**") in which the Trading Price per US$1,000 principal amount of Notes, as determined following a written request by a Holder of Notes in accordance with this subsection (b)(i), for each Trading Day of the Measurement Period was less than 98% of the product of the Last Reported Sale Price of the ADSs on each such Trading Day and the Conversion Rate on each such Trading Day. The Trading Prices shall be determined by the Bid Solicitation Agent pursuant to this subsection (b)(i) and the definition of Trading Price set forth in this Indenture. The Company shall provide written notice to the Bid Solicitation Agent (if other than the Company) of the three independent nationally recognized securities dealers selected by the Company pursuant to the definition of Trading Price, along with appropriate contact information for each. The Bid Solicitation Agent (if other than the Company) shall have no obligation to determine the Trading Price per US$1,000 principal amount of Notes unless the Company has requested such determination in writing, and the Company shall have no obligation to make such request (or, if the Company is acting as Bid Solicitation Agent, the Company shall have no obligation to determine the Trading Price per US$1,000 principal amount of Notes) unless a Holder of at least US$2,000,000 aggregate principal amount of notes provides the Company with reasonable evidence that the Trading Price per US$1,000 principal amount of Notes on any Trading Day would be less than 98% of the product of the Last Reported Sale Price of the ADSs on such Trading Day and the Conversion Rate on such Trading Day, at which time the Company shall instruct the Bid Solicitation Agent (if other than the Company) in writing to determine, or if the Company is acting as Bid Solicitation Agent, the Company shall determine, the Trading Price per US$1,000 principal amount of Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per US$1,000 principal amount of Notes is greater than or equal to 98% of the product of the Last Reported Sale Price of the ADSs and the Conversion Rate. At such time as the Company directs the Bid Solicitation Agent in writing to solicit bid quotations, the Company will provide the Bid Solicitation Agent with the names and contact details of the three independent nationally recognized securities dealers the Company selects, and the Company will direct those securities dealers to provide bids to the Bid Solicitation Agent. If (x) the Company is not acting as Bid Solicitation Agent, and the Company does not, when the Company is required to, instruct the Bid Solicitation Agent to determine the Trading Price per US$1,000 principal amount of Notes when obligated as provided in the preceding sentence, or if the Company instructs the Bid Solicitation Agent in writing to obtain bids and the Bid Solicitation Agent fails to make such determination, or (y) the Company is acting as Bid Solicitation Agent and the Company fails to make such determination when obligated as provided in the preceding sentence, then, in either case, the Trading Price per US$1,000 principal amount of Notes shall be deemed to be less than 98% of the product of the Last Reported Sale Price of the ADSs and the Conversion Rate on each Trading Day of such failure. If the Trading Price condition set forth above has been met, the Company shall so notify the Holders, the Trustee and the Conversion Agent (if other than the Trustee) in writing. If, at any time after the Trading Price condition set forth above has been met, the Trading Price per US$1,000 principal amount of Notes is greater than or equal to 98% of the product of the Last Reported Sale Price of the ADSs and the Conversion Rate for such date, the Company shall so notify in writing the Holders, the Trustee and the Conversion Agent (if other than the Trustee), and thereafter neither the Company nor the Bid Solicitation Agent (if other than the Company) shall be required to solicit bids again until a new Holder request is made as provided above.

(ii) If, prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date, the Company elects to:

(A) issue to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs) any rights, options or warrants entitling them, for a period of not more than 45 calendar days after the announcement date of such issuance, to subscribe for or purchase Ordinary Shares (directly or in the form of ADSs) at a price per share that is less than the average of the Last Reported Sale Prices of the ADSs, *divided by* the number of Ordinary Shares then represented by one ADS, for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance; or

(B) distribute to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs) the Company's assets, securities or rights to purchase securities of the Company, which distribution has a per share value, as determined by the Board of Directors, exceeding 10% of (i) the Last Reported Sale Price of the ADSs on the Trading Day preceding the date of announcement for such distribution, *divided by* (ii) the number of Ordinary Shares then represented by one ADS,

then, in either case, the Company shall notify all Holders of the Notes, the Trustee and the Conversion Agent (if other than the Trustee) in writing at least 50 Scheduled Trading Days prior to the Ex-Dividend Date for such issuance or distribution. Once the Company has given such notice, a Holder may surrender all or any portion of its Notes for conversion at any time from, and including, the date the Company provides such notice until the earlier of (1) the close of business on the Scheduled Trading Day immediately preceding the Ex-Dividend Date for such issuance or distribution and (2) the Company's announcement that such issuance or distribution will not take place (such period, the "**Distribution Conversion Period**"), in each case, even if the Notes are not otherwise convertible at such time.

(iii) If (1) a transaction or event that constitutes a Fundamental Change or a Make-Whole Fundamental Change occurs prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date, regardless of whether a Holder has the right to require the Company to repurchase the Notes pursuant to Section 15.02, or (2) if the Company is a party to a consolidation, merger, binding share exchange, or transfer or lease of all or substantially all of its assets that occurs prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date, in each case, pursuant to which the ADSs would be converted into cash, securities or other assets, all or any portion of a Holder's Notes may be surrendered for conversion at any time from or after the actual effective date of such transaction until 35 Business Days after the actual effective date of such transaction or, if such transaction also constitutes a Fundamental Change, until the related Fundamental Change Repurchase Date. The Company shall notify Holders, the Trustee and the Conversion Agent (if other than the Trustee) in writing as promptly as practicable following the date the Company publicly announces such transaction. If the Company does not provide such notice by the effective date of such transaction, then the last day on which the Notes are convertible shall be extended by the number of Business Days from, and including, the effective date thereof to, but excluding, the date the Company provides the notice.

(iv) Prior to the close of business on the Business Day immediately preceding the 50th Scheduled Trading Day before the Maturity Date, a Holder may surrender all or any portion of its Notes for conversion at any time during any calendar quarter commencing after the calendar quarter ending on September 30, 2024 (and only during such calendar quarter), if the Last Reported Sale Price of the ADSs for at least 20 Trading Days (whether or not consecutive) during the period of 30 consecutive Trading Days ending on, and including, the last Trading Day of the immediately preceding calendar quarter is greater than or equal to 130% of the Conversion Price on each applicable Trading Day. The Company shall determine at the beginning of each calendar quarter commencing after September 30, 2024 whether the Notes may be surrendered for conversion in accordance with this clause (iv) and shall notify the Holders, the Trustee and the Conversion Agent (if other than the Trustee) in writing if the Notes become convertible in accordance with this clause (iv).

(v) If the Company calls any or all of the Notes for a redemption pursuant to Article 16 prior to the 50th Scheduled Trading Day immediately prior to the Maturity Date, then a Holder may surrender any or all of its Notes for conversion at any time prior to the close of business on the second Scheduled Trading Day prior to the related Redemption Date, even if the Notes are not otherwise convertible at such time. After that time, the right to convert such Notes on account of the Company's delivery of the Redemption Notice shall expire, unless the Company defaults in the payment of the Redemption Price, in which case a Holder may convert any or all of its Notes called for redemption until the Redemption Price has been paid or duly provided for.

If the Company calls the Notes for Redemption, a Holder of Notes may convert all or any portion of such Holder's Notes called for Redemption from, and including, the date of the related Redemption Notice until the close of business on the second Scheduled Trading Day immediately preceding the related Redemption Date (any such period, a "**Redemption Period**"), unless the Company fails to pay the related Redemption Price (in which case a Holder of Notes may convert such Holder's Notes until the related Redemption Price has been paid or duly provided for).

Section 14.02. *Conversion Procedure; Settlement Upon Conversion.*

(a) Subject to this Section 14.02, Section 14.03(b) and Section 14.07(a), upon conversion of any Note, the Company shall pay or deliver, as the case may be, to the converting Holder, in respect of each US$1,000 principal amount of Notes being converted, in cash only ("**Cash Settlement**") or cash per US$1,000 principal amount of the Notes being converted and pay or deliver, as the case may be, cash, and, if applicable, ADSs, in each case at the Company's election, in respect of the remainder, if any, of its Conversion Obligation in excess of the US$1,000 principal amount of the Notes being converted, together with cash, if applicable, in lieu of delivering any fractional ADS ("**Fractional ADSs**") in accordance with subsection (j) of this Section 14.02 ("**Combination Settlement**"), at its election, subject to the Holder's election to receive Ordinary Shares in lieu of such ADSs, as set forth in this Section 14.02.

(i) All conversions for which the relevant Conversion Date occurs after the Company's issuance of a Redemption Notice with respect to the Notes and prior to the close of business on the second Scheduled Trading Day prior to the related Redemption Date, and all conversions for which the relevant Conversion Date occurs on or after the 50th Scheduled Trading Day immediately preceding the stated Maturity Date will be settled using the same Settlement Method.

(ii) Except for any conversions for which the relevant Conversion Date occurs after the Company's issuance of a Redemption Notice with respect to the Notes but prior to the related Redemption Date, and any conversions for which the relevant Conversion Date occurs on or after the 50th Scheduled Trading Day immediately preceding the stated Maturity Date the Company shall use the same Settlement Method for all conversions with the same Conversion Date, but the Company shall not have any obligation to use the same Settlement Method with respect to conversions with different Conversion Dates.

(iii) If the Company elects a Settlement Method, the Company will deliver a written notice to Holders so converting, the Trustee and the Conversion Agent (if other than the Trustee) of the Settlement Method so elected no later than the close of business on the Trading Day immediately following the related Conversion Date (or in the case of any conversions for which the relevant Conversion Date occurs (i) during the related Redemption Period, in the relevant Redemption Notice or (ii) on or after the 50th Scheduled Trading Day before the Maturity Date, no later than the 50th Scheduled Trading Day before the Maturity Date) (in each case, the "**Settlement Method Election Deadline**"). If the Company does not timely elect a Settlement Method as described in this paragraph, the Company will be deemed to have elected Combination Settlement with a Specified Dollar Amount of US$1,000 per US$1,000 principal amount of Notes (such settlement method shall be the "**Default Settlement Method**" initially elected by the Company).

(iv) By written notice to Holders, the Trustee and the Conversion Agent (if other than the Trustee), the Company may, prior to the 50th Scheduled Trading Day immediately preceding the Maturity Date, at its option, change the Default Settlement Method or elect to irrevocably fix the Settlement Method to any Settlement Method that the Company is then permitted to elect in each case, that will apply to all Note conversions with a Conversion Date that is on or after the date the Company sends such notice. If the Company changes the Default Settlement Method or elects to irrevocably fix the Settlement Method, in either case, to Combination Settlement with an ability to continue to set the Specified Dollar Amount per US$1,000 principal amount of Notes at or above a specified amount, the Company shall, after the date of such change or election, as the case may be, notify Holders converting their Notes, the Trustee and the Conversion Agent (if other than the Trustee) in writing of such Specified Dollar Amount in respect of the relevant conversion or conversions no later than the relevant Settlement Method Election Deadline for such conversion or conversions, or, if the Company does not timely notify the Holders, the Trustee and the Conversion Agent of the Specified Dollar Amount, such Specified Dollar Amount shall be the specific amount set forth in the change or election notice. If the Company changes the Default Settlement Method or irrevocably fixes the Settlement Method, then the Company shall concurrently either post the Default Settlement Method or fixed Settlement Method, as applicable, on the Company's website or disclose the same in a current report on Form 6-K (or any successor form) that is filed with the Commission. Notwithstanding the foregoing, no such change in the Default Settlement Method or irrevocable election will affect any Settlement Method theretofore elected (or deemed to be elected) with respect to any Conversion Date pursuant to this Section 14.02. For the avoidance of doubt, such change or election (as the case may be), if made, will be effective without the need to amend this Indenture or the Notes, including pursuant to Section 10.01(n). However, the Company may nonetheless choose to execute such an amendment at the Company's option.

(v) Subject to Section 14.03 and Section 14.04, the cash or a combination of cash and ADSs, as applicable, in respect of any conversion of Notes (the "**Settlement Amount**") shall be computed as follows:

(A) if the Company elects (or is deemed to have elected) to satisfy its Conversion Obligation in respect of such conversion by Cash Settlement, the Company shall pay to the converting Holder in respect of each US$1,000 principal amount of Notes being converted cash in an amount equal to the sum of the Daily Conversion Values for each of the 40 consecutive Trading Days during the related Observation Period; and

(B) if the Company elects (or is deemed to have elected) to satisfy its Conversion Obligation in respect of such conversion by Combination Settlement, the Company shall pay or deliver, as the case may be, in respect of each US$1,000 principal amount of Notes being converted, a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 40 consecutive Trading Days during the related Observation Period (and cash in lieu of any Fractional ADSs).

(vi) The Daily Settlement Amounts (if applicable) and the Daily Conversion Values (if applicable) shall be determined by the Company promptly following the last day of the Observation Period. Promptly after such determination of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering any Fractional ADS, the Company shall notify the Trustee and the Conversion Agent in writing of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering Fractional ADSs. The Trustee and the Conversion Agent (if other than the Trustee) shall have no responsibility for any such determination or the distribution of such cash payable in lieu of Fractional ADSs.

(vii) When converting the Notes, the Holders may elect to receive Ordinary Shares listed on the Hong Kong Stock Exchange in lieu of any ADSs deliverable upon conversion by specifying in the relevant Notice of Conversion such election, *provided* that such election shall apply to all (but not part) of the ADSs deliverable upon conversion and the Holders make the Non-affiliate Representation in the Notice of Conversion. If a Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion, and the Company elects (or is deemed elected) to settle the relevant Conversion Obligation by Combination Settlement, in addition to any cash payment otherwise due upon such conversion pursuant to this Section 14.02, the Company shall register in the Hong Kong Share Register the Person or Persons designated in the Notice of Conversion as holder of such number of Ordinary Shares equal to in the case of a Combination Settlement, for each of the 40 consecutive Trading Days during the related Observation Period, the number of ADSs deliverable upon conversion as described in the definition of "Daily Settlement Amount" (without taking into account any Fractional ADS) in respect of such Trading Day multiplied by the number of Ordinary Shares then represented by one ADS as of the same time as the applicable Conversion Rate for such Trading Day. If the Holder is unable to make the Non-affiliate Representation as of the Conversion Date, the Holder may not elect to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion. If the Holder has requested to receive Ordinary Shares in the Notice of Conversion and made the Non-affiliate Representation, to the extent permitted under applicable law and the rules and procedures of CCASS, the Company shall take all necessary action to enable the Ordinary Shares, if any, deliverable to such Holder, in settlement upon conversion to be delivered to such Holder's designated Hong Kong stock account in CCASS for so long as the Ordinary Shares are listed on the Hong Kong Stock Exchange; *provided* that, if such Holder elects in the Notice of Conversion to receive Ordinary Shares outside of CCASS if the restrictive legend on the Notes has not been removed prior to the Conversion Date, the Company shall make share certificate or certificates representing such number of Ordinary Shares available for collection at the office of the Hong Kong Share Registrar or, if so requested in the relevant Notice of Conversion, cause the Hong Kong Share Registrar to mail (at the risk, and, if sent at the Holder's request otherwise than by ordinary mail, at the expense, of the Person to whom such certificate or certificates are sent) such certificate or certificates to the Person and at the place specified in the Notice of Conversion.

(viii) Any ADSs deliverable upon conversion of the Notes and any Ordinary Shares represented thereby will, prior to the Resale Restriction Termination Date, bear a restrictive legend as set forth in Section 2.05(d). Any Ordinary shares deliverable in lieu of any ADSs will be, prior to the Resale Restriction Termination Date, subject to certain transfer restrictions as set forth in Section 2.05(d) and as imposed by the Hong Kong Share Registrar, and cannot be deposited into CCASS until such restrictions are removed. After removal of such restrictions on transfer and resale, any Ordinary Shares deliverable upon conversion of the Notes, if any, will be fully fungible with the Ordinary Shares listed on the Hong Kong Stock Exchange. The Company further covenants that it, at its cost, will obtain approval to list, subject to official notice of issuance upon conversion of the Notes, such Ordinary Shares on the Hong Kong Stock Exchange and register in the Hong Kong Share Register in the Person or Persons designated in the Notice of Conversion as the holder of the Ordinary Shares in order to facilitate their listing and trading on the Hong Kong Stock Exchange.

(ix) If Holder wishes to receive Ordinary Shares listed for trading on the Hong Kong Stock Exchange and Holder has received, upon conversion of the Notes, ADSs that are not subject to certain transfer restrictions as set forth in Section 2.05(d) and are fungible with the ADSs, Holder may surrender such ADSs received upon conversion for cancellation and withdraw the underlying Ordinary Shares listed for trading on the Hong Kong Stock Exchange pursuant to the Deposit Agreement or the Restricted Issuance Agreement, as applicable. The Company shall take reasonable best efforts to procure that the cancellation fee (as of the date of this Indenture, US$0.05 per ADS) payable to the ADS Depositary in respect of such withdrawal will not apply; *provided* that the withdrawal request in submitted no later than the third Business Day after delivery of the ADS by the Company upon conversion. For the avoidance of doubt, a Holder may only receive Ordinary Shares listed for trading on the Hong Kong Stock Exchange upon surrender and cancellation of ADSs (x) that have been issued without certain transfer restrictions as set forth in Section 2.05(d) after the Resale Restriction Termination Date or (y) after certain transfer restrictions as set forth in Section 2.05(d) have been removed from Restricted Conversion ADSs (as defined in the Restricted Issuance Agreement) issued upon conversion of the Notes.

(x) Pursuant to the terms of the Deposit Agreement and the Restricted Issuance Agreement, the ADS Depositary will accept the surrender of any Restricted Conversion ADSs (as defined in the Restricted Issuance Agreement)issued upon conversion of the Notes for the purpose of Restricted ADS cancellation and withdrawal of the Ordinary Shares represented thereby subject to receipt by the ADS Depositary of (x) applicable Withdrawal Certification in the form set out in the Restricted Issuance Agreement, and (y) the applicable fees for cancellation of Restricted ADSs and withdrawal of the Ordinary Shares. Restricted ADS cancellations are permitted, but only for withdrawal of the Ordinary Shares registered on the Principal Share Register and are subject to Withdrawal Certification requirements set out in the Restricted Issuance Agreement. Upon cancellation of Restricted ADSs, the ADS Depositary will arrange for delivery of the corresponding Ordinary Shares to the Holder's order only on the Principal Share Register.

(b) Subject to Section 14.02(e), before any Holder of a Note shall be entitled to convert a Note as set forth above, such Holder shall (i) in the case of a Global Note, unless such Holder intends to elect to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion if applicable, comply with the procedures of the Depositary in effect at that time, the procedures agreed between the Company and the ADS Depositary with respect to any ADSs issued upon conversion of the Notes prior to the Resale Restriction Termination Date (including delivery of notice as set forth in the Form of Notice of Conversion (or a facsimile thereof) (a "**Notice of Conversion**") as attached hereto) and (2) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 14.02(h), and (ii) in the case of a Physical Note (1) complete and manually sign the Notice of Conversion on the back of the Note, or a facsimile of the Notice of Conversion, including (x) if applicable, and provided that such Holder makes to the Company the Non-affiliate Representation, its election to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion and (y) if such Holder prefers to receive the Ordinary Shares through the CCASS after the Resale Restriction Termination Date, the Holder's stock account in CCASS; (2) deliver the duly completed irrevocable Notice of Conversion to the Conversion Agent at the office of the Conversion Agent, the Company and, unless the Holder has elected to receive Ordinary Shares in lieu of ADS, the ADS Depositary, and state in writing therein the principal amount of Notes to be converted and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any ADSs to be delivered upon settlement of the Conversion Obligation to be registered, and, including (x) if applicable, provided that the Holder makes to the Company the Non-affiliate Representation, the Holder's election to receiving Ordinary Shares in lieu of any ADSs deliverable upon conversion and, (y) if the Holder prefers to receive the Ordinary Shares through CCASS after the Resale Restriction Termination Date, its Hong Kong stock account in CCASS, and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any Ordinary Shares to be delivered upon settlement of the Conversion Obligation to be registered, (3) if required, furnish appropriate endorsements and transfer documents and (4) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 14.02(h). The Trustee (and if different, the Conversion Agent) shall notify the Company of any conversion pursuant to this Article 14 on the Conversion Date for such conversion. No Notice of Conversion with respect to any Notes may be delivered and no Notes may be surrendered by a Holder for conversion thereof if such Holder has also delivered a Repurchase Notice or Fundamental Change Repurchase Notice to the Company in respect of such Notes and not validly withdrawn such Repurchase Notice or Fundamental Change Repurchase Notice in accordance with Section 15.03, except to the extent that the Company fails to pay the Repurchase Price or Fundamental Change Repurchase Price, as applicable. A Notice of Conversion shall be deposited in duplicate at the office of any Conversion Agent on any Business Day from 9:00 a.m. to 3:00 p.m. at the location of the Conversion Agent to which such Notice of Conversion is delivered. Any Notice of Conversion and any Physical Note (if issued) deposited outside the hours specified or on a day that is not a Business Day at the location of the Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent between 9:00 a.m. and 3:00 p.m. on the next Business Day.

By converting a beneficial interest in a Global Note into ADSs, the Holder is deemed to represent to the Company and the ADS Depositary that such Holder is not an "affiliate" (as defined in Rule 144) of the Company and has not been an "affiliate" of the Company during the three months immediately preceding the Conversion Date (such representation, the "**Non-affiliate Representation**").

Subject to the terms of the legends (if any) on the Notes, if a Holder holds a beneficial interest in a Global Note and (provided that the Holder makes to the Company the Non-affiliate Representation) such Holder intends to elect to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion, to convert such Holder must (1) complete and manually sign the Notice of Conversion, including, (x) if applicable and provided that the Holder makes to the Company the Non-affiliate Representation, the Holder's election to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion and (y) if the Holder prefers to receive the Ordinary Shares through the CCASS after the Resale Restriction Termination Date, the Holder's stock account in CCASS, (2) deliver the duly completed Notice of Conversion, which is irrevocable, to the Conversion Agent and the Company and deliver the Notes being converted to the Trustee through the "Deposit/Withdrawal of Custodian" (DWAC) service of the DTC or by another transfer method as may be directed by the Trustee; (3) if required, furnish appropriate endorsements and transfer documents; and (4) if required, pay funds equal to interest payable on the next Interest Payment Date to which the Holder is not entitled.

If more than one Note shall be surrendered for conversion at one time by the same Holder, the Conversion Obligation with respect to such Notes shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered. None of the agents of the Trustee shall have any responsibility whatsoever with respect to the issuance and delivery of the ADSs to the converting Holder.

(c) A Note shall be deemed to have been converted immediately prior to the close of business on the date (the "**Conversion Date**") that the Holder has complied with the requirements set forth in subsection (b) above. The Company shall pay or deliver the consideration due in respect of the Conversion Obligation on the third Business Day immediately following the last Trading Day of the relevant Observation Period, except in the following cases: (i) as set forth in Section 14.03(b) and Section 14.07(a) and (ii) if a Conversion Date occurs during a Redemption Period, the Company will make such payment or delivery on the related Redemption Date. Notwithstanding the foregoing, if a Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company shall deliver the Ordinary Shares due in respect of conversion on the fifth Business Day immediately following the last Trading Day of the relevant Observation Period (in the case of Combination Settlement). For purposes of this subsection (c) and also with respect to any delivery of conversion consideration due upon a conversion with a Conversion Date prior to the 50th Scheduled Trading Day before the Maturity Date, which is not subject to any of the exceptions listed in clauses (i) and (ii) above, a "Business Day" shall exclude days on which banking institutions in Hong Kong are authorized or obligated by law or executive order to close. The Company shall issue or cause to be issued, and deliver to the Conversion Agent or to such Holder, or such Holder's nominee or nominees, certificates or a book-entry transfer through the Depositary for the full number of ADSs to which such Holder shall be entitled in satisfaction of the Company's Conversion Obligation.

(d) In case any Note shall be surrendered for partial conversion, the Company shall execute and instruct the Trustee who shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Note, without payment of any service charge by the converting Holder but, if required by the Company or Trustee, with payment of a sum sufficient to cover any transfer tax or similar governmental charge required by law or that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such conversion being different from the name of the Holder of the old Notes surrendered for such conversion.

(e) If a Holder submits a Note for conversion, the Company shall pay any documentary, stamp, issue, transfer or similar tax (including any penalties and interest related thereto) due on the delivery of the ADSs upon conversion of the Notes (including due on the issuance of the Ordinary Shares underlying upon deposit for, or in lieu of, such ADSs), unless the tax is due because the Holder requests such ADSs (or such Ordinary Shares) to be issued in a name other than the Holder's name, in which case the Holder shall pay that tax. The Conversion Agent may refuse to deliver the certificates representing the ADSs (or the Ordinary Shares) being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax that is due by such Holder in accordance with the immediately preceding sentence. The Company shall pay the ADS Depositary's fees for issuance of the ADSs (if any) deliverable upon conversion and, in the circumstances set forth in Section 14.02(a)(ix), the cancellation fee applicable pursuant to the terms of the Deposit Agreement upon withdrawal of the ADSs received upon conversion. The Company shall pay all the charges of the Hong Kong Share Registrar in connection with issuance of any and all Ordinary Shares deliverable upon conversion (whether underlying the ADSs deliverable upon conversion, if any, or deliverable in lieu of such ADSs).

(f) Except as provided in Section 14.04, no adjustment shall be made for dividends on any ADSs delivered upon the conversion of any Note as provided in this Article 14.

(g) Upon the conversion of an interest in a Global Note, the Trustee shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any conversion of Notes effected through any Conversion Agent other than the Trustee.

(h) Upon conversion, a Holder shall not receive any separate cash payment for accrued and unpaid interest, if any, except as set forth below and the Company will not adjust the Conversion Rate for any accrued and unpaid interest on the Notes. The Company's settlement of the Conversion Obligation shall be deemed to satisfy in full its obligation to pay the principal amount of the Note and accrued and unpaid interest, if any, to, but not including, the relevant Conversion Date. As a result, accrued and unpaid interest, if any, to, but not including, the relevant Conversion Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Upon a conversion of Notes into a combination of cash and ADSs (or Ordinary Shares in lieu thereof), accrued and unpaid interest, if any, will be deemed to be paid first out of the cash paid upon such conversion. Notwithstanding the foregoing, if Notes are converted after the close of business on a Regular Record Date and prior to the open of business on the immediately following Interest Payment Date, Holders of such Notes as of the close of business on such Regular Record Date will receive the full amount of interest, if any, payable on such Notes on the corresponding Interest Payment Date notwithstanding the conversion. Notes surrendered for conversion during the period from the close of business on any Regular Record Date to the open of business on the immediately following Interest Payment Date must be accompanied by funds equal to the amount of interest payable on the Notes so converted (regardless of whether the converting Holder was the holder of record on the corresponding Regular Record Date); *provided* that no such payment shall be required (1) for conversions following the Regular Record Date immediately preceding the Maturity Date; (2) if the Company has specified a Redemption Date that is after a Regular Record Date and on or prior to the Scheduled Trading Day immediately succeeding the corresponding Interest Payment Date (or, if such Interest Payment Date is not a Business Day, the second Scheduled Trading Day immediately succeeding the first Business Day following such Interest Payment Date); (3) if the Company has specified a Fundamental Change Repurchase Date that is after a Regular Record Date and on or prior to the Scheduled Trading Day immediately succeeding the corresponding Interest Payment Date (or, if such Interest Payment Date is not a Business Day, the second Scheduled Trading Day immediately succeeding the first Business Day following such Interest Payment Date); or (4) to the extent of any Defaulted Amounts, if any Defaulted Amounts exist at the time of conversion with respect to such Note.

(i) The Person in whose name the certificate for any ADSs (or Ordinary Shares in lieu thereof) shall be delivered upon conversion is registered shall be treated by the Company as a holder of record of such ADSs (or Ordinary Shares) as of the close of business on the last Trading Day of the relevant Observation Period (if the Company elects to satisfy the related Conversion Obligation by Combination Settlement), as the case may be. Upon a conversion of Notes, such Person shall no longer be a Holder of such Notes surrendered for conversion.

(j) Regardless of whether a Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company shall not issue any Fractional ADS upon conversion of the Notes and shall instead pay cash in lieu of any Fractional ADS deliverable upon conversion based on the Daily VWAP for the last Trading Day of the relevant Observation Period (in the case of Combination Settlement).

Section 14.03. *Increased Conversion Rate Applicable to Certain Notes Surrendered in Connection with Make-Whole Fundamental Changes.* (a) If a Make-Whole Fundamental Change occurs prior to the Maturity Date and a Holder elects to convert its Notes in connection with such Make-Whole Fundamental Change, the Company shall, under the circumstances described below, increase the Conversion Rate for the Notes so surrendered for conversion by a number of additional ADSs (the "**Additional ADSs**"), as described below. A conversion of Notes shall be deemed for these purposes to be "in connection with" such Make-Whole Fundamental Change if the relevant Notice of Conversion is received by the Conversion Agent from, and including, the Effective Date of the Make-Whole Fundamental Change up to, and including, the second Scheduled Trading Day immediately prior to the related Fundamental Change Repurchase Date (or, in the case of a Make-Whole Fundamental Change that would have been a Fundamental Change but for the *proviso* in clause (b) of the definition thereof, the 35th Trading Day immediately following the Effective Date of such Make-Whole Fundamental Change). The Company shall provide written notification to Holders and the Trustee of the Effective Date of any Make-Whole Fundamental Change and issue a press release announcing such Effective Date no later than five Business Days after such Effective Date.

(b) Upon surrender of Notes for conversion in connection with a Make-Whole Fundamental Change, the Company shall, at its option, satisfy the related Conversion Obligation by Cash Settlement or Combination Settlement in accordance with Section 14.02; *provided*, *however*, that if, at the effective time of a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the Reference Property following such Make-Whole Fundamental Change is composed entirely of cash, for any conversion of Notes following the Effective Date of such Make-Whole Fundamental Change, the Conversion Obligation shall be calculated based solely on the ADS Price for the transaction and shall be deemed to be an amount of cash per US$1,000 principal amount of converted Notes equal to the Conversion Rate (including any adjustment for Additional ADSs), *multiplied by* such ADS Price. In such event, the Conversion Obligation will be determined and paid to Holders in cash on the third Business Day following the Conversion Date.

(c) The number of Additional ADSs, if any, by which the Conversion Rate shall be increased shall be determined by reference to the table below, based on the date on which the Make-Whole Fundamental Change occurs or becomes effective (the "**Effective Date**") and the price (the "**ADS Price**") paid (or deemed to be paid) per ADS in the Make-Whole Fundamental Change. If the holders of the ADSs receive in exchange for their ADSs only cash in a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the ADS Price shall be the cash amount paid per ADS. Otherwise, the ADS Price shall be the average of the Last Reported Sale Prices of the ADSs over the five Trading Day period ending on, and including, the Trading Day immediately preceding the Effective Date of the Make-Whole Fundamental Change.

(d) The ADS Prices set forth in the column headings of the table below shall be adjusted as of any date on which the Conversion Rate of the Notes is otherwise adjusted. The adjusted ADS Prices shall equal the ADS Prices applicable immediately prior to such adjustment, *multiplied by* a fraction, the numerator of which is the Conversion Rate immediately prior to such adjustment giving rise to the ADS Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional ADSs set forth in the table below shall be adjusted in the same manner and at the same time as the Conversion Rate as set forth in Section 14.04.

(e) The following table sets forth the number of Additional ADSs to be received per US$1,000 principal amount of Notes pursuant to this Section 14.03 for each ADS Price and Effective Date set forth below:

	ADS price											
Effective Date	**$50.16**	**$55.00**	**$60.00**	**$66.46**	**$70.00**	**$75.00**	**$100.00**	**$125.00**	**$150.00**	**$175.00**	**$200.00**	**$250.00**
June 7, 2024	4.8900	3.8835	3.0880	2.3224	1.9961	1.6197	0.6055	0.2337	0.0832	0.0214	0.0009	0.0000
June 15, 2025	4.8900	3.8835	3.0880	2.2984	1.9523	1.5581	0.5368	0.1900	0.0597	0.0110	0.0000	0.0000
June 15, 2026	4.8900	3.8835	2.9948	2.1311	1.7776	1.3833	0.4207	0.1286	0.0313	0.0020	0.0000	0.0000
June 15, 2027	4.8900	3.5311	2.6405	1.8182	1.4839	1.1153	0.2727	0.0616	0.0069	0.0000	0.0000	0.0000
June 15, 2028	4.8900	3.3245	2.3132	1.4224	1.0827	0.7327	0.0997	0.0083	0.0000	0.0000	0.0000	0.0000
June 15, 2029	4.8900	3.1356	1.6205	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact ADS Prices and Effective Dates may not be set forth in the table above, in which case:

(i) if the ADS Price is between two ADS Prices in the table above or the Effective Date is between two Effective Dates in the table, the number of Additional ADSs shall be determined by a straight-line interpolation between the number of Additional ADSs set forth for the higher and lower ADS Prices and the earlier and later Effective Dates, as applicable, based on a 365-day year;

(ii) if the ADS Price is greater than US$250.00 per ADS (subject to adjustment in the same manner as the ADS Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional ADSs shall be added to the Conversion Rate; and

(iii) if the ADS Price is less than US$50.16 per ADS (subject to adjustment in the same manner as the ADS Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional ADSs shall be added to the Conversion Rate.

Notwithstanding the foregoing, in no event shall the Conversion Rate per US$1,000 principal amount of Notes exceed 19.9362 ADSs, subject to adjustment in the same manner as the Conversion Rate pursuant to Section 14.04.

(f) Nothing in this Section 14.03 shall prevent an adjustment to the Conversion Rate pursuant to Section 14.04.

(g) If the Holder elects to convert its Notes in connection with a Redemption Notice pursuant to Article 16, the Conversion Rate shall be increased by a number of Additional ADSs determined pursuant to this Section 14.03(g). The Company shall settle conversions of Notes as described in Section 14.02.

A conversion shall be deemed to be "in connection with" a Redemption Notice pursuant to Article 16 if the relevant Notice of Conversion is received by the Conversion Agent during the period from, and including, the date the Company provides the related Redemption Notice to Holders until the close of business on the second Scheduled Trading Day immediately preceding the related Redemption Date (or, if the Company fails to pay the Redemption Price, such later date on which the Company pays the Redemption Price). In the event that a conversion of Notes called for redemption in connection with Article 16 would also be deemed to be in connection with a Make-Whole Fundamental Change, a holder of the Notes to be converted will be entitled to a single increase to the Conversion Rate with respect to the first to occur of the applicable Redemption Notice or the effective date of the applicable Make-Whole Fundamental Change, and any later event will be deemed not to have occurred for purposes of this Section 14.03.

Simultaneously with providing such Redemption Notice, the Company shall publish a notice containing this information in a newspaper of general circulation in The City of New York or publish the information on the Company's website or through such other public medium as the Company may use at that time.

The number of Additional ADSs by which the Conversion Rate will be increased in the event the Company elects to redeem the Notes pursuant to Article 16 will be determined by reference to the table in clause (e) above based on the Redemption Reference Date and the Redemption Reference Price (each as defined below), but determined for purposes of this Section 14.03(g) as if (x) the Holder had elected to convert its Notes in connection with a Make-Whole Fundamental Change, (y) the applicable "Redemption Reference Date" were the "Effective Date" as specified in clause (c) above and (z) the applicable "Redemption Reference Price" were the "ADS price" as specified in clause (c) above. For this purpose, the date on which the Company delivers notice of redemption is the "**Redemption Reference Date**" and the average of the Last Reported Sale Prices of the ADSs over the five Trading Day immediately preceding, the date the Company delivers such notice of redemption is the "**Redemption Reference Price**."

In the event that a conversion during the Redemption Period would also be deemed to be a conversion in connection with a Make-Whole Fundamental Change, a Holder of the Notes to be converted will be entitled to a single increase to the Conversion Rate with respect to the first to occur of the earliest date of the applicable Redemption Notice and the Effective Date of any applicable Make-Whole Fundamental Change, and the later event(s) will be deemed not to have occurred for purposes of this Section with respect to such conversion.

Section 14.04. *Adjustment of Conversion Rate.* If the number of Ordinary Shares represented by the ADSs is changed, after the date of this Indenture, for any reason other than one or more of the events described in this Section 14.04, the Company shall make an appropriate adjustment to the Conversion Rate such that the number of Ordinary Shares represented by the ADSs upon which conversion of the Notes is based remains the same.

Notwithstanding the adjustment provisions described in this Section 14.04, if the Company distributes to holders of the Ordinary Shares any cash, rights, options, warrants, shares of Capital Stock or similar equity interest, evidences of indebtedness or other assets or property of the Company (but excluding Expiring Rights) and a corresponding distribution is not made to holders of the ADSs, but, instead, the ADSs shall represent, in addition to Ordinary Shares, such cash, rights, options, warrants, shares of Capital Stock or similar equity interest, evidences of indebtedness or other assets or property of the Company, then an adjustment to the Conversion Rate described in this Section 14.04 shall not be made until and unless a corresponding distribution (if any) is made to holders of the ADSs, and such adjustment to the Conversion Rate shall be based on the distribution made to the holders of the ADSs and not on the distribution made to the holders of the Ordinary Shares. However, in the event that the Company issues or distributes to all holders of the Ordinary Shares any Expiring Rights, notwithstanding the immediately preceding sentence, the Company shall adjust the Conversion Rate pursuant to Section 14.04(b) (in the case of Expiring Rights described in clause (b) below entitling holders of the Ordinary Shares for a period of not more than 45 calendar days after the announcement date of such issuance to subscribe for or purchase Ordinary Shares or ADSs) or Section 14.04(c) (in the case of all other Expiring Rights).

For the avoidance of doubt, if any event described in this Section 14.04 results in a change to the number of Ordinary Shares represented by the ADSs, then such a change shall be deemed to satisfy the Company's obligation to effect the relevant adjustment to the Conversion Rate on account of such an event to the extent to which such change reflects what a corresponding change to the Conversion Rate would have been on account of such an event.

The Conversion Rate shall be adjusted from time to time by the Company if any of the following events occurs, except that the Company shall not make any adjustments to the Conversion Rate if Holders of the Notes participate (other than in the case of (x) a share split or share combination or (y) a tender or exchange offer), at the same time and upon the same terms as holders of the ADSs and solely as a result of holding the Notes, in any of the transactions described in this Section 14.04, without having to convert their Notes, as if they held a number of ADSs equal to the Conversion Rate, *multiplied by* the principal amount (expressed in thousands) of Notes held by such Holder. Neither the Trustee nor the Conversion Agent shall have any responsibility to monitor the accuracy of any calculation of any adjustment to the Conversion Rate and the same shall be conclusive and binding on the Holders, absent manifest error. Notice of such adjustment to the Conversion Rate shall be given by the Company promptly in writing to the Holders, the Trustee and the Paying Agent and Conversion Agent and shall be conclusive and binding on the Holders, absent manifest error.

(a) If the Company exclusively issues Ordinary Shares as a dividend or distribution on the Ordinary Shares, or if the Company effects a share split or share combination, the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for the ADSs of such dividend or distribution, or immediately prior to the open of business on the Effective Date of such share split or share combination, as applicable;

CR_1 = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date or Effective Date, as applicable;

OS_0 = the number of Ordinary Shares outstanding immediately prior to the open of business on such Ex-Dividend Date or Effective Date, as applicable (before giving effect to any such dividend, distribution, share split or combination); and

OS_1 = the number of Ordinary Shares outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this Section 14.04(a) shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such dividend or distribution, or immediately after the open of business on the Effective Date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this Section 14.04(a) is declared but not so paid or made, the Conversion Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Company issues to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs) any rights, options or warrants entitling them, for a period of not more than 45 calendar days after the announcement date of such issuance, to subscribe for or purchase Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than the average of the Last Reported Sale Prices of the Ordinary Shares or the ADSs, as the case may be (*divided by*, in the case of the ADSs, the number of Ordinary Shares then represented by one ADS), for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for the ADSs for such issuance;

CR_1 = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date;

OS_0 = the number of Ordinary Shares outstanding immediately prior to the open of business on such Ex-Dividend Date;

X = the total number of Ordinary Shares (directly or in the form of ADSs) deliverable pursuant to such rights, options or warrants; and

Y = the number of Ordinary Shares equal to (i) the aggregate price payable to exercise such rights, options or warrants, *divided by* (ii) the quotient of (a) the average of the Last Reported Sale Prices of the ADSs over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants *divided by* (b) the number of Ordinary Shares then represented by one ADS.

Any increase made under this Section 14.04(b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such issuance. To the extent that Ordinary Shares or ADSs are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of Ordinary Shares actually delivered (directly or in the form of ADSs). To the extent such rights, options or warrants are not so issued, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to issue such rights, options or warrants, to the Conversion Rate that would then be in effect had the increase to the Conversion Rate for such issuance been made on the basis of only the rights, options or warrants, if any, actually issued.

For purposes of this Section 14.04(b) and for the purpose of Section 14.01(b)(ii), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than such average of the Last Reported Sale Prices of the Ordinary Shares or the ADSs, as the case may be (*divided by*, in the case of the ADSs, the number of Ordinary Shares then represented by one ADS), for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement for such issuance, and in determining the aggregate offering price of such Ordinary Shares or ADSs, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) If the Company distributes shares of its Capital Stock, evidences of its indebtedness, other assets or property of the Company or rights, options or warrants to acquire its Capital Stock or other securities, to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs), excluding (i) rights issued under a stockholders rights plan as described in Section 14.12, (ii) dividends, distributions or issuances as to which an adjustment was effected pursuant to Section 14.04(a) or Section 14.04(b), (iii) dividends or distributions paid exclusively in cash as to which an adjustment was effected pursuant to Section 14.04(d), (iv) distributions of Reference Property in exchange for or upon conversion of the Company's Ordinary Shares in a transaction set forth in Section 14.07, (v) Spin-Offs as to which the provisions set forth below in this Section 14.04(c) shall apply (any of such shares of Capital Stock, evidences of indebtedness, other assets or property or rights, options or warrants to acquire Capital Stock or other securities of the Company, the "**Distributed Property**") and (vi) a tender offer or an exchange offer of the Ordinary Shares as to which the provisions set forth in Section 14.04(e) shall apply, then the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for the ADSs for such distribution;

CR_1 = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date;

SP_0 = the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and

FMV = the fair market value (as determined by the Board of Directors) of the Distributed Property with respect to each outstanding Ordinary Share (directly or in the form of ADSs) on the Ex-Dividend Date for the ADSs for such distribution.

Any increase made under the portion of this Section 14.04(c) above shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such distribution. If such distribution is not so paid or made in full, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the distribution, if any, actually paid or made. Notwithstanding the foregoing, if "FMV" (as defined above) is equal to or greater than "SP_0" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of each US$1,000 principal amount thereof, at the same time and upon the same terms as holders of the ADSs, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of ADSs equal to the Conversion Rate in effect on the Record Date for the ADSs for the distribution.

With respect to an adjustment pursuant to this Section 14.04(c) where there has been a payment of a dividend or other distribution on the Ordinary Shares (directly or in the form of ADSs) of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit of the Company (other than solely pursuant to (x) distribution of Reference Property in exchange for or upon conversion of Ordinary Shares in a transaction set forth in Section 14.07 or (y) a tender offer or an exchange offer for the Ordinary Shares as to which the provisions set forth in Section 14.04(e) shall apply), that are, or, when issued, will be, listed or admitted for trading on a U.S. national securities exchange (a "**Spin-Off**"), the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the end of the Valuation Period;

CR_1 = the Conversion Rate in effect immediately after the end of the Valuation Period;

FMV_0 = the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of the Ordinary Shares (directly or in the form of ADSs) applicable to one Ordinary Share (determined by reference to the definition of Last Reported Sale Price as set forth in Section 1.01 as if references therein to the ADSs were to such Capital Stock or similar equity interest) over the first 10 consecutive Trading Day period after, and including, the Ex-Dividend Date of the Spin-Off (the "**Valuation Period**"); and

MP_0 = the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Ordinary Shares then represented by one ADS) over the Valuation Period.

The adjustment to the Conversion Rate under the preceding paragraph shall occur immediately after the close of business on the last Trading Day of the Valuation Period; *provided* that, for any Trading Day that falls within the relevant Observation Period for such conversion and within the Valuation Period, the reference to "10" in the portion of this Section 14.04(c) shall be deemed replaced with such lesser number of Trading Days as have elapsed between (and including, in each case) the Ex-Dividend Date for such Spin-Off and such Trading Day in determining the Conversion Rate as of such Trading Day.

If any distribution in a Spin-Off is declared but not paid or made, the Conversion Rate shall be decreased to be the Conversion Rate that would then be in effect had the adjustment been made on the basis of only such amount of such distribution actually paid or made, effective as of the date on which the Board of Directors determines not to consummate such Spin-Off.

For purposes of this Section 14.04(c) (and subject in all respect to Section 14.12), rights, options or warrants distributed by the Company to all holders of the Ordinary Shares (directly or in the form of ADSs) entitling them to subscribe for or purchase shares of the Company's Capital Stock, including Ordinary Shares (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such Ordinary Shares (directly or in the form of ADSs); (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Ordinary Shares (directly or in the form of ADSs), shall be deemed not to have been distributed for purposes of this Section 14.04(c) (and no adjustment to the Conversion Rate under this Section 14.04(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 14.04(c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Rate under this Section 14.04(c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Conversion Rate shall be readjusted as if such rights, options or warrants had not been issued and (y) the Conversion Rate shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per Ordinary Share redemption or purchase price received by a holder or holders of Ordinary Shares (directly or in the form of ADSs) with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Ordinary Shares (directly or in the form of ADSs) as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Rate shall be readjusted as if such rights, options and warrants had not been issued.

For purposes of Section 14.04(a), Section 14.04(b) and this Section 14.04(c), if any dividend or distribution to which this Section 14.04(c) is applicable also includes one or both of:

(A) a dividend or distribution of Ordinary Shares (directly or in the form of ADSs) to which Section 14.04(a) is applicable (the "**Clause A Distribution**"); or

(B) a dividend or distribution of rights, options or warrants to which Section 14.04(b) is applicable (the "**Clause B Distribution**"),

then (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this Section 14.04(c) is applicable (the "**Clause C Distribution**") and any Conversion Rate adjustment required by this Section 14.04(c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Conversion Rate adjustment required by Section 14.04(a) and Section 14.04(b) with respect thereto shall then be made, except that, if determined by the Company (I) the "Ex-Dividend Date" of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Ex-Dividend Date of the Clause C Distribution and (II) any Ordinary Shares (directly or in the form of ADSs) included in the Clause A Distribution or Clause B Distribution shall be deemed not to be "outstanding immediately prior to the open of business on such Ex-Dividend Date or Effective Date, as applicable" within the meaning of Section 14.04(a) or "outstanding immediately prior to the open of business on such Ex-Dividend Date" within the meaning of Section 14.04(b).

(d) If any cash dividend or distribution is made to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs), the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for the ADSs for such dividend or distribution;

CR_1 = the Conversion Rate in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution;

SP_0 = the Last Reported Sale Price of the ADSs (*divided by* the number of Ordinary Shares then represented by one ADS) on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and

C = the amount in cash per Ordinary Share the Company distributes to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs) (for the avoidance of doubt, without giving effect to any applicable fees and expenses payable to, or withheld by, the ADS Depositary with respect to such distribution).

Any increase pursuant to this Section 14.04(d) shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such dividend or distribution. If such dividend or distribution is not so paid, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to make or pay such dividend or distribution, to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. Notwithstanding the foregoing, if "C" (as defined above) is equal to or greater than "SP_0" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, for each US$1,000 principal amount of Notes, at the same time and upon the same terms as holders of the ADSs, the amount of cash that such Holder would have received if such Holder owned a number of ADSs equal to the Conversion Rate on the Record Date for the ADSs for such cash dividend or distribution.

(e) If the Company or any of its Subsidiaries makes a payment in respect of a tender or exchange offer for the Ordinary Shares (directly or in the form of ADSs), to the extent that the Tender / Exchange Offer Consideration (as defined below) per Ordinary Share exceeds the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{AC + (SP_1 \times OS_1)}{OS_0 \times SP_1}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

CR_1 = the Conversion Rate in effect immediately after the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) in good faith and as of the time of such tender or exchange offer expires (the "**Tender / Exchange Offer Consideration**") paid or payable for Ordinary Shares or ADSs, as the case may be, purchased in such tender or exchange offer;

OS_0 = the number of Ordinary Shares outstanding immediately prior to the date such tender or exchange offer expires (prior to giving effect to the purchase of all Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer);

OS_1 = the number of Ordinary Shares outstanding immediately after the date such tender or exchange offer expires (after giving effect to the purchase of all Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer); and

SP_1 = the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires.

The adjustment to the Conversion Rate under this Section 14.04(e) shall occur at the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires; *provided* for any Trading Day that falls within the relevant Observation Period for such conversion and within the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references in the portion of this Section 14.04(e) with respect to the 10th Trading Day or 10 consecutive Trading Days shall be deemed replaced with such lesser number of Trading Days as have elapsed from, and including, the trading day next succeeding the expiration date of such tender or exchange offer to, and including, such Trading Day in determining the Conversion Rate as of such Trading Day. For the avoidance of doubt, no adjustment under this Section 14.04(e) will be made if such adjustment would result in a decrease in the Conversion Rate (other than, for the avoidance of doubt, any readjustment described in the immediately succeeding paragraph).

To the extent such tender or exchange offer is announced but not consummated (including as a result of the Company being precluded from consummating such tender or exchange offer under applicable law), or any purchases or exchanges of the Ordinary Shares (directly or in the form of ADSs) in such tender or exchange offer are rescinded, the Conversion Rate will be readjusted to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the purchases or exchanges of the Ordinary Shares (directly or in the form of ADSs), if any, actually made, and not rescinded, in such tender or exchange offer.

Notwithstanding this Section 14.04 or any other provision of this Indenture or the Notes, if any Conversion Rate adjustment becomes effective on any Ex-Dividend Date, and a Holder that has converted its Notes on or after such Ex-Dividend Date and on or prior to the related Record Date would be treated as the record holder of the ADSs (or Ordinary Shares if such Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion) as of the related Conversion Date as described under Section 14.02(i) based on an adjusted Conversion Rate for such Ex-Dividend Date, then, notwithstanding the Conversion Rate adjustment provisions in this Section 14.04, the Conversion Rate adjustment relating to such Ex-Dividend Date shall not be made for such converting Holder. Instead, such Holder shall be treated as if such Holder were the record owner of the ADSs (or Ordinary Shares if such Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon Conversion) on an unadjusted basis and participate in the related dividend, distribution or other event giving rise to such adjustment.

(f) Notwithstanding the foregoing, the Company will not be required to adjust the Conversion Rate unless such adjustment would require an increase or decrease of at least one percent; *provided*, however, that any such minor adjustments that are not required to be made will be carried forward and taken into account in any subsequent adjustment, and provided, further, that any such adjustment of less than one percent that has not been made shall be made upon the occurrence of (i) the Effective Date for any Fundamental Change or Make-Whole Fundamental Change, (ii) the Conversion Date of, or any Trading Day of the applicable Observation Period for any Note and (iii) every one year anniversary of the first date of original issuance of the Notes. In addition, the Company will not account for such deferrals when determining what number of shares of ADSs (or Ordinary Shares) a Holder would have held on a given day had it converted its Notes.

(g) Except as stated herein, the Company shall not adjust the Conversion Rate for the issuance of Ordinary Shares or ADSs or any securities convertible into or exchangeable for Ordinary Shares or ADSs or the right to purchase Ordinary Shares or ADSs or such convertible or exchangeable securities.

(h) With respect to any dividend, distribution or other transaction or event in which holders of the ADSs (or other applicable security) have the right to receive any cash, securities or other property or in which the ADSs (or other applicable security) are exchanged for or converted into any combination of cash, securities or other property, if the record date for the Ordinary Shares does not fall on the same day as the Record Date for the ADSs, and a Holder elects to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company will make adjustments that the Board of Directors determines in good faith are appropriate to entitle such holders to receive such cash, securities or other property.

(i) In addition to those adjustments required by clauses (a), (b), (c), (d) and (e) of this Section 14.04, and to the extent permitted by applicable law and subject to the applicable rules of The NASDAQ Global Select Market and any other securities exchange on which any of the Company's securities are then listed, the Company from time to time may increase the Conversion Rate by any amount for a period of at least 20 Business Days if the Board of Directors determines that such increase would be in the Company's best interest, and the Company may (but is not required to) increase the Conversion Rate to avoid or diminish any income tax to holders of the Ordinary Shares or the ADSs or rights to purchase Ordinary Shares or ADSs in connection with a dividend or distribution of Ordinary Shares or ADSs (or rights to acquire Ordinary Shares or ADSs) or similar event.

(j) Notwithstanding anything to the contrary in this Article 14, the Conversion Rate shall not be adjusted:

(i) upon the issuance of any Ordinary Shares or ADSs pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in Ordinary Shares or ADSs under any plan;

(ii) upon the issuance of any Ordinary Shares or ADSs or options or rights to purchase those Ordinary Shares or ADSs pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of the Company's Subsidiaries;

(iii) upon the repurchase of any Ordinary Shares pursuant to an open-market share purchase program or other buy-back transaction, including derivative transactions or any other buy-back transaction that is not a tender offer or exchange offer of the kind described in clause (e) of this Section 14.04 above;

(iv) upon the issuance of any Ordinary Shares or ADSs pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in clause (ii) of this subsection and outstanding as of the date the Notes were first issued;

(v) solely for a change in the par value of the Ordinary Shares or ADSs; or

(vi) for accrued and unpaid interest, if any.

(k) All calculations and other determinations under this Article 14 shall be made by the Company and shall be made to the nearest one-ten thousandth (1/10,000) of an ADS.

(l) Whenever the Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee (and the Conversion Agent if not the Trustee) an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Conversion Rate and may assume without inquiry that the last Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to each Holder at its last address appearing on the Note Register of this Indenture. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(m) For purposes of this Section 14.04, the number of Ordinary Shares at any time outstanding shall not include Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs) so long as the Company does not pay any dividend or make any distribution on Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs), but shall include Ordinary Shares issuable in respect of scrip certificates issued in lieu of fractions of Ordinary Shares.

(n) For purposes of this Section 14.04, the "effective date" means the first date on which the ADSs trade on the applicable exchange or in the applicable market, regular way, reflecting the relevant share split or share combination, as applicable.

(o) The Trustee and the Agents are under no obligation to perform, monitor or verify the calculations required pursuant to this Section 14.04 and shall be entitled to rely conclusively and without liability upon the accuracy of the Company's and/or the Bid Solicitation Agent's calculations without independent verification. Neither the Trustee nor the Conversion Agent shall be under any duty (i) to monitor or ascertain whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Rate or (ii) to make any calculation (or verification thereof) in connection with the Conversion Rate, with respect to the notice of adjustment of the Conversion Rate, with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the such adjustment. None of the Trustee or the Conversion Agent will be responsible to Holders for any loss arising from any failure by the Company and/or the Bid Solicitation Agent to perform, monitor or verify the calculations required pursuant to this Section 14.04. The Trustee and the Conversion Agent may assume, unless notified in writing to the contrary, that no event or circumstance has occurred which may require an adjustment to be made to the Conversion Rate pursuant to this Section 14.04.

Section 14.05. *Adjustments of Prices.* Whenever any provision of this Indenture requires the Company to calculate the Last Reported Sale Prices, the Daily VWAPs, the Daily Conversion Value, the Daily Settlement Amounts or the ADS Price for purposes of a Make-Whole Fundamental Change or the Redemption Reference Price for purposes of a Cleanup Redemption or a Tax Redemption over a span of multiple days, the Board of Directors shall make appropriate adjustments in good faith to each to account for any adjustment to the Conversion Rate that becomes effective pursuant to Section 14.04, or any event requiring an adjustment to the Conversion Rate pursuant to Section 14.04 where the Ex-Dividend Date, Effective Date or expiration date, as the case may be, of the event occurs, at any time during the period when such Last Reported Sale Prices, Daily VWAPs, Daily Conversion Values, Daily Settlement Amounts or ADS Prices or Redemption Reference Prices are to be calculated.

Section 14.06. *Ordinary Shares to Be Fully Paid.* The Company shall provide, free from preemptive rights, out of its authorized but unissued Ordinary Shares or Ordinary Shares held in treasury, a sufficient number of Ordinary Shares that corresponds to the number of ADSs due upon conversion of the Notes from time to time as such Notes are presented for conversion (assuming that at the time of computation of such number of Ordinary Shares, all such Notes would be converted by a single Holder and that Combination Settlement were applicable).

Section 14.07. *Effect of Recapitalizations, Reclassifications and Changes of the Ordinary Shares.*

(a) In the case of:

(i) any recapitalization, reclassification or change of the ADSs or the Ordinary Shares (other than changes resulting from a subdivision or combination and changes in the par value or from par value to no par value (or vice versa)),

(ii) any consolidation, merger, combination or similar transaction involving the Company,

(iii) any sale, lease or other transfer to a third party of the consolidated assets of the Company and the Company's Subsidiaries substantially as an entirety or

(iv) any statutory share exchange,

in each case, as a result of which the ADSs or the Ordinary Shares would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof) (any such event, a "**Merger Event**"), then, prior to or at the effective time of such Merger Event, the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture permitted under Section 10.01(f) providing that, at and after the effective time of such Merger Event, the right to convert each US$1,000 principal amount of Notes shall be changed into a right to convert such principal amount of Notes into the kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) that a holder of a number of ADSs equal to the Conversion Rate immediately prior to such Merger Event would have owned or been entitled to receive (the "**Reference Property**") upon such Merger Event; *provided*, *however*, that at and after the effective time of the Merger Event, (i) the Company will continue to have the right to determine the form of consideration to be paid or delivered, as the case may be, upon conversion of the Notes in accordance with Section 14.02 and (ii) (x) any amount payable in cash upon conversion of the Notes in accordance with Section 14.02 will continue to be payable in cash, (y) any ADSs (or Ordinary Shares in lieu thereof) that would have been required to deliver upon conversion of the Notes in accordance with Section 14.02 shall instead be deliverable in the amount and type of Reference Property that a holder of that number of ADSs would have been entitled to receive in such Merger Event (such amount and type of Reference Property per one ADS, without giving effect to any arrangement not to issue or deliver a fractional portion of any Reference Property, a "**Reference Property Unit**") and (z) the Daily VWAP will be calculated based on the value of a Reference Property Unit that a holder of one ADS would have received in such Merger Event.

If the Merger Event causes the ADSs or the Ordinary Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of holder election), then (i) the Reference Property into which the Notes will be convertible shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of ADSs that affirmatively make such an election, and (ii) the Reference Property Unit for purposes of the immediately preceding paragraph shall refer to the consideration referred to in clause (i) attributable to one ADS. The Company shall provide written notice to Holders, the Trustee and the Conversion Agent (if other than the Trustee) of such weighted average as soon as practicable after such determination is made. For purposes of provisions under Article 16, each reference to any number of Ordinary Shares in such provisions (or any related definitions) shall instead be deemed to be a reference to the same number of Reference Property Units. For purposes of the "Record Date" definition, the term "Ordinary Shares" shall be deemed to refer to any class of securities forming part of the Reference Property. The "Last Reported Sale Price" of any Reference Property Unit or a portion thereof, as applicable, shall be determined by the Company in good faith and in a commercially reasonable manner (or, in the case of cash denominated in U.S. dollars, the face amount thereof). If the holders of Ordinary Shares receive only cash in such transaction, then for all conversions with a Conversion Date that occurs on or after the effective date of such transaction the consideration due upon conversion of each US$1,000 principal amount of Notes shall be solely cash in an amount equal to the Conversion Rate in effect on the Conversion Date (as may be increased as described under Section 14.03(g)), multiplied by the price paid per Ordinary Share in such transaction and multiplied by the number of Ordinary Shares represented by one ADS as of the closing of such transaction. The Company will provide written notification of such transaction to Holders, the Trustee and the Conversion Agent (if other than the Trustee) no later than the second Business Day after the effective date of such transaction (unless such transaction constitutes a Make-Whole Fundamental Change, in which case the notice period as set forth under Section 14.03(a)shall apply instead to such transaction).

Such supplemental indenture described in the second immediately preceding paragraph shall (i) provide for anti-dilution and other adjustments that shall be as nearly equivalent as is practicable to the adjustments provided for in this Article 14 (it being understood that no such adjustments shall be required with respect to any portion of the Reference Property that does not consist of shares of Common Equity (however evidenced) or depositary receipts in respect thereof) and (ii) contain such other provisions that the Board of Directors determines in good faith are appropriate to preserve the economic interest of the Holders and to give effect to the provision described in this Section 14.07. If, in the case of any Merger Event, the Reference Property includes shares of stock, securities or other property or assets (including cash or any combination thereof) of a Person other than the Company or the successor or purchasing Person, as the case may be, in such Merger Event, then such other Person shall also execute such supplemental indenture, and such supplemental indenture shall contain such additional provisions to protect the interests of the Holders of the Notes, including the right of Holders to require the Company to repurchase their Notes upon a Fundamental Change pursuant to Section 15.02 and the right of Holders to require the Company to repurchase their Notes on the Repurchase Date pursuant to Section 15.01, as the Board of Directors shall in good faith consider necessary by reason of the foregoing. The Company shall, as soon as reasonably practicable after the effective date of such Merger Event, post such supplemental indenture on the Company's website or disclose the same in a current report on Form 6-K (or any successor form) that is filed with the Commission.

(b) [RESERVED]

(c) The Company shall not become a party to any Merger Event unless its terms are consistent with this Section 14.07. None of the foregoing provisions shall affect the right of a holder of Notes to convert its Notes into cash or a combination of cash and ADSs (or Ordinary Shares in lieu thereof), as applicable, as set forth in Section 14.01 and Section 14.02 prior to the effective date of such Merger Event.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 14.08. *Amendment upon ADS Delisting or Unavailability of ADS Facility.* (a) If (i) a Fundamental Change described in clause (d) of the definition thereof has occurred and the Ordinary Shares are listed and traded on a Permitted Exchange on the effective date of such Fundamental Change, or (ii) the Ordinary Shares cease to be represented by American depositary shares issued under a depositary receipt program sponsored by the Company and the Ordinary Shares at that time are listed and traded on any U.S. Exchange or Permitted Exchange (each, an "**Amendment Event**"), then, on and after the effective date of an Amendment Event, Section 14.07 shall be deemed to apply mutatis mutandis as if the Reference Property for the Notes were the Ordinary Shares and other property, if any, represented by the ADSs on the effective date of such Amendment Event; provided that the supplemental indenture required therein to reflect the replacement of the ADSs with the Ordinary Shares and other property, if any, shall be executed no later than five Business Days after the effective date of such Amendment Event and, in addition to the amendments described under Section 14.07, the supplemental indenture shall provide that:

(i) each reference herein to the ADSs related to the terms of the Notes shall be replaced by a reference to the number of Ordinary Shares and other property, if any, represented by the ADSs on the effective date of such Amendment Event;

(ii) all references to the "Last Reported Sale Price," "Daily VWAP" and "Trading Day" of the ADSs shall be replaced by the "Last Reported Sale Price," "Daily VWAP" and 'Trading Day" of the Ordinary Shares, respectively, as customarily defined for securities traded on the Relevant Exchange;

(iii) if a Fundamental Change described in clause (d) of the definition thereof has occurred, references to "any of The New York Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or any of their respective successors)" in the definition of "Fundamental Change" shall be replaced by such Relevant Exchange (or its successor);

(iv) other appropriate adjustments, including adjustments to the Conversion Rate and anti-dilution adjustment as contemplated by Section 14.04, shall be made to reflect such Amendment Event; and

(v) other provisions that the Board of Directors reasonably determines are appropriate shall be made to preserve the economic interests of the Holders and to give effect to the provisions described above.

(b) In making any amendment to the terms or definitions relating to trading and listing of Ordinary Shares, including, but not limited to, "Last Reported Sale Price," "Daily VWAP," "Trading Day" and "Fundamental Change," the relevant exchange on which Ordinary Shares are listed are traded for purpose of such terms and definition (the "Relevant Exchange") will be deemed to be:

(i) if the Ordinary Shares at that time are listed on an U.S. Exchange, such U.S. Exchange;

(ii) if the Ordinary Shares at that time are not listed on any U.S. Exchange but are listed on a Permitted Exchange, such Permitted Exchange; provided that if the Ordinary Shares at that time are listed on more than one Permitted Exchanges, the Permitted Exchange that is the primary stock exchange for the Ordinary Shares, provided further that if the Ordinary Shares at that time are listed on more than one Permitted Exchange that is a primary stock exchange for the Ordinary Shares, the primary stock exchange where there is highest trading volume of the Ordinary Shares at the time of the amendment.

(c) In making such amendments, where currency translations between U.S. dollars and any other currency are required, the exchange rate in effect on the date of determination as the Board of Directors determines in good faith will apply.

(d) For the avoidance of doubt, such amendments described under this Section 14.08 shall not affect the right of Holders to require the Company to repurchase their Notes upon a Fundamental Change in accordance with Section 15.02.

(e) The Company shall notify Holders and the Conversion Agent (if other than the Trustee) in writing as promptly as reasonably practicable following the date the Company executes such supplemental indenture as contemplated by this Section 14.08 and shall substantially concurrently with such notice either post such supplemental indenture on the Company's website or disclose the same in a current report on Form 6-K (or any successor form) that is filed with the Commission.

Section 14.09. *Certain Covenants*. (a) The Company covenants that all ADSs delivered upon conversion of Notes, and all Ordinary Shares represented by such ADSs, will be fully paid and non-assessable by the Company and free from all taxes, liens and charges with respect to the issue thereof.

(b) The Company covenants that, if any ADSs to be provided for the purpose of conversion of Notes hereunder, or any Ordinary Shares represented by such ADSs, require registration with or approval of any governmental authority under any federal or state law before such ADSs may be validly issued upon conversion, the Company will, to the extent then permitted by the rules and interpretations of the Commission, secure such registration or approval, as the case may be.

(c) The Company further covenants that if at any time the ADSs shall be listed on any national securities exchange or automated quotation system the Company will list and keep listed, so long as the ADSs shall be so listed on such exchange or automated quotation system, any ADSs deliverable upon conversion of the Notes.

(d) The Company further covenants to take all actions and obtain all approvals and registrations required with respect to (i) the conversion of the Notes into ADSs and the issuance, and deposit into the ADS facility, of the Ordinary Shares represented by such ADSs and (ii) issuance and delivery of Ordinary Shares in lieu of any ADSs deliverable upon conversion at a Holder's election. The Company also undertakes to maintain, as long as any Notes are outstanding, the effectiveness of a registration statement on Form F-6 relating to the ADSs and an adequate number of ADSs and Ordinary Shares available for issuance thereunder such that ADSs and Ordinary Shares can be delivered upon conversion of the Notes, if any, in accordance with the terms of this Indenture, the Notes and the Deposit Agreement upon conversion of the Notes. In addition, the Company further covenants to provide Holders with a reasonably detailed description of the mechanics for the delivery of ADSs upon conversion of Notes as set forth in the Deposit Agreement upon request.

(e) The Company has reserved and shall keep available at all times a sufficient number of Ordinary Shares for the purpose of enabling the Company to satisfy its obligation to deliver Ordinary Shares (including in the form of ADSs) upon conversion of the Notes.

Section 14.10. *Responsibility of Trustee.* The Trustee and any other Conversion Agent shall not at any time be under any duty or responsibility to any Holder to determine the Conversion Rate (or any adjustment thereto) or whether any facts exist that may require any adjustment (including any increase) of the Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any ADSs, or of any securities, property or cash that may at any time be issued or delivered upon the conversion of any Note; and the Trustee and any other Conversion Agent make no representations with respect thereto. Neither the Trustee nor any Conversion Agent shall be responsible for any failure of the Company to issue, transfer or deliver any ADSs or stock certificates or other securities or property or cash upon the surrender of any Note for the purpose of conversion, the accuracy or inaccuracy of any mathematical calculation or formulae under this Indenture, whether by the Company or any Person so authorized by the Company for such purpose under this Indenture or the failure by the Company to comply with any of the duties, responsibilities or covenants of the Company contained in this Article. Without limiting the generality of the foregoing, neither the Trustee nor any Conversion Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 14.07 relating either to the kind or amount of ADSs or securities or property (including cash) receivable by Holders upon the conversion of their Notes after any event referred to in such Section 14.07 or to any adjustment to be made with respect thereto, but, subject to the provisions of Section 7.01, may accept (without any independent investigation) as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate (which the Company shall be obligated to file with the Trustee prior to the execution of any such supplemental indenture) with respect thereto.

Section 14.11. *Notice to Holders Prior to Certain Actions.* In case of any:

(a) action by the Company or one of its Subsidiaries that would require an adjustment in the Conversion Rate pursuant to Section 14.04 or Section 14.12;

(b) Merger Event; or

(c) voluntary or involuntary dissolution, liquidation or winding-up of the Company or any of its Subsidiaries;

then, in each case (unless notice of such event is otherwise required pursuant to another provision of this Indenture), the Company shall cause to be filed with the Trustee and the Conversion Agent (if other than the Trustee) and to be mailed to each Holder at its address appearing on the Note Register, as promptly as possible but in any event at least 20 days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action by the Company or one of its Subsidiaries or, if a record is not to be taken, the date as of which the holders of Ordinary Shares or ADSs, as the case may be, of record are to be determined for the purposes of such action by the Company or one of its Subsidiaries, or (ii) the date on which such Merger Event, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Ordinary Shares or ADSs, as the case may be, of record shall be entitled to exchange their Ordinary Shares or ADSs, as the case may be, for securities or other property deliverable upon such Merger Event, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such action by the Company or one of its Subsidiaries, Merger Event, dissolution, liquidation or winding-up.

Section 14.12. *Stockholder Rights Plans.* If, at the time of any conversion, the Company has a rights plan in effect upon conversion of the Notes, each ADS (or Ordinary Shares in lieu thereof) delivered upon such conversion, if any, shall be entitled to receive (either directly or in respect of the Ordinary Shares underlying, delivered in lieu of, such ADSs) the appropriate number of rights, if any, and the certificates representing the ADSs delivered upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any such stockholder rights plan, as the same may be amended from time to time. However, if, prior to any conversion, the rights have separated from the Ordinary Shares underlying, or delivered in lieu of, the ADSs in accordance with the provisions of the applicable stockholder rights plan, the Conversion Rate shall be adjusted at the time of separation as if the Company distributed to all or substantially all holders of the Ordinary Shares Distributed Property as provided in Section 14.04(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

Section 14.13. *Exchange In Lieu Of Conversion*. (a) When a Holder surrenders its Notes for conversion, the Company may, at its election (an "**Exchange Election**"), direct the Conversion Agent in writing to deliver, on or prior to the Business Day immediately following the Conversion Date, such Notes to one or more financial institutions designated by the Company (each, a "**Designated Financial Institution**") for exchange in lieu of conversion. In order to accept any Notes surrendered for conversion, the Designated Financial Institution(s) must agree to timely pay, deliver and/or cause to deliver, as the case may be, in exchange for such Notes, the cash, or a combination of cash and ADSs (or Ordinary Shares in lieu thereof), as applicable, that would otherwise be due upon conversion pursuant to Section 14.02 (the "**Conversion Consideration**"). If the Company makes an Exchange Election, the Company shall, by the close of business on the Business Day following the relevant Conversion Date, notify in writing the Trustee, the Conversion Agent (if other than the Trustee) and the Holder surrendering Notes for conversion that the Company has made the Exchange Election and the Company shall promptly notify the Designated Financial Institution(s) of the relevant deadline for delivery of the Conversion Consideration and the type of Conversion Consideration to be paid and/or delivered, as the case may be.

(b) Any Notes exchanged by the Designated Financial Institution(s) shall remain outstanding, subject to applicable procedures of the Depositary. If the Designated Financial Institution(s) agree(s) to accept any Notes for exchange but does not timely pay, deliver and/or cause to deliver, as the case may be, the related Conversion Consideration, or if such Designated Financial Institution(s) does not accept the Notes for exchange, the Company shall pay and/or deliver, as the case may be, the relevant Conversion Consideration, as, and at the time, required pursuant to this Indenture as if the Company had not made the Exchange Election.

(c) The Company's designation of any Designated Financial Institution(s) to which the Notes may be submitted for exchange does not require such Designated Financial Institution(s) to accept any Notes.

(d) The Company will cooperate with the Conversion Agent to cause such Notes to be delivered to the Designated Financial Institution(s) and the Conversion Agent will be entitled to receive and conclusively rely upon the Company's instructions in connection with effecting any exchange election and will have no liability in respect of such Exchange Election outside of its control.

ARTICLE 15
REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 15.01. *Repurchase at Option of Holders*

(a) Each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash on June 15, 2027 (the "**Repurchase Date**"), all of such Holder's Notes, or any portion thereof that is an integral multiple of US$1,000 principal amount, at a repurchase price (the "**Repurchase Price**") that is equal to 100% of the principal amount of the Notes to be repurchased, *plus* accrued and unpaid interest to, but excluding, the Repurchase Date; *provided* that any such accrued and unpaid interest shall be paid not to the Holders submitting the Notes for repurchase on the Repurchase Date but instead to the Holders of such Notes at the close of business on the Regular Record Date immediately preceding the Repurchase Date. Not later than 20 Business Days prior to the Repurchase Date, the Company shall mail a notice (the "**Company Notice**") by first class mail to the Trustee, to the Paying Agent and to each Holder at its address shown in the Note Register of the Note Registrar (and to beneficial owners as required by applicable law). The Company Notice shall include a Form of Repurchase Notice to be completed by a holder and shall state:

(i) the last date on which a Holder may exercise its repurchase right pursuant to this Section 15.01 (the "**Repurchase Expiration Time**");

(ii) the Repurchase Price;

(iii) the Repurchase Date;

(iv) the name and address of the Conversion Agent and Paying Agent;

(v) that the Notes with respect to which a Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Repurchase Notice in accordance with the terms of this Indenture;

(vi) that the Holder shall have the right to withdraw any Notes surrendered prior to the Repurchase Expiration Time; and

(vii) the procedures a Holder must follow to exercise its repurchase rights under this Section 15.01 and a brief description of those rights.

At the Company's request, the Trustee shall give such notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Notice shall be prepared by the Company.

Simultaneously with providing the Company Notice, the Company shall publish a notice containing the information included in the Company Notice in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at that time.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.01.

Repurchases of Notes under this Section 15.01 shall be made, at the option of the Holder thereof, upon:

(A) delivery to the Trustee by the Holder of a duly completed notice (the "**Repurchase Notice**") in the form set forth in Attachment 3 to the Form of Note attached hereto as Exhibit A, if the Notes are Physical Notes, or in compliance with the Depositary's procedures for surrendering interests in global notes, if the Notes are Global Notes, in each case during the period beginning at any time from the open of business on the date that is 20 Business Days prior to the Repurchase Date until the close of business on the second Scheduled Trading Day immediately preceding the Repurchase Date; and

(B) delivery of the Notes, if the Notes are Physical Notes, to the Trustee at any time after delivery of the Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee, or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the procedures of the Depositary, in each case such delivery being a condition to receipt by the Holder of the Repurchase Price therefor.

Each Repurchase Notice shall state:

(A) in the case of Physical Notes, the certificate numbers of the Notes to be delivered for repurchase;

(B) the portion of the principal amount of the Notes to be repurchased, which must be US$1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, *however*, that if the Notes are Global Notes, the Repurchase Notice must comply with appropriate Depositary procedures.

Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee the Repurchase Notice contemplated by this Section 15.01 shall have the right to withdraw, in whole or in part, such Repurchase Notice at any time prior to the close of business on the second Scheduled Trading Day immediately preceding the Repurchase Date by delivery of a duly completed written notice of withdrawal to the Trustee in accordance with Section 15.03.

The Trustee shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

No Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered for repurchase pursuant to this Section 15.01 by a Holder thereof to the extent such Holder has also delivered a Fundamental Change Repurchase Notice with respect to such Note in accordance with Section 15.02 and not validly withdrawn such Fundamental Change Repurchase Notice in accordance with Section 15.03.

(b) Notwithstanding the foregoing, no Notes may be repurchased by the Company at the option of the Holders on the Repurchase Date if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such Repurchase Date (except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes). The Trustee will promptly return to the respective Holders thereof any Physical Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of the Depositary shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.02. *Repurchase at Option of Holders Upon a Fundamental Change.* (a) If a Fundamental Change occurs at any time prior to the Maturity Date, each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes, or any portion thereof that is equal to US$1,000 or an integral multiple of US$1,000, on the Business Day (the "**Fundamental Change Repurchase Date**") notified in writing by the Company as set forth in Section 15.02(c) that is not less than 20 Business Days or more than 35 Business Days following the date of the Fundamental Change Company Notice at a repurchase price equal to 100% of the principal amount thereof, *plus* accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "**Fundamental Change Repurchase Price**"), unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company shall instead pay on the Interest Payment Date the full amount of accrued and unpaid interest to Holders of record as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to this Article 15.

(b) Repurchases of Notes under this Section 15.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee by a Holder of a duly completed notice (the "**Fundamental Change Repurchase Notice**") in the form set forth in Attachment 2 to the Form of Note attached hereto as Exhibit A, if the Notes are Physical Notes, or in compliance with the Depositary's procedures for surrendering interests in global notes, if the Notes are Global Notes, in each case on or before the close of business on the second Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date; and

(ii) delivery of the Notes, if the Notes are Physical Notes, to the Trustee at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements for transfer) at the Corporate Trust Office, or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the procedures of the Depositary, in each case such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor.

The Fundamental Change Repurchase Notice in respect of any Notes to be repurchased shall state:

(i) in the case of Physical Notes, the certificate numbers of the Notes to be delivered for repurchase;

(ii) the portion of the principal amount of Notes to be repurchased, which must be US$1,000 or an integral multiple thereof; and

(iii) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, *however*, that if the Notes are Global Notes, the Fundamental Change Repurchase Notice must comply with appropriate Depositary procedures.

Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee the Fundamental Change Repurchase Notice contemplated by this Section 15.02 shall have the right to withdraw, in whole or in part, such Fundamental Change Repurchase Notice at any time prior to the close of business on the second Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date by delivery of a written notice of withdrawal to the Trustee in accordance with Section 15.03.

The Trustee shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof.

No Fundamental Change Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered by a Holder for repurchase thereof if such Holder has also surrendered a Repurchase Notice in accordance with Section 15.01 and not validly withdrawn such Repurchase Notice in accordance with Section 15.03.

(c) On or before the 20th calendar day after the occurrence of the effective date of a Fundamental Change, the Company shall provide to all Holders and the Trustee a written notice (the "**Fundamental Change Company Notice**") of the occurrence of the effective date of the Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. In the case of Physical Notes, such notice shall be by first class mail or, in the case of Global Notes, such notice shall be delivered in accordance with the applicable procedures of the Depositary. Simultaneously with providing such notice, the Company shall publish a notice containing the information set forth in the Fundamental Change Company Notice in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at that time. Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change and whether such transaction or event is also a Make-Whole Fundamental Change ;

(ii) the effective date of the Fundamental Change;

(iii) the last date on which a Holder may exercise the repurchase right pursuant to this Article 15;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Trustee;

(vii) if applicable, the Conversion Rate and any adjustments to the Conversion Rate as a result of such Fundamental Change if it is a Make-Whole Fundamental Change;

(viii) if applicable, that the Notes with respect to which a Repurchase Notice or a Fundamental Change Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Repurchase Notice or the Fundamental Change Repurchase Notice in accordance with the terms of this Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.02.

At the Company's request, the Trustee shall give such notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Fundamental Change Company Notice shall be prepared by the Company.

(d) Notwithstanding the foregoing, no Notes may be repurchased by the Company on any date at the option of the Holders upon a Fundamental Change if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such date (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes). The Trustee will promptly return to the respective Holders thereof any Physical Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of the Depositary shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Fundamental Change Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.03. *Withdrawal of Repurchase Notice or Fundamental Change Repurchase Notice.* (a) A Repurchase Notice or Fundamental Change Repurchase Notice may be withdrawn (in whole or in part) by means of a duly completed written notice of withdrawal delivered to the Corporate Trust Office in accordance with this Section 15.03 at any time prior to the close of business on the second Scheduled Trading Day immediately preceding the Repurchase Date or prior to the close of business on the second Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date, as the case may be, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, which portion must be US$1,000 or an integral multiple thereof,

(ii) if Physical Notes have been issued, the certificate number of the Note in respect of which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Note that remains subject to the original Repurchase Notice or Fundamental Change Repurchase Notice, as the case may be, which portion must be in principal amounts of US$1,000 or an integral multiple of US$1,000;

provided, *however*, that if the Notes are Global Notes, the notice must comply with appropriate procedures of the Depositary.

Section 15.04. *Deposit of Repurchase Price or Fundamental Change Repurchase Price.* (a) The Company will deposit with the Trustee (or other Paying Agent appointed by the Company, or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 4.04) on or prior to 10:00 a.m., New York City time, on the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, an amount of money sufficient to repurchase all of the Notes to be repurchased at the appropriate Repurchase Price or Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn in accordance with Section 15.03) will be made on the later of (i) the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, (*provided* the Holder has satisfied the conditions in Section 15.01 or Section 15.02, as the case may be) and (ii) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 15.01 or Section 15.02, as applicable, by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Note Register; *provided*, *however*, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Repurchase Price or Fundamental Change Repurchase Price, as the case may be.

(b) If by 10:00 a.m., New York City time, on the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, the Trustee (or other Paying Agent appointed by the Company) holds money sufficient to make payment on all the Notes or portions thereof that are to be repurchased on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be, then, with respect to the Notes that have been properly surrendered for repurchase and not validly withdrawn, on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be, (i) such Notes will cease to be outstanding, (ii) interest will cease to accrue on such Notes (whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent) and (iii) all other rights of the Holders of such Notes will terminate (other than the right to receive the Repurchase Price or Fundamental Change Repurchase Price, as the case may be, and the right of the Holder on the applicable Regular Record Date to receive previously accrued and unpaid interest, if any, upon delivery or transfer of the Notes to the extent not included in the Repurchase Price or Fundamental Change Repurchase Price, as the case may be).

(c) Upon surrender of a Note that is to be repurchased in part pursuant to Section 15.01 or Section 15.02, the Company shall execute and instruct the Trustee who shall authenticate and deliver to the Holder a new Note in an authorized denomination equal in principal amount to the unrepurchased portion of the Note surrendered.

Section 15.05. *Covenant to Comply with Applicable Laws Upon Repurchase of Notes*. In connection with any repurchase offer, the Company will, if required:

(a) comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act;

(b) file a Schedule TO or other required schedule under the Exchange Act; and

(c) otherwise comply with (x) all applicable federal and state securities laws and (y) other laws and regulations applicable to the Company due to its Ordinary Shares being listed on a Permitted Exchange in connection with any offer by the Company to repurchase the Notes; in each case, so as to permit the rights and obligations under this Article 15 to be exercised in the time and in the manner specified in this Article 15.

Notwithstanding anything to the contrary in this Indenture, the Company shall not be required to repurchase, or to make an offer to repurchase, the Notes upon a Fundamental Change if a third party makes such an offer in the same manner, at the same time, for the same or greater price and otherwise in compliance with the requirements for an offer made by the Company as set forth above in this Section 15.05, and such third party purchases all Notes properly surrendered and not validly withdrawn under its offer in the same manner, at the same time, for the same or greater price and otherwise in compliance with the requirements for an offer made by the Company as set forth above in this Section 15.05 (including the requirement to pay the Fundamental Change Repurchase Price on the later of the applicable Fundamental Change Repurchase Date and the time of book-entry transfer or delivery of the relevant Notes); *provided* that the Company will continue to be obligated to (i) deliver the applicable Fundamental Change notice to the holders (which Fundamental Change notice will state that such third party will make such an offer to purchase the Notes), (ii) comply with applicable securities laws as set forth in this Section 15.05 in connection with any such purchase and (iii) pay the applicable Fundamental Change Repurchase Price on the later of the applicable Fundamental Change Repurchase Date and the time of book-entry transfer or delivery of the relevant Notes in the event such third party fails to make such payment in such amount at such time.

Notwithstanding anything to the contrary in this Indenture, to the extent that the provisions of any federal or state securities laws or other applicable laws or regulations adopted after the date on which the Notes are first issued conflict with the provisions of this Indenture relating to the Company's obligations to repurchase the Notes upon a Fundamental Change, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under such provisions of this Indenture by virtue of such conflict.

ARTICLE 16
REDEMPTION

Section 16.01. *Tax Redemption*. If the Company has, or on the next Interest Payment Date would, become obligated to pay to the Holder of any Note Additional Amounts that are more than a *de minimis* amount, as a result of:

(a) any change or amendment that is publicly announced and becomes effective on or after June 4, 2024 (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after such date, after such later date) in the laws or any rules or regulations of a Relevant Taxing Jurisdiction; or

(b) any change that is publicly announced and becomes effective on or after June 4, 2024 (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after such date, after such later date) in an interpretation, administration or application of such laws, rules or regulations by any legislative body, court, governmental agency, taxing authority or regulatory or administrative authority of such Relevant Taxing Jurisdiction (including the enactment of any legislation and the announcement or publication of any judicial decision or regulatory or administrative interpretation or determination);

(each, a "**Change in Tax Law**"), the Company may, at its option, redeem all but not part of the Notes (except in respect of certain Holders that elect otherwise as described below) at a "**Tax Redemption Price**" equal to 100% of the principal amount plus accrued and unpaid interest, if any, to, but not including the date on which the Notes are redeemed (the "**Tax Redemption Date**"), including, for the avoidance of doubt, any Additional Amounts with respect to such Redemption Price; *provided* that the Company may only redeem the Notes if: (i) the Company cannot avoid such obligations by taking commercially reasonable measures available to the Company (*provided* that changing the jurisdiction of incorporation of the Company shall be deemed not to be a commercially reasonable measure); and (ii) the Company delivers to the Trustee an opinion of outside legal counsel of recognized standing in the Relevant Taxing Jurisdiction and an Officers' Certificate attesting to such Change in Tax Law and obligation to pay Additional Amounts (such redemption, "**Tax Redemption**").

Notwithstanding anything to the contrary in this Article 16, neither the Company nor any successor Person may redeem any of the Notes in the case that Additional Amounts are payable in respect of PRC withholding tax and any other tax collected at a source at the Applicable PRC Rate or less solely as a result of the Company or its successor Person being considered a PRC tax resident under the PRC Enterprise Income Tax law.

If the Tax Redemption Date occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, the Company shall pay the full amount of accrued and unpaid interest, if any, due on such Interest Payment Date to the record holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and the Tax Redemption Price payable to the Holder who presents a Note for redemption shall be equal to 100% of the principal amount of such Note, including, for the avoidance of doubt, any Additional Amounts with respect to such Tax Redemption Price. The Company may not specify a Tax Redemption Date that falls on or after the 50th Scheduled Trading Day immediately preceding the Maturity Date.

The Company shall give Holders of Notes (with a copy to the Trustee and, in the case of Global Notes, DTC) not less than 50 Scheduled Trading Days' but no more than 60 Scheduled Trading Days' notice (the "**Tax Redemption Notice**") prior to the Redemption Date. Simultaneously with providing such notice, which will include the Tax Redemption Price, the Tax Redemption Date and the Settlement Method that will apply to all conversions during the related Redemption Period and the applicable Conversion Rate determined pursuant to Section 14.03(g), the Company shall publish a notice containing this information in a newspaper of general circulation in The City of New York or publish the information on the Company's website or through such other public medium as the Company may use at that time. The Tax Redemption Date must be a Business Day and cannot fall after the Maturity Date.

Upon receiving such notice of redemption, each Holder shall have the right to elect to not have its Notes redeemed, in which case the Company shall not be obligated to pay any Additional Amounts on any payment with respect to such Notes solely as a result of such Change in Tax Law that resulted in the obligation to pay such Additional Amounts (whether of interest payment upon required repurchase, maturity or otherwise) after the Tax Redemption Date (or, if the Company fails to pay the Tax Redemption Price on the Tax Redemption Date, such later date on which the Company pays the Tax Redemption Price). Subject to the applicable procedures of DTC, all future payments with respect to such Notes shall be subject to the deduction or withholding of such Relevant Taxing Jurisdiction and taxes required by law to be deducted or withheld as a result of such Change in Tax Law. In the case of Global Notes, in the absence of applicable DTC procedures for such required deduction or withholding or failure by the Company to notify DTC of the applicable withholding tax rate (if the amount of interest is reduced due to such required deduction or withholding), the Company acknowledges and agrees that the Paying Agent will be unable to facilitate payments to Holders. For the avoidance of doubt, following a Holder's election to not have its Notes redeemed, the Company shall promptly notify DTC of the applicable withholding tax rate if the amount of interest is reduced due to such required deduction or withholding. The Company will be solely responsible for determining the tax status of Holders, calculating, administering, reporting and/or remitting withholding taxes to the relevant tax authority.

Subject to the applicable procedures of DTC in the case of Global Notes, a Holder electing to not have its Notes redeemed must deliver to the Paying Agent a written notice of election so as to be received by the Paying Agent prior to the close of business on the second Scheduled Trading Day immediately preceding the Tax Redemption Date; *provided* that, a Holder that complies with the requirements for conversion in Section 14.02(b) shall be deemed to have delivered a notice of its election to not have its Notes so redeemed. A Holder may withdraw any notice of election (other than such a deemed notice of election in connection with a conversion) by delivering to the Paying Agent a written notice of withdrawal prior to the close of business on the second Scheduled Trading Day immediately preceding the Tax Redemption Date (or, if the Company fails to pay the Tax Redemption Price on the Tax Redemption Date, such later date on which the Company pays the Tax Redemption Price). If no election is made or deemed to have been made, the Holder shall have its Notes redeemed without any further action.

Section 16.02. *Cleanup Redemption*. (a) The Company may redeem for cash all but not part of the Notes at any time, on a redemption date (the "**Cleanup Redemption Date**") before the 50th Scheduled Trading Day immediately preceding the Maturity Date, if less than 10% of the aggregate principal amount of Notes originally issued remains outstanding at such time (including, for the avoidance of doubt, all Notes previously surrendered to the Company pursuant to Section 14.13 (*Exchange In Lieu Of Conversion*) (such redemption, a "**Cleanup Redemption**")).

(b) In the case of any Cleanup Redemption, the Company shall give the Trustee, the Conversion Agent (if other than the Trustee) and each Holder of the Notes not less than 50 Scheduled Trading Days' but no more than 60 Scheduled Trading Days' written notice (a "**Cleanup Redemption Notice**") prior to the Cleanup Redemption Date, and the Redemption Price will be equal to 100% of the principal amount of the Notes to be redeemed (the "**Cleanup Redemption Price**"), plus accrued and unpaid interest, to, but excluding, the Cleanup Redemption Date (unless the Cleanup Redemption Date falls after a Regular Record Date but on or prior to the corresponding Interest Payment Date, in which case the Company shall pay on the Interest Payment Date the full amount of accrued and unpaid interest, if any, to the holder of record as of the close of business on such Regular Record Date corresponding to such Interest Payment Date, and the Cleanup Redemption Price shall be equal to 100% of the principal amount of the Notes to be redeemed). The Cleanup Redemption Date must be a Business Day. The Company may not specify a Cleanup Redemption Date that falls on or after the 50th Scheduled Trading Day immediately preceding the Maturity Date. The Company shall send to each Holder written Cleanup Redemption Notice containing certain information set forth in this Indenture, including:

(i) the Cleanup Redemption Date;

(ii) the Cleanup Redemption Price;

(iii) the Settlement Method that will apply to all conversions with a Conversion Date that occurs during the related Redemption Period and the applicable Conversion Rate determined pursuant to Section 14.03(g);

(iv) that on the Cleanup Redemption Date, the Cleanup Redemption Price will become due and payable for each Note to be redeemed, and that interest thereon, if any, shall cease to accrue on and after the Cleanup Redemption Date unless the Company defaults in the payment of the Cleanup Redemption Price;

(v) the place or places where the Notes subject to such redemption are to be surrendered for payment of the Cleanup Redemption Price;

(vi) that Holders may surrender Notes for conversion at any time prior to the close of business on the third Scheduled Trading Day prior to the Cleanup Redemption Date (unless the Company fails to pay the Cleanup Redemption Price, in which case a Holder of Notes may convert such Notes until the Cleanup Redemption Price has been paid or duly provided for);

(vii) the Conversion Rate and, if applicable, the number of Additional ADSs added to the Conversion Rate in accordance with Section 14.03(g); and

(viii) the CUSIP, ISIN or other similar numbers, if any, assigned to such Notes and that no representation is made as to the correctness or accuracy of the CUSIP or ISIN number listed in such notice or printed on the Notes.

Simultaneously with providing such notice of redemption, the Company shall publish a notice containing this information in a newspaper of general circulation in The City of New York or publish the information on the Company's website or through such other public medium as the Company may use at that time. The Redemption Date must be a Business Day.

A Cleanup Redemption Notice shall be irrevocable. At the Company's prior written request, the Trustee shall give the Cleanup Redemption Notice in the Company's name and at its expense; *provided*, *however*, that the Company shall have delivered to the Trustee not later than the close of business five Business Days prior to the date the Cleanup Redemption Notice is to be sent (unless a shorter period shall be satisfactory to the Trustee), an Officer's Certificate and a Company Order requesting that the Trustee give such Cleanup Redemption Notice together with the Cleanup Redemption Notice to be given setting forth the information to be stated therein as provided in the preceding paragraph. The Cleanup Redemption Notice, if given in the manner herein provided, shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. In any case, failure to give such Cleanup Redemption Notice or any defect in the Cleanup Redemption Notice to the Holder of any Note designated for redemption as a whole or in part shall not affect the validity of the proceedings for the Cleanup Redemption of any other Note.

Section 16.03. *Election to be redeemed*. If the Company has designated a Tax Redemption Date or a Cleanup Redemption, a Holder that complies with the requirements for conversion under Section 14.02(b) will be deemed to have delivered a notice of its election to not have its Notes so redeemed.

Section 16.04. *No redemption upon acceleration*. Notwithstanding anything to the contrary herein, no Notes may be redeemed if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to the relevant Redemption Date (except in the case of an acceleration resulting from a default by the Company in the payment of the related Redemption Price with respect to such Notes).

ARTICLE 17
MISCELLANEOUS PROVISIONS

Section 17.01. *Provisions Binding on Company's Successors.* All the covenants, stipulations, promises and agreements of the Company contained in this Indenture shall bind its successors and assigns whether so expressed or not.

Section 17.02. *Official Acts by Successor Corporation.* Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or Officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or other entity that shall at the time be the lawful sole successor of the Company.

Section 17.03. *Addresses for Notices, Etc.*. Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to Trip.com Group Limited, 99 Fu Quan Road, Shanghai 200335, People's Republic of China, Attention: General Counsel. Any notice, direction, request or demand hereunder to or upon the Trustee shall be given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to 240 Greenwich Street, New York, NY 10286, United States of America, Attention: Global Corporate Trust with a copy to The Bank of New York Mellon, Hong Kong Branch, Level 26, Three Pacific Place, 1 Queen's Road East, Hong Kong, Email: honctrmta@bnymellon.com, Attention: Global Corporate Trust.

All notices and other communications under this Indenture shall be in writing in English.

So long as and to the extent that the Notes are represented by Global Notes and such Global Notes are held by DTC, notices to owners of beneficial interests in the Global Notes may be given by delivery of the relevant notice to DTC for communication by it to entitled account holders in accordance with DTC's applicable procedures.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to it by first class mail, postage prepaid, at its address as it appears on the Note Register and shall be sufficiently given to it if so mailed within the time prescribed.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice to Holders by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 17.04. *Governing Law; Jurisdiction.* THIS INDENTURE AND EACH NOTE, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS INDENTURE AND EACH NOTE, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS THEREOF).

The Company irrevocably consents and agrees, for the benefit of the Holders from time to time of the Notes and the Trustee, that any legal action, suit or proceeding against it with respect to obligations, liabilities or any other matter arising out of or in connection with this Indenture or the Notes may be brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and, until amounts due and to become due in respect of the Notes have been paid, hereby irrevocably consents and submits to the non-exclusive jurisdiction of each such court *in personam*, generally and unconditionally with respect to any action, suit or proceeding for itself in respect of its properties, assets and revenues.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions, suits or proceedings arising out of or in connection with this Indenture brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 17.05. *Submission to Jurisdiction; Service of Process.* The Company irrevocably appoints Cogency Global Inc. as its authorized agent in the Borough of Manhattan in the City of New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon such agent, and written notice of said service to the Company by the person serving the same to Trip.com Group Limited, 30 Raffles Place, #29-01 Singapore 048622, Attention: Chief Financial Officer, Cindy Xiaofan Wang, shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company further agrees to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of six years from the date of this Indenture. If for any reason such agent shall cease to be such agent for service of process, the Company shall forthwith appoint a new agent of recognized standing for service of process in the State of New York and deliver to the Trustee a copy of the new agent's acceptance of that appointment within ten Business Days of such acceptance. Nothing herein shall affect the right of the Trustee, any Agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Company in any other court of competent jurisdiction. To the extent that the Company has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Company irrevocably waives such immunity in respect of its obligations hereunder or under any Note.

Section 17.06. *Evidence of Compliance with Conditions Precedent; Certificates and Opinions of Counsel to Trustee.* Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall, if requested by the Trustee, furnish to the Trustee an Officers' Certificate stating that such action is permitted by the terms of this Indenture.

Each Officers' Certificate provided for, by or on behalf of the Company in this Indenture and delivered to the Trustee with respect to compliance with this Indenture (other than the Officers' Certificates provided for in Section 4.09) shall include (a) a statement that the person making such certificate is familiar with the requested action and this Indenture; (b)a brief statement as to the nature and scope of the examination or investigation upon which the statement contained in such certificate is based; (c)a statement that, in the judgment of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed judgment as to whether or not such action is permitted by this Indenture; and (d) a statement as to whether or not, in the judgment of such person, such action is permitted by this Indenture.

Notwithstanding anything to the contrary in this Section 17.06, if any provision in this Indenture specifically provides that the Trustee shall or may receive an Opinion of Counsel in connection with any action to be taken by the Trustee or the Company hereunder, the Trustee shall be entitled to, or entitled to request, such Opinion of Counsel.

Section 17.07. *Legal Holidays.* In any case where any Interest Payment Date, Redemption Date, Fundamental Change Repurchase Date, Conversion Date, Repurchase Date or Maturity Date is not a Business Day, then any action to be taken on such date need not be taken on such date, but may be taken on the next succeeding Business Day with the same force and effect as if taken on such date, and no interest shall accrue in respect of the delay.

Section 17.08. *No Security Interest Created.* Nothing in this Indenture or in the Notes, expressed or implied, shall be construed to constitute a security interest under the Uniform Commercial Code or similar legislation, as now or hereafter enacted and in effect, in any jurisdiction.

Section 17.09. *Benefits of Indenture.* Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the Holders, the parties hereto, any Paying Agent, any Conversion Agent, any Transfer Agent, any Note Registrar and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 17.10. *Table of Contents, Headings, Etc..* The table of contents and the titles and headings of the articles and sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 17.11. *Execution in Counterparts.* This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 17.12. *Severability.* In the event any provision of this Indenture or in the Notes shall be invalid, illegal or unenforceable, then (to the extent permitted by law) the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.

Section 17.13. *Waiver of Jury Trial.* EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, AND EACH HOLDER, BY ITS ACCEPTANCE OF A NOTE OR A BENEFICIAL INTEREST IN A GLOBAL NOTE, AS APPLICABLE, SHALL BE DEEMED TO HAVE WAIVED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 17.14. *Force Majeure.* In no event shall the Trustee or the Agents be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee or the Agents, as the case may be, shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 17.15. *Calculations*. Except as otherwise provided herein, the Company shall be responsible for making all calculations called for under the Notes. These calculations include, but are not limited to, determinations of the ADS price, Last Reported Sale Prices of the ADSs, the Daily VWAPs, the Daily Conversion Values, the Daily Settlement Amounts, accrued interest payable on the Notes, any Additional Interest or Additional Amounts payable on the Notes, the number of Additional ADSs to be added to the Conversion Rate upon a Make-Whole Fundamental Change or in connection with a Redemption Notice, if any, and the Conversion Rate of the Notes and any adjustments thereto. The Company shall make all these calculations in good faith and, absent manifest error, the Company's calculations shall be final and binding on Holders. The Company shall provide a schedule of its calculations to each of the Trustee, the Paying Agent and the Conversion Agent, and each of the Trustee, the Paying Agent and the Conversion Agent is entitled to rely conclusively and without liability upon the accuracy of the Company's calculations without independent verification. The Trustee will forward the Company's calculations to any Holder of Notes upon the request of that Holder at the sole cost and expense of the Company.

Section 17.16. *Electronic Means*. In no event shall the Trustee and the Agents be liable for any losses arising from the Trustee or the Agents receiving any data from or transmitting any data to the Company and/or the Trustee (or any authorized person) or acting upon any notice, instruction or other communications via any Electronic Means. Neither the Trustee nor any Agent has duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorized to give instructions or directions on behalf of the Company (or any authorized person). The Company and the Trustee agree that the security procedures, if any, to be followed in connection with a transmission of any such notice, instructions or other communications, provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first written above.

TRIP.COM GROUP LIMITED

By: /s/ Cindy Xiaofan Wang
Name: Cindy Xiaofan Wang
Title: Chief Financial Officer

[Signature Page to Indenture]

THE BANK OF NEW YORK MELLON,
as Trustee

By: /s/ Michael Cheng
Name: Michael Cheng
Title: Vice President

[Signature Page to Indenture]

EXHIBIT A

[FORM OF FACE OF NOTE]

[INCLUDE FOLLOWING LEGEND IF A GLOBAL NOTE]

[THIS IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS THE OWNER AND HOLDER OF THIS NOTE FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

[INCLUDE FOLLOWING LEGEND IF A RESTRICTED SECURITY]

[THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF (OR THEREOF) OR OF A BENEFICIAL INTEREST HEREIN (OR THEREIN), THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF TRIP.COM GROUP LIMITED (THE "**COMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE).

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) ABOVE, THE COMPANY, THE ADS DEPOSITARY AND THE TRANSFER AGENT FOR THE NOTES RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION HEREOF, IF ANY, AND THE ORDINARY SHARES REPRESENTED THEREBY OR DELIVERABLE IN LIEU THEREOF, OR A BENEFICIAL INTEREST HEREIN OR THEREIN.]

TRIP.COM GROUP LIMITED
0.75% Convertible Senior Notes due 2029

No. [_____] [Initially][1] US$_____

CUSIP No. [_____]

Trip.com Group Limited, a company duly organized and validly existing under the laws of the Cayman Islands (the "**Company**," which term includes any successor company or corporation or other entity under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to [CEDE & CO.][2] [_____][3], or registered assigns, the principal sum [as set forth in the "Schedule of Exchanges of Notes" attached hereto][4] [of US$[_____]][5], which amount, taken together with the principal amounts of all other outstanding Notes, shall not, unless permitted by the Indenture, exceed US$1,500,000,000 in aggregate at any time, in accordance with the rules and procedures of the Depositary, on June 15, 2029, and interest thereon as set forth below.

This Note shall bear interest at the rate of 0.75% per year from, and including, June 7, 2024, or from, and including, the most recent date on which interest had been paid or provided for to, but excluding, the next scheduled Interest Payment Date until June 15, 2029. Interest is payable semi-annually in arrears on each June 15 and December 15, commencing on December 15, 2024, to Holders of record at the close of business on the preceding June 1 and December 1 (whether or not such day is a Business Day), respectively. Additional Interest, if any, will be payable as set forth in Section 4.06(d), Section 4.06(e) and Section 6.03 of the within-mentioned Indenture, and any reference to interest on, or in respect of, any Note therein shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of such Section 4.06(d), Section 4.06(e) and Section 6.03, and any express mention of the payment of Additional Interest, if any, in any provision therein shall not be construed as excluding Additional Interest in those provisions thereof where such express mention is not made.

Any Defaulted Amounts shall accrue interest per annum at the rate per annum borne by the Notes *plus* one percent, subject to the enforceability thereof under applicable law, from, and including, the relevant payment date to, but excluding, the date on which such Defaulted Amounts shall have been paid by the Company, at its election, in accordance with Section 2.03(c) of the Indenture.

1 Include if a Global Note.
2 Include if a Global Note.
3 Include if a Physical Note.
4 Include if a Global Note.
5 Include if a Physical Note.

The Company shall pay or cause the Paying Agent to pay the principal of and interest on this Note, so long as such Note is a Global Note, by wire transfer in immediately available funds to the Depositary or its nominee, as the case may be, as the registered Holder of such Note. As provided in and subject to the provisions of the Indenture, the Company shall pay the principal of any Notes (other than Notes that are Global Notes) at the office or agency designated by the Company for that purpose. The Company has initially designated the Trustee as its Paying Agent, Conversion Agent and Note Registrar in respect of the Notes and its agency in the Borough of Manhattan, The City of New York, as a place where Notes may be presented for payment or for registration of transfer.

Reference is made to the further provisions of this Note set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Note the right to convert this Note into cash or a combination of cash and ADSs, as applicable, on the terms and subject to the limitations set forth in the Indenture. A Holder may elect to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note, and any claim, controversy or dispute arising under or related to this Note, shall be construed in accordance with and governed by the laws of the State of New York (without regard to the conflicts of laws provisions thereof).

In the case of any conflict between this Note and the Indenture, the provisions of the Indenture shall control and govern.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed manually or by facsimile by the Trustee under the Indenture.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

TRIP.COM GROUP LIMITED

By: _____
Name:
Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

THE BANK OF NEW YORK MELLON
as Trustee, certifies that this is one of the Notes described in the within-named Indenture.

By: _____
Authorized Officer

[FORM OF REVERSE OF NOTE]

TRIP.COM GROUP LIMITED
0.75% Convertible Senior Notes due 2029

This Note is one of a duly authorized issue of Notes of the Company, designated as its 0.75% Convertible Senior Notes due 2029 (the "**Notes**"), limited to the aggregate principal amount of US$1,500,000,000, subject to Section 2.10 of the Indenture, all issued or to be issued under and pursuant to an Indenture dated as of June 7, 2024 (the "**Indenture**"), between the Company and The Bank of New York Mellon (the "**Trustee**"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company and the Holders of the Notes. Additional Notes may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Indenture.

In the case certain Events of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of, and interest on, all Notes may be declared, by either the Trustee or Holders of at least 25% in aggregate principal amount of Notes then outstanding, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions and certain exceptions set forth in the Indenture. In the case certain Events of Default relating to a bankruptcy (or similar proceeding) with respect to the Company or a Significant Subsidiary shall have occurred, the principal of, and interest on, all Notes shall automatically become immediately due and payable, as set forth in the Indenture.

Subject to the terms and conditions of the Indenture, the Company will make or cause the Paying Agent to make all payments and deliveries in respect of the principal amount on the Maturity Date, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, as the case may be, to the Holder who surrenders a Note to the Trustee to collect such payments in respect of the Note. The Company will pay or cause the Paying Agent to pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

Subject to the terms and conditions of the Indenture, Additional Amounts will be paid in connection with any payments made and deliveries caused to be made by the Company or any successor to the Company under or with respect to the Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable the Repurchase Price and the Fundamental Change Repurchase Price), and payments of interest, but excluding any payments or deliveries that are made upon conversion of the Notes, whether made in cash, ADSs, Ordinary Shares or other consideration, and including, for the avoidance of doubt, any payments of cash for any Fractional ADS or other consideration to ensure that the net amount received by the beneficial owner after any applicable withholding or deduction (and after deducting any taxes on the Additional Amounts) will equal the amount that would have been received by such beneficial owner had no such withholding or deduction been required.

The Indenture contains provisions permitting the Company and the Trustee in certain circumstances, without the consent of the Holders of the Notes, and in certain other circumstances, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures modifying the terms of the Indenture and the Notes as described therein. It is also provided in the Indenture that, subject to certain exceptions, the Holders of a majority in aggregate principal amount of the Notes at the time outstanding may on behalf of the Holders of all of the Notes waive any past Default or Event of Default under the Indenture and its consequences.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or cause to be delivered, as the case may be, the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, accrued and unpaid interest on, and the consideration due upon conversion of, this Note at the place, at the respective times, at the rate and in the lawful money or ADSs (including Ordinary Shares in lieu thereof), as the case may be, herein prescribed.

The Notes are issuable in registered form without coupons in denominations of US$1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations, without payment of any service charge but, if required by the Company or Trustee, with payment of a sum sufficient to cover any transfer or similar tax that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such exchange of Notes being different from the name of the Holder of the old Notes surrendered for such exchange.

The Company may not redeem the Notes prior to the Maturity Date, except in the event of a Tax Redemption or a Cleanup Redemption, as the case may be, as described in Article 16 of the Indenture. No sinking fund is provided for the Notes.

The Holder has the right, at such Holder’s option, to require the Company to repurchase for cash all of such Holder’s Notes or any portion thereof (in principal amounts of US$1,000 or integral multiples thereof) on the Repurchase Date at a price equal to the Repurchase Price.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder’s option, to require the Company to repurchase for cash all of such Holder’s Notes or any portion thereof (in principal amounts of US$1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to the Fundamental Change Repurchase Price.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, during certain periods and upon the occurrence of certain conditions specified in the Indenture, prior to the close of business on the third Scheduled Trading Day immediately preceding the Maturity Date, to convert any Notes or portion thereof that is US$1,000 principal amount of Notes or an integral multiple thereof, into cash, ADSs or a combination of cash and ADSs, as applicable, at the Conversion Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture.

The Holders may elect to receive Ordinary Shares in lieu of any ADSs deliverable upon conversion. Any Ordinary Shares deliverable in lieu of any ADSs will be, prior to the Resale Restriction Termination Date, subject to certain transfer restrictions as set forth in the Indenture and as imposed by the Hong Kong Share Registrar and will not be able to be deposited into CCASS until such restrictions are removed. Pursuant to the terms of the Deposit Agreement and the Restricted Issuance Agreement, the ADS Depositary will not accept the surrender of any restricted ADSs for the purpose of withdrawal of the Ordinary Shares represented thereby prior to the Resale Restriction Termination Date.

Terms used in this Note and defined in the Indenture are used herein as therein defined.

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM = as tenants in common

UNIF GIFT MIN ACT = Uniform Gifts to Minors Act

CUST = Custodian

TEN ENT = as tenants by the entireties

JT TEN = joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

SCHEDULE A[6]

SCHEDULE OF EXCHANGES OF NOTES

TRIP.COM GROUP LIMITED

0.75% Convertible Senior Notes due 2029

The initial principal amount of this Global Note is [_____] UNITED STATES DOLLARS (US$[_____]). The following increases or decreases in this Global Note have been made:

Date of exchange	Amount of decrease in principal amount of this Global Note	Amount of increase in principal amount of this Global Note	Principal amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee

6 Include if a Global Note.

ATTACHMENT 1

[FORM OF NOTICE OF CONVERSION]

To: TRIP.COM GROUP LIMITED

THE BANK OF NEW YORK MELLON, as Depositary for the ADSs

THE BANK OF NEW YORK MELLON, as Conversion Agent

The undersigned [holder of this Note][7] [beneficial owner of Notes in the aggregate principal amount of [_____]][8] (bearing CUSIP: _____ and ISIN: _____)[9] hereby exercises the option to convert that Note or the portion thereof (that is US$1,000 principal amount or an integral multiple thereof) below designated, into cash, ADSs (or any Ordinary Shares in lieu thereof) or a combination of cash and ADSs (or any Ordinary Shares in lieu thereof), as applicable, in accordance with the terms of the Indenture referred to in this Note, and directs that any cash payable and/or ADSs (or any Ordinary Shares in lieu thereof) deliverable upon such conversion, together with any cash payable for any Fractional ADS, and any Notes representing any unconverted principal amount hereof, be issued and delivered to the holder hereof unless a different name has been indicated below. Terms defined in the [Deposit Agreement, the Restricted ADS Letter Agreement, the Note Conversion Letter Agreement or][10] the Indenture referred to in this Notice are used herein as so defined. If any ADSs (or any Ordinary Shares in lieu thereof) or any portion of this Note not converted are to be issued in the name of a Person other than the undersigned, the undersigned will pay all documentary, stamp, issue, transfer or similar taxes (including any penalties and interest related thereto), if any, if required in accordance with Section 14.02(d) and Section 14.02(e) of the Indenture. Any amount required to be paid to the undersigned on account of interest accompanies this Notice. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Indenture.

[In connection with the conversion of [this Note, or the portion hereof below designated] [the Notes in the aggregate principal amount below designated], the undersigned acknowledges, represents to and agrees with the Company and the ADS Depositary that the undersigned is not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company and has not been an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company during the three months immediately preceding the date hereof.][11]

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7 Insert in case of a conversion of a certificated note.

8 Insert if the holder is a beneficial owner of a Note in a global form and elects to settle the conversion in Ordinary Shares deliverable in lieu of any ADSs upon conversion.

9 Converting bondholder to fill in the security identifiers of the series of Notes being converted.

10 Delete if the holder is a beneficial owner of a Note in a global form and elects to settle the conversion in Ordinary Shares deliverable in lieu of any ADSs upon conversion.

11 Delete if the holder is an affiliate of the Company.

In the event that there is any ADSs deliverable upon the conversion of this Note, the undersigned (please select one; if no election is made, the undersigned is deemed to elect NOT to receive any Ordinary Shares in lieu of such ADSs):

☐ elects to receive Ordinary Shares in lieu of such ADS through CCASS (which election is only available if this Note is NOT a Restricted Security);

☐ elects to receive Ordinary Shares in lieu of such ADS in certificated form outside of CCASS; or

☐ does NOT elect to receive any Ordinary Shares in lieu of such ADS.

[The undersigned further certifies:

1. The undersigned acknowledges (and if the undersigned is acting for the account of another person, that person has confirmed that it acknowledges) that the Restricted Securities received upon conversion of this Note (or securities represented thereby) have not been and are not expected to be registered under the Securities Act.

2. The undersigned further certifies that either:

(a) The undersigned is, and at the time any ADSs (or any Ordinary Shares in lieu thereof) are delivered in conversion of its Notes will be, the holder of the ADSs and the Ordinary Shares represented thereby, and (i) the undersigned is not a U.S. person (as defined in Regulation S under the Securities Act) and is located outside the United States (within the meaning of Regulation S) and acquired, or have agreed to acquire and will have acquired, the Notes being converted and the ADSs (or any Ordinary Shares in lieu thereof) and the Ordinary Shares represented thereby being delivered in the conversion outside the United States and (ii) the undersigned is not in the business of buying and selling securities or, if the undersigned is in such business, the undersigned did not acquire the Notes being converted from the Company or any affiliate thereof in the initial distribution of the Notes.

OR

(b) The undersigned is a broker-dealer acting on behalf of its customer; its customer has confirmed to the undersigned that it is, and at the time any ADSs (or any Ordinary Shares in lieu thereof) are delivered in conversion of the said Notes will be, the holder of the ADSs (or any Ordinary Shares in lieu thereof) and the Ordinary Shares represented thereby, and (i) it is not a U.S. person (as defined in Regulation S under the Securities Act) and it is located outside the United States (within the meaning of Regulation S) and acquired, or have agreed to acquire and will have acquired, the Notes being converted and the ADSs (or any Ordinary Shares in lieu thereof) and the Ordinary Shares represented thereby being delivered in the conversion outside the United States and (ii) it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Notes being converted from the Company or any affiliate thereof in the initial distribution of the Notes.

OR

(c) The undersigned is a qualified institutional buyer (as defined in Rule 144A under the Securities Act) acting for its own account or for the account of one or more qualified institutional buyers and the undersigned is (or such account or accounts are) the sole beneficial owner(s) of the ADSs (or any Ordinary Shares in lieu thereof) to be received upon conversion of the Notes.][12]

3. The undersigned acknowledges that the undersigned (and any such other account) may not continue to hold or retain any interest in Restricted Securities received upon conversion of this Note if the undersigned (or such other account) becomes an affiliate (as defined in Rule 144 under the Securities Act) of the Company.

[4. The undersigned agrees (and if the undersigned is acting for the account of another person, that person has confirmed that it agrees) that, prior to the Resale Restriction Termination Date, the undersigned (and such other account) will not offer, sell, pledge or otherwise transfer the Restricted Security (or securities represented by such Restricted Security or deliverable in lieu thereof) except in accordance with the restrictions set forth in that legend and any applicable securities laws of the United States and any state thereof or any transfer restriction as imposed by the Hong Kong Share Registrar, if applicable.][13]

[If the undersigned does NOT elect to receive Ordinary Shares deliverable in lieu of ADSs, the undersigned hereby instructs the ADS Depositary to register the ADSs in the name of:

1. Name of Beneficial Owner to receive ADSs (English): _____
2. Address of Beneficial Owner to receive ADSs (English): _____
3. Name of Registered Holder of the ADSs (English): _____
4. Number of ADSs to be issued: _____
5. Beneficial Owner's Tax ID Number: _____
6. Contact Name and Tel No/email address: _____

][14]

12 Include if a Restricted Security.

13 Include if a Restricted Security; not applicable if the holder is a beneficial owner of a Note in a global form and elects to settle the conversion in Ordinary Shares deliverable in lieu of any ADSs upon conversion

14 Include if a Restricted Security that is not DTC eligible .

[If the undersigned does NOT elect to receive Ordinary Shares deliverable in lieu of ADSs, the undersigned instructs the Depositary to deliver the ADSs to the following account:

ADS Receiving Broker (* are mandatory fields):

a) DTC Broker Name*: _____

b) DTC Broker's Participant Account with DTC *: _____

c) DTC Broker Contact Name: _____

d) DTC Broker Contact Tel No/email: _____

e) Beneficial Owner's Account # with DTC Broker*: _____

OR

e) Local Broker Name (have account with DTC Broker)*: _____

Local Broker Sub-Account # with DTC Broker*: _____

Local Broker Contact Name: _____

Local Broker Contact Tel No/email: _____

ADS Delivering Party:

Name: The Bank of New York Mellon
DTC Account: #[ ]]

[If the undersigned elects to receive the Ordinary Shares deliverable in lieu of the ADSs through CCASS*, the undersigned instructs the Company to deliver the Ordinary Shares to the following account:

a) CCASS Account: _____

*Delivery of Ordinary Shares is subject to applicable law and the rules and procedures of CCASS. Holders should contact their relevant CCASS custodian participant for information on the delivery procedures.][15]

Wire Payment Instructions

[ ]

For any ADS settlement inquiries, please contact The Bank of New York Mellon:

Tel: [ ]

Email: [ ]

15 Include bracketed language if (i) the Note being converted is not a Restricted Security; and (ii) the Holder elects to receive Ordinary Shares in lieu of the ADSs deliverable upon conversion.

For any Ordinary Shares settlement inquiries, please contact:

Computershare Hong Kong Investor Services Limited

+852 2862 8555

Dated: _____

_____

Signature(s)

_____

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if ADSs are to be issued, or Notes are to be delivered, other than to and in the name of the registered holder.

Fill in for registration of ADSs if to be issued, and Notes if to be delivered, other than to and in the name of the registered holder:

_____

(Name)

_____

(Street Address)

_____

(City, State and Zip Code)
Please print name and address

Principal amount to be converted (if less than all): US$_____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

_____

Social Security or Other Taxpayer Identification Number

ATTACHMENT 2

[FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE]

To: TRIP.COM GROUP LIMITED

THE BANK OF NEW YORK MELLON, as Trustee

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Trip.com Group Limited (the "**Company**") as to the occurrence of a Fundamental Change with respect to the Company and specifying the Fundamental Change Repurchase Date and requests and instructs the Company to pay to the registered holder hereof in accordance with Section 15.02 of the Indenture referred to in this Note (1) the entire principal amount of this Note, or the portion thereof (that is US$1,000 principal amount or an integral multiple thereof) below designated, and (2) if such Fundamental Change Repurchase Date does not fall during the period after a Regular Record Date and on or prior to the corresponding Interest Payment Date, accrued and unpaid interest thereon to, but excluding, such Fundamental Change Repurchase Date. Capitalized terms used herein but not defined shall have meanings ascribed to such terms in the Indenture.

In the case of Physical Notes, the certificate numbers of the Notes to be repurchased are as set forth below:

Certificate Number(s): _____

Dated: _____

_____

Signature(s)

_____

Social Security or Other Taxpayer Identification Number

Principal amount to be repaid (if less than all): US$_____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

ATTACHMENT 3

[FORM OF REPURCHASE NOTICE]

To: TRIP.COM GROUP LIMITED

THE BANK OF NEW YORK MELLON, as Trustee

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Trip.com Group Limited (the "**Company**") regarding the right of Holders to elect to require the Company to repurchase the entire principal amount of this Note, or the portion thereof (that is US$1,000 principal amount or an integral multiple thereof) below designated, in accordance with the applicable provisions of the Indenture referred to in this Note, at the Repurchase Price to the registered Holder hereof.

In the case of certificated Notes, the certificate numbers of the Notes to be purchased are as set forth below:

Certificate Number(s): _____

Dated: _____

_____

Signature(s)

_____

Social Security or Other Taxpayer Identification Number

Principal amount to be repaid (if less than all): US$_____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

ATTACHMENT 4

[FORM OF ASSIGNMENT AND TRANSFER]

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ (Please insert social security or Taxpayer Identification Number of assignee) the within Note, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Note on the books of the Company, with full power of substitution in the premises.

In connection with any transfer of the within Note occurring prior to the Resale Restriction Termination Date, as defined in the Indenture governing such Note, the undersigned confirms that such Note is being transferred:

☐ To Trip.com Group Limited or a subsidiary thereof; or

☐ Pursuant to a registration statement that has become or been declared effective under the Securities Act of 1933, as amended; or

☐ Pursuant to and in compliance with Rule 144A under the Securities Act of 1933, as amended; or

☐ Outside the United States in accordance with Regulation S under the Securities Act of 1933, as amended; or

☐ Pursuant to and in compliance with Rule 144 under the Securities Act of 1933, as amended (if available).

Dated: _____

_____

_____

Signature(s)

_____

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if Notes are to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the assignment must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

EXHIBIT B

TRIP.COM GROUP LIMITED

AUTHORIZATION CERTIFICATE

[*Insert Closing Date*]

I, [*Insert Name of Signatory*][16], the [*Insert Title of Signatory*], acting on behalf of Trip.com Group Limited (the "***Company***") hereby certify that:

(A) the persons listed in Schedule I are (i) authorized Officers of the Company for purposes of the Indenture (the "***Indenture***") dated as of [*Insert Closing Date*] between the Company and The Bank of New York Mellon, as trustee, in relation to the 0.75% Convertible Senior Notes due 2029 (the "***Notes***"), (ii) duly elected or appointed, qualified and acting as the holder of the respective office or offices set forth opposite their names and (iii) the duly authorized persons who executed or will execute the Indenture and the Notes issued pursuant to the Indenture by their manual or facsimile signatures and were at the time of such execution, duly elected or appointed, qualified and acting as the holder of the offices set forth opposite their names;

(B) each of the individuals listed in Schedule I have the authority to receive call backs at the telephone numbers noted below upon request of The Bank of New York Mellon in connection with the Notes issued pursuant to the Indenture;

(C) each signature appearing in Schedule I is the true specimen of the genuine signature of such officer and such individuals; and

(D) attached hereto as Schedule II is a true, correct and complete specimen of the certificates representing the Notes.

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16 This should be a signatory other than the signatories listed as Authorized Officers on the next page.

IN WITNESS WHEREOF, I have hereunto executed and delivered this certificate on behalf of the Company as of the date indicated.

TRIP.COM GROUP LIMITED

By: _____
Name:
Title:

SCHEDULE I

Name	Title, Fax No., Email	Signature	Tel No.

SCHEDULE I

Name	Title, Fax No., Email	Signature	Tel No.

Exhibit 8.1

Trip.com Group Limited

List of Significant Consolidated Entities

Significant Subsidiaries*

C-Travel International Limited, a Cayman Islands company
Ctrip.com (Hong Kong) Limited, a Hong Kong company
Trip.com Travel Singapore Pte. Ltd., a Singapore company
Qunar Cayman Islands Limited, a Cayman Islands company
Ctrip Computer Technology (Shanghai) Co., Ltd., a PRC company
Ctrip Travel Information Technology (Shanghai) Co., Ltd., a PRC company
Ctrip Travel Network Technology (Shanghai) Co., Ltd., a PRC company
Beijing Qunar Software Technology Co., Ltd., a PRC company
Wancheng (Shanghai) Travel Service Co., Ltd., a PRC company
Shanghai Hecheng International Travel Agency Co., Ltd., a PRC company
Skyscanner Holdings Limited, a UK company
Shanghai Ctrip International Travel Agency Co., Ltd., a PRC company
Chengdu Ctrip International Travel Agency Co., Ltd., a PRC company
Chengdu Ctrip Travel Agency Co., Ltd., a PRC company
Chengdu Ctrip Information Technology Co., Ltd., a PRC company

Significant Variable Interest Entities*

Shanghai Ctrip Commerce Co., Ltd., a PRC company
Shanghai Huacheng Southwest International Travel Agency Co., Ltd., a PRC company
Beijing Qu Na Information Technology Co., Ltd., a PRC company

*Other consolidated entities of Trip.com Group Limited have been omitted from this list since, considered in the aggregate as a single entity, they would not constitute a significant subsidiary.

Exhibit 11.2

TRIP.COM GROUP LIMITED

AMENDED AND RESTATED STATEMENT OF POLICIES GOVERNING MATERIAL NON-PUBLIC INFORMATION AND THE PREVENTION OF INSIDER TRADING

(AS ADOPTED BY THE BOARD OF DIRECTORS OF TRIP.COM GROUP LIMITED ON NOVEMBER 30, 2023)

This Amended and Restated Statement of Policies Governing Material Non-Public Information and the Prevention of Insider Trading (this "Statement") applies to all directors, officers, employees, and consultants of Trip.com Group Limited, its subsidiaries, and consolidated variable interest entities (collectively, "Trip.com Group" or the "Company").

This Statement consists of three sections: Section I provides an overview; Section II sets forth Trip.com Group's policies prohibiting insider trading; and Section III explains insider trading.

I. SUMMARY

Trip.com Group's American Depositary Shares (the "ADSs") representing its ordinary shares (the "Ordinary Shares") are currently trading on the Nasdaq Stock Market and its Ordinary Shares are currently traded on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). Preventing insider trading is necessary to comply with United States and Hong Kong securities laws and to preserve the reputation and integrity of Trip.com Group as well as that of all persons affiliated with it. "Insider trading" occurs when any person purchases or sells any securities while in possession of inside information relating to the securities. As explained in Section III below, "inside information" is information which is considered to be both "material" and "non-public."

Trip.com Group considers strict compliance with the policies set forth in this Statement (collectively, the "Policy") to be a matter of utmost importance. Violation of the Policy could cause extreme reputational damage and possible legal liability to you and Trip.com Group. Knowing or willful violations of the letter or spirit of the Policy will be grounds for immediate dismissal from Trip.com Group. Violation of the Policy might expose the violator to severe criminal penalties as well as civil liability to any person harmed by the violation. The monetary damages flowing from a violation could be multiple times the profit realized by the violator, not to mention the attorney's fees of the persons harmed.

This Statement applies to all directors, officers, employees, and consultants of the Company and extends to all of such persons' activities within and outside their duties at the Company. Every director, officer, employee, and consultant of the Company must review this Statement, and when requested by the Company, must execute and return the Certificate of Compliance attached hereto to the Compliance Officer of the Company (the "Compliance Officer") within seven (7) days after receiving the request. Questions regarding this Statement should be directed to the Compliance Officer by e-mail at compliance_officer@trip.com.

II.
POLICIES PROHIBITING INSIDER TRADING

For purposes of this Statement, the terms "purchase" and "sell" of securities exclude the acceptance of options or other share-based awards granted by the Company and the exercise of options or vesting of other share-based awards, if applicable, that does not involve the sale of securities. Among other things, the cashless exercise of options does involve the sale of securities and therefore is subject to the policies set forth below. The Policy does not apply to the exercise of a tax withholding right pursuant to which you elect to have the Company withhold ordinary shares or ADSs subject to an option or other award to satisfy tax withholding requirements.

A. ***No Trading*** **– No director, officer, employee, or consultant of the Company may purchase or sell any ADSs, ordinary shares, or other securities of the Company (the "Company Securities") or enter into a binding security trading plan in compliance with Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended (a "Trading Plan") while in possession of material non-public information relating to the Company or its ADSs, ordinary shares, or other securities (the "Material Information")**.

In the event that the Material Information possessed by you relates to the ADSs, the Ordinary Shares, or other Company Securities, the above policy will require waiting for at least forty-eight (48) hours after public disclosure of the Material Information by the Company, which forty-eight (48) hours shall include in all events at least one full Trading Day on the Nasdaq Stock Market and the Hong Kong Stock Exchange following such public disclosure. The term "Trading Day" is defined, (i) in relation to the Nasdaq Stock Market, as a day on which the Nasdaq Stock Market is open for trading, and (ii) in relation to the Hong Kong Stock Exchange, as a day on which the Hong Kong Stock Exchange is open for trading. Except for public holidays in the United States, Nasdaq's regular trading hours are from 9:30 a.m. to 4:00 p.m., New York City time, Monday through Friday. Except for public holidays in Hong Kong, the Hong Kong Stock Exchange's regular trading hours are from 9:30 a.m. to 4.00 p.m., Hong Kong time, Monday through Friday.

In addition, **no director, officer, employee, or consultant of the Company may purchase or sell any Company Securities or enter into a Trading Plan, without the prior clearance by the Compliance Officer, during any period designated as a "limited trading period" by the Company, regardless of whether such director, officer, employee, or consultant possesses any Material Information.** The Compliance Officer may declare limited trading periods at the times that he/she deems appropriate, and need not provide any reason for making a declaration.

Furthermore, **all transactions in the Company Securities (including without limitation, acquisitions and dispositions of the ADSs and Ordinary Shares, the sale of Ordinary Shares issued upon exercise of options or vesting of other share-based awards and the execution of a Trading Plan, but excluding the acceptance of options or other share-based awards granted by the Company and the exercise of options or vesting of other share-based awards that does not involve the sale of securities) by directors, officers, and key employees designated by the Company from time to time must be pre-approved by the Compliance Officer.**

Please see Section III below for an explanation of the Material Information.

B. ***Trading Window*** – **Assuming none of the "no trading" restrictions set forth in Section II-A above applies, no director, officer, employee, or consultant of the Company may purchase or sell any Company Securities of Trip.com Group or enter into a Trading Plan other than during a Trading Window. A "Trading Window"** is the period in any fiscal quarter of Trip.com Group commencing at the close of business on the second Trading Day following the date of Trip.com Group's public disclosure of its financial results for the prior year, half-year or quarter, as applicable, and ending on January 1, April 1, July 1, and October 1, as the case may be.

In other words,

(1) beginning on January 1 of each year, no director, officer, employee, or consultant of the Company may purchase or sell any Company Securities of Trip.com Group or enter into a Trading Plan until the close of business on the second Trading Day following the date of Trip.com Group's public disclosure of its financial results for the fiscal year ended on December 31 of the prior year;

(2) beginning on July 1 of each year, no director, officer, employee, or consultant of the Company may purchase or sell any Company Securities of Trip.com Group or enter into a Trading Plan until the close of business on the second Trading Day following the date of Trip.com Group's public disclosure of its financial results for the fiscal quarter and six months ended on June 30 of that year; and

(3) beginning on April 1 and October 1 of each year, respectively, no director, officer, employee, or consultant of the Company may purchase or sell any Company Securities of Trip.com Group or enter into a Trading Plan until the close of business on the second Trading Day following the date of Trip.com Group's public disclosure of its financial results for the prior fiscal quarter ended on March 31 and September 30 of that year, respectively.

If Trip.com Group's public disclosure of its financial results for the prior period occurs on a Trading Day more than four hours before the Nasdaq Stock Market or the Hong Kong Stock Exchange closes (as appropriate), then such date of disclosure shall be considered the first Trading Day of Nasdaq/the Hong Kong Stock Exchange (as applicable) following such public disclosure.

Please note that trading in any Company Securities during the Trading Window is not a "safe harbor," and all directors, officers, employees, and consultants of the Company should strictly comply with all the policies set forth in this Statement.

When in doubt, do not trade! Check with the Compliance Officer first.

Notwithstanding the foregoing, sale of securities of the Company pursuant to an existing Trading Plan which was entered into in accordance with the Policy and in compliance with applicable law is not subject to the restrictions on trading in Sections II-A and II-B above.

C. ***No Tipping*** – No director, officer, employee, or consultant of the Company may directly or indirectly disclose any Material Information to anyone who trades in Company Securities (so-called "tipping"), regardless of whether the person or entity who receives the information, the "tippee," is related to you and regardless of whether you receive any monetary benefit from the tippee.

D. ***Confidentiality*** – No director, officer, employee, or consultant of the Company may communicate any Material Information to anyone outside the Company under any circumstances unless approved by the Compliance Officer in advance, or to anyone within the Company other than on a need-to-know basis.

E. ***No Comment*** – No director, officer, employee, or consultant of the Company may discuss any internal matters or developments of Trip.com Group with anyone outside Trip.com Group, except as required for the performance of regular corporate duties. Unless you are expressly authorized to the contrary, if you receive any inquiries about Trip.com Group or its Company Securities by the financial press, investment/research analysts, or others, or any requests for comments or interviews, you are required to decline comment and direct the inquiry or request to the Company's Compliance Officer.

F. ***Corrective Action*** – If you become aware that any potential Material Information has been or may have been inadvertently disclosed, you must notify the Compliance Officer immediately so that the Company can determine whether or not corrective action, such as general disclosure to the public, is warranted.

G. ***Rule 10b5-1 Trading Plans*** **–** Rule 10b5-1 provides an affirmative defense against insider trading liability under U.S. securities laws. A person subject to this Policy can rely on this defense and trade in the Company Securities, regardless of their awareness of inside information, if the transaction occurs pursuant to a pre-arranged written Trading Plan that was entered into when the person was not in possession of material non-public information and that complies with the requirements of Rule 10b5-1.

Anyone subject to this Policy who wishes to enter into a Trading Plan must submit the Trading Plan to the Compliance Officer for approval prior to the planned entry into the Trading Plan. Trading Plans may not be adopted by a person when he or she is in possession of material non-public information about the Company or its securities and must comply with the requirements of Rule 10b5-1 (including specified waiting periods and limitations on multiple overlapping plans and single trade plans).

Once a Trading Plan is adopted, you must not exercise any subsequent influence over the amount of securities to be traded, the price at which they are to be traded or the date(s) of the trade(s). You may amend or replace a Trading Plan only during periods when trading is permitted in accordance with this Policy, and you must submit any proposed amendment or replacement of a Trading Plan to the Compliance Officer for approval prior to adoption. You must provide notice to the Compliance Officer prior to terminating a Trading Plan. You should understand that a modification or termination of a Trading Plan may call into question your good faith in entering into and operating the plan (and therefore may jeopardize the availability of the affirmative defense against insider trading allegations).

III.
EXPLANATION OF INSIDER TRADING

As noted above, "insider trading" refers to the purchase or sale of a security while in possession of "material" "non-public" information relating to the security. "Company Securities" include not only stocks, bonds, notes, and debentures, but also options, warrants, and similar instruments (including the ADSs trading on the Nasdaq Stock Market and the Ordinary Shares trading on the Hong Kong Stock Exchange). "Purchase" and "sale" are defined broadly under the U.S. federal securities laws. "Purchase" includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. "Sale" includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions including conventional cash-for-stock transactions, the grant and exercise of stock options, and acquisitions and exercises of warrants or puts, calls, or other options related to a security. It is generally understood that "insider trading" includes the following:

- trading by insiders while in possession of material non-public information;
- trading by persons other than insiders while in possession of material non-public information where the information either was given in breach of an insider's fiduciary duty to keep it confidential or was misappropriated; or
- communicating or tipping material non-public information to others, including recommending the purchase or sale of a security while in possession of material non-public information.

As noted above, for purposes of this Statement, the terms "purchase" and "sell" of Company Securities exclude the acceptance of options or other share-based awards granted by the Company and the exercise of options or vesting of other share-based awards that does not involve the sale of securities. Among other things, the cashless exercise of options does involve the sale of securities and therefore is subject to the policies set forth in this Statement.

A. WHAT FACTS ARE MATERIAL?

The materiality of a fact depends upon the circumstances. A fact is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the securities. Information may be material even if it relates to future, speculative, or contingent events and even if it is significant only when considered in combination with publicly available information. Material information can be positive or negative and can relate to virtually any aspect of a company's business or to any type of security, debt, or equity.

Examples of material information include (but are not limited to) information concerning:

- dividends;
- corporate earnings or earnings forecasts, or changes to previously released earnings announcements or guidance;
- changes in financial condition or asset value;
- negotiations for the mergers or acquisitions or dispositions of significant subsidiaries or assets;
- significant new contracts or the loss of a significant contract;
- significant new products or services;
- significant marketing plans or changes in such plans;
- capital investment plans or changes in such plans;
- material litigation, administrative action or governmental investigations or inquiries about the Company, any of its affiliated companies, or any of its officers or directors;
- significant borrowings or financings;
- defaults on borrowings;
- new equity or debt offerings;
- adoption of repurchase plans or amendment of existing repurchase plans;
- significant personnel changes;
- a cybersecurity incident or risk that may materially and adversely impact the Company's business, reputation, or share value;
- changes in accounting methods and write-offs; and
- any substantial change in industry circumstances or competitive conditions which could significantly affect the Company's earnings or prospects for expansion.

A good general rule of thumb: **when in doubt, do not trade.**

B. WHAT IS NON-PUBLIC?

Information is "non-public" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, Reuters Economic Services, The Wall Street Journal, Bloomberg, Associated Press, PR Newswire, or United Press International, filings with the Securities and Exchange Commission or publications on the website of the Hong Kong Stock Exchange. Circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.

In addition, even after a public announcement, a reasonable period of time must lapse in order for the market to react to the information. Generally, one should allow approximately forty-eight (48) hours following publication as a reasonable waiting period before such information is deemed to be public.

C. WHO IS AN INSIDER?

"Insiders" include directors, officers, employees, and consultants of a company and anyone else who has material non-public information about a company. Insiders have independent fiduciary duties to their company and its shareholders not to trade on material non-public information relating to the company's securities. All directors, officers, employees, and consultants of the Company are considered insiders with respect to material non-public information about business, activities, and securities of the Company. The directors, officers, employees, and consultants of the Company may not trade the Company Securities while in possession of material non-public information relating to the Company or tip (or communicate except on a need-to-know basis) such information to others.

It should be noted that trading by household members of a director, officer, employee, or consultant can be the responsibility of such director, officer, employee, or consultant under certain circumstances and could give rise to legal and Company-imposed sanctions.

D. TRADING BY PERSONS OTHER THAN INSIDERS

Insiders may be liable for communicating or tipping material non-public information to a third party (a "tippee"), and insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders also can be liable for insider trading, including tippees who trade on material non-public information tipped to them or individuals who trade on material non-public information which has been misappropriated.

Tippees inherit an insider's duties and are liable for trading on material non-public information tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the material non-public information along to others who trade on such information. In other words, a tippee's liability for insider trading is no different from that of an insider. Tippees can obtain material non-public information by receiving overt tips from others or through, among other things, conversations at social, business, or other gatherings.

E. PENALTIES FOR ENGAGING IN INSIDER TRADING

Penalties for trading on or tipping material non-public information can extend significantly beyond any profits made or losses avoided, both for individuals engaging in the unlawful conduct and their employers. The Securities and Exchange Commission ("SEC") and the Department of Justice in the United States have made the civil and criminal prosecution of insider trading violations a top priority. The Securities and Futures Commission ("SFC") in Hong Kong also regularly prosecutes individuals for insider trading. Enforcement remedies available to the government or private plaintiffs under the U.S. federal securities laws include:

- administrative sanctions;
- sanctions by self-regulatory organizations in the securities industry;
- civil injunctions;
- damage awards to private plaintiffs;
- disgorgement of profits gained by the violator;
- civil fines for the violator of up to three times the amount of profit gained or loss avoided by the violator;
- civil fines for the employer or other controlling person of a violator (i.e., where the violator is an employee or other controlled person) of up to the greater of approximately US$2,500,000 or three times the amount of profit gained or loss avoided by the violator;
- criminal fines for individual violators of up to US$5,000,000 (US$25,000,000 for an entity); and
- jail sentences of up to 20 years.

In addition, insider trading could result in serious sanctions by the Company, including immediate dismissal. Insider trading violations are not limited to violations of the U.S. federal securities laws. Other U.S. federal and state civil or criminal laws, such as the laws prohibiting mail and wire fraud and the Racketeer Influenced and Corrupt Organizations Act (RICO), also may be violated upon the occurrence of insider trading.

F. PROHIBITION OF MARKET MISCONDUCT IN HONG KONG

Market misconducts prohibited by the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO") include insider dealing, false trading, price rigging, stock market manipulation, disclosure of information about prohibited transactions, and disclosure of false and misleading information. Market misconducts may result in civil action or criminal prosecution, but a party in breach will not be penalized repeatedly for the same act.

Insider dealing provisions contained in the SFO (primarily Section 270 of the SFO) prohibit any person in connection with the company who is in possession of the relevant information from dealing in or procuring other persons to deal in the securities of the company. Further, these persons are prohibited from disclosing the relevant information to other persons who may trade in the securities of the company.

The relevant principles of insider dealing and inside information are largely similar to principles of non-public information (as set out above); please note that the Company is not exempt from the market misconduct and insider dealing provisions of the SFO. For further details, please refer to the SFO and the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission.

Section 307A(1) of the SFO defines "inside information" in relation to a listed corporation. The three key elements in the concept of inside information are:

(a) the information about the particular corporation must be specific;

(b) the information must not be generally known to that segment of the market which deals or which would likely deal in the corporation's securities; and

(c) the information would, if so known, be likely to have a material effect on the price of the corporation's securities.

"Insider dealing" is when any person connected with the company holds the relevant information (being inside information, as described above) in relation to the company deals in the listed securities or derivatives of the company (or in the listed securities or derivatives of a related corporation of the company) or counsels or procures another person to deal in such securities or derivatives, knowing or having reasonable cause to believe that such other persons will deal in them.

In particular, Sections 270 and 291 of the SFO set out certain occasions and offences of insider dealing. Insider dealing in relation to a listed corporation takes place when:

- Person with inside information deals in shares of a corporation with which he is connected – Sections 270(1)(a) and 291(1)
- Bidder of take-over offer (being inside information) deals in shares of target – Sections 270(1)(b) and 291(2)
- Person connected with a corporation discloses inside information about that corporation – Sections 270(1)(c) and 291(3)
- Bidder of take-over offer leaks take-over information – Sections 270(1)(d) and 291(4)
- Recipient of inside information from a person connected with a corporation deals in shares of that corporation – Sections 271(1)(e) and 291(5)
- Recipient of inside information about a take-over from bidder deals in shares of the target – Sections 270(1)(f) and 291(6)
- Person with inside information facilitates or discloses such information to facilitate dealing on an overseas market – Sections 270(2) and 291(7)

Section 279 of the SFO imposes a duty on all officers of a corporation to take reasonable measures to ensure that proper safeguards exist to prevent the corporation from acting in a way which would result in the corporation perpetrating any market misconduct. Under Section 258 of the SFO, where a corporation has been identified as having been engaged in market misconduct and the market misconduct is directly or indirectly attributable to a breach by any person as an officer of the corporation of the duty imposed on him under section 279, the Market Misconduct Tribunal of Hong Kong may make one or more of the orders in respect of that person even if that person has not been identified as having engaged in market misconduct himself.

G. MATERIAL NON-PUBLIC INFORMATION REGARDING OTHER COMPANIES

This Policy and the guidelines described herein also apply to material non-public information relating to other companies, including the Company's customers, vendors, and suppliers ("Business Partners"), particularly when that information is obtained in the course of employment with, or other services performed by, or on behalf of, the Company. Civil and criminal penalties, and discipline, including termination of employment for cause, may result from trading on material non-public information regarding the Company's Business Partners. Each individual should treat material non-public information about the Company's Business Partners with the same care required with respect to information related directly to the Company.

H. INDIVIDUAL RESPONSIBILITY

Each person subject to this Policy is individually responsible for complying with this Policy and ensuring the compliance of any family members, such as spouses, minor children, adult family members who share the same household, and any other person or entity whose securities trading decisions are influenced or controlled by the person whose transactions are subject to this Policy. Accordingly, you should make your family and household members aware of the need to confer with you before they trade in the Company's securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws concerning trading while in possession of material non-public information as if the transactions were for your own account.

Exhibit 12.1

Certification by the Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jane Jie Sun, certify that:

1. I have reviewed this annual report on Form 20-F of Trip.com Group Limited (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 11, 2025

By: /s/ Jane Jie Sun
Name: Jane Jie Sun
Title: Chief Executive Officer

Exhibit 12.2

Certification by the Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Cindy Xiaofan Wang, certify that:

1. I have reviewed this annual report on Form 20-F of Trip.com Group Limited (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 11, 2025

By: /s/ Cindy Xiaofan Wang
Name: Cindy Xiaofan Wang
Title: Chief Financial Officer

Exhibit 13.1

Certification by the Chief Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Trip.com Group Limited (the "Company") on Form 20-F for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jane Jie Sun, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 11, 2025

By: /s/ Jane Jie Sun
Name: Jane Jie Sun
Title: Chief Executive Officer

Exhibit 13.2

Certification by the Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Trip.com Group Limited (the "Company") on Form 20-F for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Cindy Xiaofan Wang, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 11, 2025

By: /s/ Cindy Xiaofan Wang
Name: Cindy Xiaofan Wang
Title: Chief Financial Officer

Exhibit 15.1

Our ref SQG/302248-000002/31652131v1
Direct tel +852 2522 9333
Email derrick.kan@maples.com

Trip.com Group Limited
30 Raffles Place, #29-01
Singapore 048622

11 April 2025

Dear Sirs

Trip.com Group Limited (the "Company")

We consent to the reference to our firm under the headings "Item 6. Directors, Senior Management and Employees — Enforceability of Civil Liabilities" and "Item 10. Additional Information — E. Taxation" in the Company's Annual Report on Form 20-F for the year ended 31 December 2024, which will be filed with the Securities and Exchange Commission in the month of April 2025 and further consent to the incorporation by reference of the summary of our opinion under this heading into the Company's registration statements on Form S-8 (No. 333-116567, No. 333-136264, No. 333-146761, No. 333-218899, No. 333-230297 and No. 333-257784) that were filed on 17 June 2004, 3 August 2006, 17 October 2007, 22 June 2017, 15 March 2019 and 9 July 2021, respectively.

Yours faithfully

/s/ Maples and Calder (Hong Kong) LLP
Maples and Calder (Hong Kong) LLP

Exhibit 15.2

通商律師事務所
COMMERCE & FINANCE LAW OFFICES
中国北京建国门外大街 1 号国贸写字楼 2 座 12-14 层 100004
12-14th Floor, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 100004, China
电话 Tel: +86 10 6563 7181 传真 Fax: +86 10 6569 3838
电邮 Email: beijing@tongshang.com 网址 Web: www.tongshang.com

April 11, 2025

Trip.com Group Limited
30 Raffles Place, #29-01
Singapore 048622

Dear Sirs,

We consent to the reference to our firm under the headings “Item 3. Key Information,” “Item 4. Information on the Company — B. Business Overview — Government Regulations — PRC Regulations,” “Item 6. Directors, Senior Management and Employees — Enforceability of Civil Liabilities,” “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions” and “Financial Statements — Notes to the Consolidated Financial Statements” in Trip.com Group Limited’s Annual Report on Form 20-F for the year ended December 31, 2024, which will be filed with the Securities and Exchange Commission in the month of April 2025, and further consent to the incorporation by reference of the summaries of our opinions under these captions into Trip.com Group Limited’s Registration Statements on Form S-8 (No. 333-116567, No. 333-136264, No. 333-146761, No. 333-218899, No. 333-230297 and No. 333-257784) that were filed on June 17, 2004, August 3, 2006, October 17, 2007, June 22, 2017, March 15, 2019 and July 9, 2021, respectively.

Yours faithfully,

/s/ Commerce & Finance Law Offices
Commerce & Finance Law Offices

Exhibit 15.3

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-116567, No. 333-136264, No. 333-146761, No. 333-218899, No. 333-230297 and No. 333-257784) of Trip.com Group Limited of our report dated April 11, 2025 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China
April 11, 2025