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This announcement and the listing document referred herein is for informational purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and do not constitute an offer to sell or acquire or the solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing document) forms the basis for any contract or commitment whatsoever. For the avoidance of doubt, the publication of this announcement and the listing document referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the issuer for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

The announcement shall not constitute an offer to sell or a solicitation of an offer to purchase any securities, nor shall there be a sale of the securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

Neither this announcement nor any copy hereof may be taken into or distributed in the United States or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or with any securities regulatory authority of any state of the United States or other jurisdiction and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the United States Securities Act of 1933, as amended, and applicable state or local securities laws. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. We do not intend to make any public offering of securities in the United States.

CNY3,350,000,000 2.25 PER CENT. BONDS DUE 2031
(Debt Stock Code: 85171)
(the "Bonds")

H World Group Limited
華住集團有限公司

(Formerly known as Huazhu Group Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1179)

PUBLICATION OF OFFERING CIRCULAR

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Hong Kong Listing Rules**").

Please refer to the offering circular dated September 9, 2026 (the "**Offering Circular**") appended herein in relation to the issuance of the Bonds. The Offering Circular is published in English only. No Chinese version of the Offering Circular has been published.

Notice to Hong Kong investors: H World Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") confirms that the Bonds are intended for purchase by professional investors (as defined in Chapter 37 of the Hong Kong Listing Rules) only and have been listed on the Stock Exchange on that basis. Accordingly, the Company confirms that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Offering Circular does not constitute a prospectus, notice, memorandum, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

The Offering Circular must not be regarded as an inducement to subscribe for or purchase any of our securities, and no such inducement is intended. In making an investment decision, prospective investors must rely on their examination of us and the terms of this offering, including the merits and risks involved.

By Order of the Board
H World Group Limited
JI Qi
Executive Chairman

Hong Kong, September 17, 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. JI Qi, the Executive Chairman, and Mr. Justin Martin LEVERENZ, as directors; Mr. John WU Jiong, Mr. HEE Theng Fong, Ms. CAO Lei, Ms. ZHANG Yi (alias Bonnie Yi ZHANG) and Mr. SUN Yanjun as independent directors.

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES AND ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the preliminary offering circular (the "**Offering Circular**") following this page. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information as a result of such access. You acknowledge that access to the Offering Circular is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed to H World Group Limited (the "**Issuer**"), Goldman Sachs (Asia) L.L.C., CLSA Limited, Morgan Stanley & Co. International plc, J.P. Morgan Securities (Asia Pacific) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, CMB International Capital Limited, China CITIC Bank International Limited, China Minsheng Banking Corp., Ltd. Hong Kong Branch, CMBC Securities Company Limited, Bank of China Limited and Bank of China (Hong Kong) Limited (each a "**Joint Lead Manager**," together, the "**Joint Lead Managers**") that: (1) you and any customers you represent are not U.S. persons (as defined in Regulation S under the Securities Act) and are not in the United States, its territories or possessions, (2) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions, and (3) you consent to delivery of the attached document by electronic transmission. To the extent you purchase the securities described in the attached document (the "**Bonds**"), you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

Restrictions: Nothing in this electronic transmission constitutes, or may be used in connection with, an offer or an invitation by or on behalf of any of the Issuer, the Joint Lead Managers, the Trustee (as defined in the Offering Circular) or the Agents (as defined in the Offering Circular) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to subscribe for or purchase any of the securities described therein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Managers or any affiliate of a Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE BONDS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTIONS AND THE BONDS MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS TO NON-U.S. PERSONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

THE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSONS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

The Offering Circular is not a prospectus for the purposes of the Public Offers and Admissions to Trading Regulations 2024 ("**POATRs**").

The communication of the Offering Circular and any other document or materials relating to the issue of the Bonds described therein is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the UK's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The Offering Circular and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion**

Order")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). The Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Offering Circular and any other document or materials relates will be engaged in only with relevant persons. Any person in the UK that is not a relevant person should not act or rely on the Offering Circular or any of its contents.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version.

You are reminded that you have accessed the Offering Circular on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by laws.

Actions that you may not take: If you receive the Offering Circular by e-mail, you should not reply by e-mail to the Offering Circular, and you may not purchase any Bonds by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

H World Group Limited

(a company incorporated in the Cayman Islands with limited liability)

CNY3,350,000,000 2.25 per cent. Bonds due 2031 (the "Bonds")

Issue Price: 100.00 per cent.

The 2.25 per cent. bonds due 2031 in the aggregate principal amount of CNY3,350,000,000 (the "**Bonds**") will be issued by H World Group Limited (the "**Issuer**"). References to the "**Terms and Conditions**" are to the "Terms and Conditions of the Bonds." The Bonds will constitute direct, general, unsubordinated, unconditional and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be provided by applicable provisions of laws and regulations, and will be effectively subordinated to any secured indebtedness of the Issuer to the extent of the value of the assets securing such indebtedness, and be structurally subordinated to all obligations of the Issuer's subsidiaries, including claims with respect to trade payables.

The Bonds will bear interest on their outstanding principal amount from and including September 16, 2026 (the "**Issue Date**") at the rate of 2.25 per cent. per annum, payable semi-annually in arrear on March 16 and September 16 in each year (each an "**Interest Payment Date**"), commencing on March 16, 2027. If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined in Condition 3(f) (*Definitions*) of the Terms and Conditions), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding business day. All payments of principal, premium (if any) and interest in respect of the Bonds and the Trust Deed (as defined in the Terms and Conditions) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of the Taxing Jurisdiction (as defined in the Terms and Conditions) or any political subdivision or any authority therein or thereof having power to tax, unless the withholding or deduction of the Taxes is required by law. See Condition 7 (*Taxation*) of the Terms and Conditions.

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to, September 16, 2031 (the "**Maturity Date**").

At any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (in accordance with Condition 15 (*Notices*) of the Terms and Conditions) and in writing to the Trustee (as defined in the Terms and Conditions) and the CMU Lodging and Paying Agent (as defined in the Terms and Conditions), the Issuer may redeem the Bonds in whole, but not in part, at their principal amount together with any interest accrued to, but excluding, the date fixed by the Issuer for redemption, if, as a result of any change in, or amendment to, the laws or regulations of a Taxing Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or any change in, or amendments to, the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after September 9, 2026, the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it. At any time prior to August 16, 2031 (the "**Par Call Date**"), the Issuer may redeem the Bonds, in whole or in part, on giving not less than 30 nor more than 60 days' notice to the Bondholders (in accordance with Condition 15 (*Notices*) of the Terms and Conditions) and in writing to the Trustee and the CMU Lodging and Paying Agent, at a redemption price equal to their Make Whole Amount (as defined in the Terms and Conditions), together with any interest accrued to but excluding, the Optional Redemption Date (as defined in the Terms and Conditions). On or after the Par Call Date, the Issuer may redeem the Bonds, on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*) of the Terms and Conditions) to the Bondholders and in writing to the Trustee and the CMU Lodging and Paying Agent, in whole at any time or in part from time to time, at a redemption price equal to 100 per cent. of the principal amount of the Bonds to be redeemed, together with any interest accrued to, but excluding, the date fixed for redemption. If at any time while any Bond remains outstanding, there occurs a Change of Control Triggering Event (as defined in the Terms and Conditions), each Bondholder will have the option (unless, prior to the giving of the Change of Control Put Event Notice (as defined in the Terms and Conditions), the Issuer gives notice to redeem the Bonds under Condition 5(b) (*Redemption for tax reasons*) of the Terms and Conditions or Condition 5(c) (*Optional redemption*) of the Terms and Conditions) to require the Issuer to redeem all but not some only of its Bonds on the Change of Control Optional Redemption Date (as defined in the Terms and Conditions) at 101 per cent. of their principal amount outstanding of such Bonds together with interest accrued to, but excluding, the Change of Control Optional Redemption Date. See Condition 5 (*Redemption and Purchase*) of the Terms and Conditions.

The Issuer has completed the pre-issuance registration (the "Pre-Issuance Registration") of the issuance of the Bonds with the National Development and Reform Commission of the PRC (the "NDRC") in accordance with the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) (the "Order 56") issued by the NDRC and effective from February 10, 2023, and has received the Certificate of Review and Registration of Enterprise Borrowing of Foreign Debts (企業借用外債審核登記證明)

(the "**Certificate of Review and Registration**") from the NDRC with respect to the Pre-Issuance Registration, which as of the date of this Offering Circular, remains valid and in full force and effect. The Issuer will be required to file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds within the relevant prescribed timeframes after the Issue Date in accordance with the Order 56 and any relevant implementation rules, reports, certificates, approvals or guidelines as issued by the NDRC from time to time, including but not limited to, the filing with the NDRC the offering information and the issue details of the Bonds within ten PRC Business Days (as defined in the Terms and Conditions) after the Issue Date.

The Bonds will be issued in the minimum denomination of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof. For a more detailed description of the Bonds, see "Terms and Conditions of the Bonds" beginning on page 38.

Investing in the Bonds involves risks. See "Risk Factors" beginning on page 14 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered only in offshore transactions outside the United States to non-U.S. persons in reliance on Regulation S. For a description of these and certain further restrictions on offers and sales of the Bonds and the distribution of this Offering Circular, see "Subscription and Sale."

Application will be made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only. This Offering Circular is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer confirms that the Bonds are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange has not reviewed the contents of this Offering Circular, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Circular to Professional Investors only have been reproduced in this Offering Circular. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Bonds, the Issuer or the Group (as defined herein) or the quality of disclosure in this Offering Circular. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The Issuer is assigned a corporate rating of "Baa2" by Moody's Investors Service, Inc. ("**Moody's**"), "BBB" by S&P Global Inc. ("**S&P**") and "BBB" by Fitch Ratings, Inc. ("**Fitch**"). Such ratings are only correct as at the date of this Offering Circular. The Bonds are expected to be rated "Baa2" by Moody's. Such rating does not constitute a recommendation to buy, sell or hold the Bonds and may be subject to revision or withdrawal at any time by Moody's.

The Bonds will be represented by a global registered bond certificate (the "**Global Certificate**") substantially in the form scheduled to the Trust Deed (as defined in the Terms and Conditions). The Global Certificate will be registered in the name of, and lodged with a sub-custodian for, the Hong Kong Monetary Authority as operator (the "**CMU Operator**") of the Central Moneymarkets Unit (the "**CMU**" or the "**Clearing System**"), and will be exchangeable for definitive Certificates (as defined in the Terms and Conditions) in registered form only in the circumstances set out therein. Except as described in the Global Certificate, definitive Certificates for Bonds will not be issued in exchange for interests in the Global Certificate. For persons seeking to hold a beneficial interest in the Bonds through Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A. ("**Clearstream**"), such persons will hold their interest through an account opened and held by Euroclear or Clearstream (as the case may be) with the CMU Operator.

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Goldman Sachs (Asia) L.L.C. | **CITIC Securities**

Morgan Stanley | **J.P. Morgan**

Joint Bookrunners and Joint Lead Managers

Industrial Bank Co., Ltd. Hong Kong Branch | **CMB International** | **China CITIC Bank International**

China Minsheng Banking Corp., Ltd. | **Bank of China**

Offering Circular dated September 9, 2026

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IMPORTANT NOTICE

This Offering Circular is not a prospectus for the purposes of the Public Offers and Admissions to Trading Regulations 2024 ("**POATRs**").

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular. This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in or incorporated by reference into this Offering Circular and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The communication of this Offering Circular and any other document or materials relating to the issue of the Bonds described therein is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the UK's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the UK. This Offering Circular and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). This Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Circular and any other document or materials relates will be engaged in only with relevant persons. Any person in the UK that is not a relevant person should not act or rely on this Offering Circular or any of its contents.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Issuer confirms, having made all reasonable enquiries, that (i) this Offering Circular does not include an untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, and (ii) the statistical, industry and market-related

data and forward-looking statements, each of which is included in this Offering Circular, are based on or derived or extracted from sources which the Issuer believes to be accurate and reliable in all material respects. This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Bonds described in this Offering Circular.

The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, Goldman Sachs (Asia) L.L.C., CLSA Limited, Morgan Stanley & Co. International plc, J.P. Morgan Securities (Asia Pacific) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, CMB International Capital Limited, China CITIC Bank International Limited, China Minsheng Banking Corp., Ltd. Hong Kong Branch, CMBC Securities Company Limited, Bank of China Limited and Bank of China (Hong Kong) Limited (each a "**Joint Lead Manager**," together, the "**Joint Lead Managers**") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this document in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see "Subscription and Sale."

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Offering Circular or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorized by the Issuer, the Joint Lead Managers, the Trustee or the Agents (as defined in the Terms and Conditions) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer since the date hereof or create any implication that the information contained herein is correct as of any date subsequent to the date hereof.

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them has separately verified the information contained in this Offering Circular. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Offering Circular or any information supplied in connection with the Bonds. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merit and risks involved in investing in the Bonds. See "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them or on behalf of any of them, in connection with the Issuer or the issue and offering of the Bonds. Each of the Joint Lead Managers, the Trustee and the Agents and each of their respective affiliates, directors, officers, employees, representatives, agents and advisers and each person who controls any of them accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them.

This Offering Circular may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. This Offering Circular is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them that any recipient of this Offering Circular should subscribe for or purchase any Bonds. Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Group with its own tax, legal and business advisers as it deems necessary.

Except as otherwise indicated in this Offering Circular, all non-Group specific statistics and data relating to the industry or to the economic development of certain regions have been extracted or derived from publicly available information and industry publications. Such information has not been independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them, and none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers who contributed to the publicly available information and industry publications may have obtained information from market participants and such information may not have been independently verified.

This Offering Circular is provided solely for the purpose of enabling the recipient to consider purchasing the Bonds. The prospective investors should read this Offering Circular carefully before making a decision regarding whether or not to purchase the Bonds. This Offering Circular cannot be used for any other purpose and any information in this Offering Circular cannot be disclosed to any other person. This Offering Circular is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Bonds. Distribution of this Offering Circular to any other person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized. Each prospective investor, by accepting delivery of this Offering Circular, agrees to the foregoing and to make no photocopies of this Offering Circular or any documents referred to in this Offering Circular. By purchasing the Bonds, the prospective investors are deemed to have represented and agreed to all of those provisions contained in that section of this Offering Circular.

This Offering Circular summarizes certain material documents and other information, and the Issuer and the Joint Lead Managers refer the recipient of this Offering Circular to them for a more complete understanding of what is contained in this Offering Circular. In making an investment decision, the prospective investor must rely on its own judgment and examination of the Issuer, the Group and the Terms and Conditions, including the merits and risks involved.

See "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Bonds. None of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them is making any representations regarding the legality of an investment in the Bonds under any law or regulation. The recipient of this Offering Circular should not consider any information in this Offering Circular to be legal, business or tax advice. Any prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Bonds.

IN CONNECTION WITH THE ISSUE OF THE BONDS, ANY OF THE JOINT LEAD MANAGERS APPOINTED AND ACTING IN ITS CAPACITY AS A STABILIZATION MANAGER (IN SUCH CAPACITY, THE "STABILIZATION MANAGER") OR ANY PERSON ACTING ON BEHALF OF THE STABILIZATION MANAGER MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND DIRECTIVES, OVER-ALLOT THE BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL, BUT IN DOING SO THE STABILIZATION MANAGER OR ANY PERSON ACTING ON BEHALF OF THE STABILIZATION MANAGER SHALL ACT AS PRINCIPAL AND NOT AS AGENT OF THE ISSUER. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZATION MANAGER OR ANY PERSON ACTING ON BEHALF OF THE STABILIZATION MANAGER WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS

OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE BONDS. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILIZATION MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trading of the Bonds may be material. These entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds may be impacted.

Prospective investors should not construe anything in this Offering Circular as legal, business or tax advice. Each prospective investor should determine for itself the relevance of the information contained in this Offering Circular and consult its own legal, business and tax advisers as needed to make its investment decision and determine whether it is legally able to purchase the Bonds under applicable laws or regulations.

Important Notice to the Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of this offering of the Bonds, including certain Joint Lead Managers, are "capital market intermediaries" ("**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("**OCs**") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." If a prospective investor is otherwise affiliated with any Joint Lead Managers, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Lead Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

MARKET DATA

Market data and certain information and statistics included in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer believes the information to be reliable, it has not been independently verified by the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them and none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation as to the accuracy or completeness of such information. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. In making an investment decision, each investor must rely on its own examination of the Issuer, the Group and the terms of the offering and the Bonds, including the merits and risks involved. Where information in this Offering Circular has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that, as far as the Issuer is aware and is reasonably able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information to be inaccurate or misleading.

WARNING

The contents of this Offering Circular have not been reviewed by any regulatory authority in the United States, Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this document, that investor should obtain independent professional advice.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are currently subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers and the Hong Kong Listing Rules as applicable to listed issuers on the Main Board of the Hong Kong Stock Exchange. Accordingly, we are required to file reports, including annual reports, and other information with the SEC and the Hong Kong Stock Exchange. All information filed with the SEC can be obtained over the Internet at the SEC's website at *www.sec.gov*, and all information filed with the Hong Kong Stock Exchange can be obtained over the Internet at the Hong Kong Stock Exchange's website at *www.hkexnews.hk*. Unless expressly incorporated by reference, none of such information forms a part of this Offering Circular.

INCORPORATION BY REFERENCE

This Offering Circular incorporates by reference certain reports and other information that we have filed with the SEC under the Exchange Act. This means that we are disclosing important business and financial information to you by referring you to those documents. We incorporate by reference the documents listed below (including each of the exhibits referenced therein):

- our annual report on Form 20-F for the fiscal year ended December 31, 2025 filed with the SEC on April 24, 2026 (the "**2025 Annual Report**");
- our current report on Form 6-K furnished to the SEC on August 17, 2026, including the exhibit thereto (the "**August Form 6-K**");
- our current report on Form 6-K furnished to the SEC on July 28, 2026, including the exhibit thereto; and

- all subsequent reports on Form 20-F and any report on Form 6-K that indicates it is being incorporated by reference that we file with or furnish to the SEC on or after the date hereof and until the termination or completion of the offering by means of this Offering Circular.

Unless expressly incorporated by reference, nothing in this Offering Circular shall be deemed to incorporate by reference information furnished to, but not filed with, the SEC.

To the extent there are inconsistencies between the information contained in this Offering Circular and the information contained in the documents incorporated by reference as of the date hereof, the information in this Offering Circular shall be deemed to supersede the information in such incorporated documents. Any statement contained in this Offering Circular or in a document incorporated or deemed to be incorporated by reference into this Offering Circular shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained in this Offering Circular or in any other subsequently filed document which also is or is deemed to be incorporated by reference into this Offering Circular modifies or supersedes the statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Statements contained in this Offering Circular or in any document incorporated by reference into this Offering Circular as to the contents of any contract or other document referred to herein or therein are not necessarily complete, and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the documents incorporated by reference, each such statement being qualified in all respects by such reference.

We will provide to you, upon your written or oral request, without charge, a copy of any or all of the documents we refer to above which we have incorporated in this Offering Circular by reference, other than exhibits to those documents unless such exhibits are specifically incorporated by reference in the documents. You should direct your requests to our principal executive office located at No. 1299 Fenghua Road, Jiading District, Shanghai 201803, People's Republic of China. Our telephone number at this address is +86 (21) 6195-2011.

CONVENTIONS THAT APPLY TO THIS OFFERING CIRCULAR

In this Offering Circular, except where the context otherwise requires and for purposes of this Offering Circular only:

- "ADSs" are to our American depositary shares, each representing ten ordinary shares;
- "CCASS" refers to the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited;
- "China" or the "PRC" refers to the People's Republic of China, and only in the context of describing PRC rules, laws, regulations, regulatory authority, and any PRC entities or citizens under such rules, laws and regulations and other legal or tax matters in this Offering Circular, excludes Hong Kong, Macau and Taiwan;
- "Consolidated Affiliated Entities" are to Tianjin Jizhu, Shanghai Huanmei and its wholly owned subsidiary Huanmei Travel, and Ningbo Futing, each of which is a Consolidated Affiliated Entity;
- "CMU" refers to The Central Moneymarkets Unit operated by the Hong Kong Monetary Authority;
- "CWUMPO" refers to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, and the rules and regulations promulgated thereunder;
- "CSRC" refers to the China Securities Regulatory Commission;

- "Deutsche Hospitality" refers to Steigenberger Hotels GmbH (formerly known as Steigenberger Hotels Aktiengesellschaft), a subsidiary of our Company established under the laws of Germany on September 12, 1985, and its subsidiaries;
- "director(s)" refers to member(s) of our board, unless otherwise stated;
- "Exchange Act" refers to the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
- "foreign private issuer" refers to such term as defined in Rule 3b-4 under the U.S. Exchange Act;
- "HFCAA" refers to the Holding Foreign Companies Accountable Act, which was enacted on December 18, 2020, signed into law on December 29, 2022 and amended by the Consolidated Appropriations Act, 2023;
- "HKD" refers to the legal currency of Hong Kong;
- "Hong Kong" or "HK" refers to the Hong Kong Special Administrative Region of the PRC;
- "Hong Kong Listing Rules" are to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
- "Hong Kong Share Registrar" refers to Computershare Hong Kong Investor Services Limited;
- "Hong Kong Stock Exchange" refers to The Stock Exchange of Hong Kong Limited;
- "Huanmei Travel" refers to Huanmei International Travel Agency (Shanghai) Co., Ltd.;
- "HWC" refers to H World China, covering all hotels operating inside China;
- "HWI" refers to H World International, which includes all hotels operating outside China;
- "leased hotels" refers to leased-and-operated hotels;
- "Macau" refers to the Macau Special Administrative Region of the PRC;
- "Main Board" refers to the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange;
- "manachised hotels" refers to franchised-and-managed hotels;
- "Memorandum" refers to our memorandum of association (as amended from time to time);
- "NDRC" refers to the National Development and Reform Commission of the PRC;
- "Ningbo Futing" refers to Ningbo Futing Enterprise Management Co., Ltd.;
- "occupancy rate" refers to the number of rooms in use divided by the number of available rooms for a given period;
- "ordinary shares" or "Shares" refers to our ordinary shares, par value US$0.00001 per share;
- "PCAOB" refers to the Public Company Accounting Oversight Board of the United States;
- "RevPAR" refers to revenue per available room, calculated by room revenue during a period divided by the number of available rooms of such hotel during the same period;

- "RMB", "Renminbi" or "CNY" refers to the legal currency of China;
- "SAFE" refers to the State Administration of Foreign Exchange of the PRC, the PRC governmental agency responsible for matters relating to foreign exchange administration, including local branches, when applicable;
- "SEC" refers to the United States Securities and Exchange Commission;
- "Securities Act" refers to the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
- "SFO" refers to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time;
- "Shanghai Huanmei" refers to Huanmei Information Technology (Shanghai) Co., Ltd.;
- "Tianjin Jizhu" refers to Tianjin Jizhu Information Technology Co., Ltd. (formerly known as Tianjin Mengguang Information Technology Co., Ltd.);
- "US$" or "U.S. dollars" refers to the legal currency of the United States;
- "U.S." or "United States" refers to the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
- "U.S. GAAP" refers to generally accepted accounting principles in the United States;
- "VIEs" refer to the Consolidated Affiliated Entities; and
- "we," "us," "our Company," "the Group," "our" and "Huazhu" refer to H World Group Limited (formerly known as Huazhu Group Limited and China Lodging Group, Limited), a Cayman Islands exempted company with limited liability, its predecessor entities and its subsidiaries and, in the context of describing our operations and consolidated financial information, the VIEs.

All discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

Our reporting currency is Renminbi. This Offering Circular contains translations of Renminbi amounts into U.S. dollars at specific rates solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars and from U.S. dollars to RMB in this Offering Circular were made using the exchange rate at the end of each applicable reporting period, being RMB6.7851 to US$1.00, the exchange rate as set forth in the H.10 statistical release of the U.S. Federal Reserve Board on June 30, 2026. We make no representation that any Renminbi or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Renminbi, as the case may be, at any particular rate, or at all.

FORWARD-LOOKING STATEMENTS

This Offering Circular 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 anticipated growth strategies, including developing new hotels at desirable locations in a timely and cost-effective manner and launching a new hotel brand;
- our future business development, results of operations and financial condition;

- expected changes in our revenues and certain cost or expense items;
- our ability to attract customers and leverage our brand;
- trends and competition in the lodging industry;
- the status of the relevant regulatory and legislative developments in the countries we operate;
- general economic, business and socio-political conditions globally, including the recent Israel-Hamas military conflict and Russia-Ukraine military conflict; and
- all other risks and uncertainties described in the "Risk Factors" section in this Offering Circular and "Item 3.D. Key Information—Risk Factors" of our 2025 Annual Report.

The forward-looking statements included in this Offering Circular 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 disclosed in this Offering Circular. We would like to caution you not to place undue reliance on these forward-looking statements and you should read these statements in conjunction with the risk factors disclosed herein and in the documents incorporated by reference for a more complete discussion of the risks of an investment in our securities. We operate in a rapidly evolving environment. New risks emerge from time to time and it is impossible 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 from those contained in any forward-looking statement. We do not undertake any obligation to update or revise the forward-looking statements except as required under applicable law.

SUMMARY

This summary highlights information contained elsewhere in or incorporated by reference into this Offering Circular. This summary is not complete and does not contain all of the information that you should consider before investing in the Bonds. You should read the entire Offering Circular carefully, including the section titled "Risk Factors" of this Offering Circular and under "Item 3. Key Information—D. Risk Factors" in our 2025 Annual Report, our consolidated financial statements and related notes, which are incorporated by reference in this Offering Circular, and the other financial information appearing elsewhere in or incorporated by reference into this Offering Circular.

Company Overview

We are a leading, fast-growing multi-brand hotel group in China with international operations. Our hotels are operated under three different models: leased and owned, franchised, and franchised hotels that we operate under management contracts, which we refer to as "manachised." We expanded our hotel network from 9,394 hotels as of December 31, 2023 to 13,539 hotels as of June 30, 2026. As of December 31, 2025, we had 12,858 hotels in operation, including 573 leased and owned hotels and 12,285 manachised and franchised hotels, with an aggregate of 1,264,419 hotel rooms. As of June 30, 2026, we had 13,539 hotels in operation, including 547 leased and owned hotels and 12,992 manachised and franchised hotels, with an aggregate of 1,335,445 hotel rooms. As of June 30, 2026, we were developing an additional 3,089 hotels, including 16 leased and owned hotels and 3,073 manachised and franchised hotels.

Brands are the bedrock of our success. In over a decade, we grew from an economy hotel chain to a multi-brand hotel group covering the full spectrum of market segments. Leveraging our consumer insights and our capability to deliver innovative and trend-setting products, we now operate a portfolio of over 20 distinct hotel brands.

We have developed a vast base of loyal and engaged customers under our H Rewards loyalty program. H Rewards covers all of our brands and had more than 311 million members as of December 31, 2025. We engage with program members through multiple online and offline touch points to personalize their lodging experiences and foster strong and long-lasting relationships that inspire loyalty to our brands. H Rewards is a powerful distribution platform, enabling us to conduct lower-cost, targeted marketing campaigns and maintain a high percentage of direct sales to customers.

We have developed industry-leading, proprietary technology infrastructure that enhances customer experience, increases our operational efficiency, and supports our fast growth. The core of this infrastructure is a comprehensive suite of modularized applications, including a cloud-based property management system and centralized reservation, procurement and revenue management systems. Leveraging our operational experience and technological capabilities, we have built a centralized shared service center and realized the economies of scale made possible through our sizable hotel operations. We have also undertaken a series of industry-first digitalization initiatives to optimize our hotels' operational efficiency and cost structure and operate "smart" hotels. Our digital transformation initiative, the "Easy" series, has increased the speed and efficiency of our hotels' entire business processes, from the moment a reservation is made until a guest checks out.

Leveraging our strong brand recognition, massive member traffic, and robust technology infrastructure, we have pioneered a business operating system designed to enhance hotel operations across all fronts. Our business operating system is the result of our years of industry know-how, and it includes innovative ideas that are first tested and refined by our leased and owned business. Subsequently, these ideas can be "plugged-and-played" by our franchisees with confidence, thus allowing us to effectively expand our hotel network in an asset-light manner. Apart from receiving franchise fees for these hotels, we also share our technology infrastructure and our vast customer base with our franchisees. We believe that our distinct approach to hospitality has helped us establish a highly differentiated business model that balances scale, quality and returns.

Our total revenue was RMB21,882 million, RMB23,891 million, and RMB25,307 million (US$3,730 million) in 2023, 2024, and 2025, respectively. Our total revenue increased from RMB11,821 million in the six months ended June 30, 2025 to RMB13,117 million (US$1,934 million) in the six months ended June 30, 2026. We had net income attributable to H World Group Limited of RMB4,085 million, RMB3,048 million and RMB5,080 million (US$749 million) in 2023, 2024 and 2025, respectively. Our net income attributable to H World Group Limited decreased from RMB2,438 million in the six months ended June 30, 2025 to RMB2,394 million (US$353 million) in the same period of 2026. Our adjusted EBITDA (non-GAAP) amounted to RMB6,268 million, RMB6,820 million and RMB8,473 million (US$1,249 million) in 2023, 2024 and 2025, respectively. Our adjusted EBITDA (non-GAAP)

increased from RMB3,766 million in the six months ended June 30, 2025 to RMB4,583 million (US$676 million) in the same period of 2026. For more information on our Adjusted EBITDA, see "Summary Consolidated Financial and Operating Data — Non-GAAP Measures" in this Offering Circular. Our net cash provided by operating activities amounted to RMB7,674 million, RMB7,518 million, RMB8,379 million (US$1,235 million) and RMB3,641 million (US$536 million) in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively.

We believe that our core competencies and proven business model well-position us to increase our share in the expanding global lodging industry and continue to deliver encouraging financial performance.

Our Brands and Products

As of the date of this Offering Circular, we have hotels in operation or under development under the following brands, which are our key hotel brands and are designed to target distinct segments of customers:

- Economy hotel brands: HanTing Hotel, Ni Hao Hotel, Hi Inn, Elan Hotel, Zleep Hotels, and Ibis Hotel;
- Midscale hotel brands: JI Hotel, Orange Hotel, Starway Hotel, and Ibis Styles Hotel;
- Upper midscale hotel brands: Crystal Orange Hotel, IntercityHotel, Grand JI Hotel, Manxin Hotel, Mercure Hotel, Madison Hotel, Novotel Hotel, CitiGO Hotel, and MAXX;
- Upscale hotel brands: Joya Hotel, Blossom House, Steigenberger Hotels & Resorts, Jaz in the City, and Grand Mercure Hotel; and
- Luxury hotel brand: Steigenberger Icons and Song Hotels.

We have entered into brand franchise agreements with Accor and enjoy exclusive franchise rights in respect of Mercure Hotel, Ibis Hotel, and Ibis Styles Hotel in the pan-China region and Mongolia and non-exclusive franchise rights in respect of Grand Mercure Hotel and Novotel Hotel in the pan-China region and Mongolia. Through our acquisition of Deutsche Hospitality, we have obtained exclusive rights to construct, operate, manage, franchise, and license hotels under the Jaz in the City brand in China, Southeast Asia, Japan, South Korea, and Europe subject to certain exceptions, and non-exclusive rights to operate, manage, franchise, and license a certain number of hotels under the Jaz in the City brand in certain other countries and regions, such as Tunisia, Cape Verde, the United Arab Emirates (the "**UAE**"), and Egypt.

As of June 30, 2026, we also operated other hotels, including partner hotels and hotel brands in Yongle Huazhu Hotel & Resort Group.

We believe that our multi-brand strategy provides us with a competitive advantage to open more hotels in attractive markets and capture a wider range of customers with evolving lodging preferences and needs, thereby achieving greater economies of scale through shared platforms.

Summary of Risk Factors

Investing in the Bonds involves risks. You should consider carefully all of the information included or incorporated by reference in this Offering Circular before investing in the Bonds. The following provides a summary of the principal risks we face. Some of the risks are discussed more fully in the "Risk Factors" section of this Offering Circular. In addition, you should carefully consider the matters discussed under "Item 3. Key Information—D. Risk Factors," "Item 5. Operating and Financial Review and Prospects" and our consolidated financial statements and related notes thereto in our 2025 Annual Report, which is incorporated by reference in this Offering Circular.

Risks Related to Our Business

- Our operating results are subject to conditions affecting the lodging industry in general;
- Our business is sensitive to Chinese, European, Middle Eastern, Southeast Asian and global economic conditions. A severe or prolonged downturn in the Chinese, European, Middle Eastern, Southeast Asian or global economy could materially and adversely affect our revenues and results of operations;
- The lodging industries in China, Europe, the Middle East, Southeast Asia, and other countries and regions where we operate are competitive, and if we are unable to compete successfully, our financial condition and results of operations may be harmed;

- Seasonality of our business and national or regional special events may cause fluctuations in our revenues, cause our ADS or ordinary share price to decline, and adversely affect our profitability;
- We may not be able to manage our planned growth, which could adversely affect our operating results;
- Our multi-brand business strategy exposes us to potential risks and if any of the new hotel brands are not well received by the market, we may not be able to generate sufficient revenue to offset related costs and expenses, and our overall financial performance and condition may be adversely affected.

Risks Related to Doing Business in China

- We are subject to various laws and regulations, including franchise, hotel industry, construction, hygiene, health and safety environmental, anti-monopoly, consumer rights protection, and advertising laws and regulations, which may subject us to liability;
- Regulatory developments in China may subject us to additional regulatory review and disclosure requirements, expose us to government influence, or otherwise restrict or completely hinder our ability to offer securities and raise capital outside China, which could adversely affect our business operations and cause the value of our securities to significantly decline or become worthless.
- Regulatory control of currency conversion may limit our ability to pay dividends in foreign currencies to our shareholders and therefore adversely affect the value of your investment.
- PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent us from using the proceeds from offerings of the ADSs, ordinary shares or other securities to make loans or additional capital contributions to our PRC operating subsidiaries and VIEs.
- Fluctuation in the value of the Renminbi may have a material adverse effect on your investment.
- We may rely on dividends and other distributions on equity paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct our business.
- It is unclear whether we will be considered as a PRC resident enterprise under the Enterprise Income Tax Law of the PRC, and depending on the determination of our PRC resident enterprise status, if we are not treated as a PRC resident enterprise, dividends paid to us by our PRC subsidiaries will be subject to PRC withholding tax; if we are treated as a PRC resident enterprise, we may be subject to 25% PRC income tax on our worldwide income, and holders of our ADSs or ordinary shares that are non-PRC resident investors may be subject to PRC withholding tax on dividends on and gains realized on their transfer of our ADSs or ordinary shares.

Risks Related to Our Corporate Structure

- H World Group Limited is a Cayman Islands holding company. As a result, you may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management based on foreign laws.

Risks Related to the Bonds

- Any failure to complete the relevant filings under the Order 56 within the prescribed timeframes following the completion of the issue of the Bonds or to comply with the continuing reporting obligations under the Order 56 may have adverse consequences for the Issuer and/or the Bondholders.
- The Bonds are effectively subordinated to the indebtedness of our subsidiaries.
- The Bonds are not secured by any of our assets and any secured creditors would have a prior claim on our assets.

Risks Related to Renminbi-Denominated Bonds

- There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Bonds and the Issuer's ability to source Renminbi outside the PRC to service the Bonds.
- Remittance of proceeds into or outside of the PRC in Renminbi may be difficult.

- Investment in the Bonds is subject to exchange rate risks.

Corporate Information

Our principal executive offices are located at No. 1299 Fenghua Road, Jiading District, Shanghai 201803, People's Republic of China. Our telephone number at this address is +86 (21) 6195-2011. Our registered office in the Cayman Islands is located at the offices of Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The SEC maintains a website at *www.sec.gov* that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system. We maintain our website at *ir.hworld.com*. The information contained on, or linked from, our website is not a part of this Offering Circular.

No Material Adverse Change

There has been no adverse change, nor any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) of our general affairs since December 31, 2025 that has a material adverse effect on the Company.

SUMMARY CONSOLIDATED FINANCIAL DATA

You should read the summary consolidated financial data below in conjunction with "Item 5. Operating and Financial Review and Prospects" and our consolidated financial statements and the related notes thereto in our 2025 Annual Report, which is incorporated by reference in this Offering Circular.

Our consolidated income statements data and our consolidated statements of cash flows data for the fiscal years ended December 31, 2023, 2024 and 2025, and our consolidated balance sheets data as of December 31, 2024 and 2025, have been derived from our audited consolidated financial statements for the relevant periods incorporated in this Offering Circular by reference to our 2025 Annual Report. Our selected condensed consolidated statements of operations data for the six months ended June 30, 2025 and 2026, selected condensed consolidated balance sheet data as of June 30, 2026, and selected condensed consolidated statements of cash flow data for the six months ended June 30, 2025 and 2026 were derived from our unaudited interim condensed consolidated financial statements incorporated in this Offering Circular by reference to our August Form 6-K. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. Our unaudited condensed consolidated financial information as at and for the six months ended June 30, 2026 does not contain sufficient information to constitute an interim financial report as required by ASC 270 Interim Reporting. Such information should not be relied upon by potential investors to provide the same quality of information associated with information that has been subject to an audit and should not be taken as an indication of our expected financial condition or results of operations for the fiscal year ended December 31, 2026. Our historical results do not necessarily indicate results expected for any future period.

Selected Consolidated Statements of Comprehensive Income Data

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	(RMB)	(RMB)	(RMB)	(US$)	(RMB)	(RMB)	(US$)
				(In millions)			
						(Unaudited)	
Total revenues	21,882	23,891	25,307	3,730	11,821	13,117	1,934
Total operating costs and expenses[(1)]	17,568	19,050	18,973	2,796	9,117	9,630	1,419
Income (loss) from operations	4,714	5,200	6,819	1,005	2,869	3,706	547
Foreign exchange gain (loss)	90	(272)	569	84	574	(117)	(18)
Income (loss) before income taxes	5,349	4,805	7,302	1,076	3,403	3,532	521
Net income (loss)	4,131	3,102	5,115	754	2,458	2,400	354
Net income (loss) attributable to H World Group Limited	4,085	3,048	5,080	749	2,438	2,394	353

Note:

(1) Includes share-based compensation expenses as follows:

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	(RMB)	(RMB)	(RMB)	(US$)	(RMB)	(RMB)	(US$)
				(In millions)			
						(Unaudited)	
Share-based compensation expenses	143	322	420	62	247	265	39

Selected Consolidated Balance Sheet Data

	As of December 31,			As of June 30, 2026	
	2024	2025			
	(RMB)	(RMB)	(US$)	(RMB)	(US$)
			(In millions)		
				(Unaudited)	
Cash and cash equivalents	7,474	10,386	1,531	14,249	2,100
Restricted cash	50	146	22	142	21
Property and equipment, net	5,682	5,230	771	4,989	735
Intangible assets, net	4,776	5,028	741	4,821	711
Operating lease right-of-use assets	24,992	24,983	3,682	24,922	3,673
Long-term investments	2,316	1,369	202	1,352	199
Goodwill	5,221	5,428	800	5,291	780
Total assets	**62,552**	**64,774**	**9,547**	**63,615**	**9,376**
Short-term debt	880	5,337	787	911	134
Accounts payable	983	1,020	150	1,040	153
Operating lease liabilities, current	3,492	3,478	513	3,563	525
Long-term debt	4,546	479	71	3,315	489
Operating lease liabilities, non-current	23,634	23,653	3,486	23,452	3,456
Deferred revenue	1,351	1,602	236	1,674	247
Total liabilities	**50,281**	**51,816**	**7,637**	**49,380**	**7,278**
Total equity	**12,271**	**12,958**	**1,910**	**14,235**	**2,098**

Selected Consolidated Cash Flow Data

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	(RMB)	(RMB)	(RMB)	(US$)	(RMB)	(RMB)	(US$)
				(In millions)			
						(Unaudited)	
Net cash provided by (used in) operating activities	7,674	7,518	8,379	1,235	3,239	3,641	536
Net cash (used in) provided by investing activities	(1,477)	(2,239)	(1,042)	(154)	996	3,263	482
Net cash (used in) provided by financing activities	(3,720)	(5,504)	(4,306)	(635)	1,337	(2,807)	(414)

Non-GAAP Measures

In evaluating our business, we consider and use non-GAAP measures, such as EBITDA and Adjusted EBITDA, as supplemental measures to review and assess our operating performance.

We use earnings before interest income, interest expense, income tax expense (benefit) and depreciation and amortization, or EBITDA, a non-GAAP financial measure, to assess our results of operations before the impact of investing and financing transactions and income taxes. Given the significant investments that we have made in leasehold improvements, depreciation and amortization expense comprises a significant portion of our cost structure. We believe that EBITDA is widely used by other companies in the lodging industry and may be used by investors as a measure of our financial performance. We also use Adjusted EBITDA, another non-GAAP measure, which is defined as EBITDA before share-based compensation expenses and gains (losses) from fair value changes of equity securities, net, foreign exchange gain (loss), net, and gain (loss) on disposal of investments. We present Adjusted EBITDA because it is used by our management to evaluate our operating performance. We believe that Adjusted EBITDA provides meaningful supplemental information regarding our performance by excluding share-based compensation expenses, gain (loss) from fair value changes of equity securities, foreign exchange gain (loss), net, and gain (loss) on disposal of investments that may not be indicative of our operating performance. We also believe that:

(i) both our management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning and forecasting future periods; (ii) these non-GAAP financial measures facilitate our management's internal comparisons to our historical performance; and (iii) these non-GAAP financial measures are useful to investors in allowing for greater transparency with respect to supplemental information used regularly by our management in financial and operational decision-making. The presentation of EBITDA and Adjusted EBITDA should not be construed as an indication that our future results will be unaffected by other charges and gains we consider to be outside the ordinary course of our business.

The use of EBITDA and Adjusted EBITDA has certain limitations. Depreciation and amortization expense for various long-term assets, income tax, interest income and interest expense have been and will be incurred and are not reflected in the presentation of EBITDA. Share-based compensation expenses, gain (loss) from fair value changes of equity securities, foreign exchange gain (loss), net, and gain (loss) on disposal of investments have been and will be incurred and are not reflected in the presentation of Adjusted EBITDA. Each of these items should also be considered in the overall evaluation of our results. Additionally, EBITDA and Adjusted EBITDA do not consider capital expenditures and other investing activities and should not be considered as a measure of our liquidity. We compensate for these limitations by providing the relevant disclosure of our depreciation and amortization, interest income, interest expense, income tax expense, share-based compensation expenses, gains (losses) from fair value changes of equity securities, foreign exchange gain (loss), net, gain (loss) on disposal of investments, capital expenditures and other relevant items both in our reconciliations to the U.S. GAAP financial measures and in our consolidated financial statements, all of which should be considered when evaluating our performance.

The terms EBITDA and Adjusted EBITDA are not defined under U.S. GAAP, and none of EBITDA and Adjusted EBITDA is a measure of net income, operating income, operating performance or liquidity presented in accordance with U.S. GAAP. When assessing our operating and financial performance, you should not consider this data in isolation or as a substitute for our net income, operating income or any other operating performance measure that is calculated in accordance with U.S. GAAP. In addition, our EBITDA and Adjusted EBITDA may not be comparable to EBITDA, Adjusted EBITDA or similarly titled measures utilized by other companies since such other companies may not calculate EBITDA or Adjusted EBITDA in the same manner as we do.

	Year Ended December 31,				Six Months Ended June 30,		
	2023	2024	2025		2025	2026	
	(RMB)	(RMB)	(RMB)	(US$)	(RMB)	(RMB)	(US$)
				(In millions)			
Net income (loss) attributable to H World Group Limited	4,085	3,048	5,080	749	2,438	2,394	353
Interest income	(248)	(210)	(223)	(33)	(101)	(120)	(17)
Interest expense	385	318	337	50	165	139	20
Income tax expense (benefit)	1,204	1,662	2,161	318	942	1,168	172
Depreciation and amortization	1,414	1,332	1,257	185	636	610	90
EBITDA (Non-GAAP)	6,840	6,150	8,612	1,269	4,080	4,191	618
Share-based compensation expenses	143	322	420	62	247	265	39
(Gain) loss from fair value changes of equity securities, net	(109)	66	10	1	13	10	1
Foreign exchange (gain) loss, net	(90)	272	(569)	(84)	(574)	117	18
(Gain) loss on disposal of investments	(516)	10	-	-	-	-	-
Adjusted EBITDA (Non-GAAP)	6,268	6,820	8,473	1,249	3,766	4,583	676

THE OFFERING

The following summary contains some basic information about the Bonds. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Bonds" shall have the same meanings in this summary. For a more complete description of the terms and conditions of the Bonds, see "Terms and Conditions of the Bonds."

Issuer	H World Group Limited.
Bonds	CNY3,350,000,000 2.25 per cent. bonds due 2031.
Issue Price	100.00 per cent.
Form and Authorized Denomination	The Bonds will be issued in registered form in the minimum denomination of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof.
Interest	The Bonds will bear interest on their outstanding principal amount from and including the Issue Date at the rate of 2.25 per cent. per annum, payable semi-annually in arrear on March 16 and September 16 in each year (each an "**Interest Payment Date**"), commencing on March 16, 2027. If any Interest Payment Date would otherwise fall on a day which is not a business day, it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding business day.
Issue Date	September 16, 2026.
Maturity Date	Interest Payment Date falling on, or nearest to, September 16, 2031.
Use of Proceeds	See the section entitled "Use of Proceeds."
Status of the Bonds	The Bonds will constitute direct, general, unsubordinated, unconditional and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be provided by applicable provisions of laws and regulations, and will be effectively subordinated to any secured indebtedness of the Issuer to the extent of the value of the assets securing such indebtedness, and will be structurally subordinated to all obligations of the Issuer's subsidiaries, including claims with respect to trade payables.
Negative Pledge	So long as any Bond remains outstanding, the Issuer shall not, and shall procure that none of its Significant Subsidiaries (other than any Listed Subsidiary) will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or any guarantee of Relevant Indebtedness without at the same time or prior thereto securing the Bonds equally and rateably therewith or providing such other security for the Bonds as may be approved by an Extraordinary Resolution of Bondholders, subject to the exceptions described in Condition 3(a) (*Negative Pledge*) of the Terms and Conditions.
Consolidation, Merger, Sale, Conveyance and Lease	The Issuer shall not consolidate with, merge with or into, or (directly, or indirectly through one or more of the Issuer's Subsidiaries or Variable Interest Entities) sell, convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets to another Person other than to one or more of the wholly-owned Subsidiaries of the Issuer, subject to the exceptions described in Condition 3(b) (*Consolidation, Merger, Sale, Conveyance and Lease*) of the Terms and Conditions.

NDRC Post-Issue Reporting and Continuing Filing	The Issuer will undertake to file or cause to be filed with the NDRC the requisite information and documents within the prescribed timeframes after the Issue Date in accordance with the Administrative Measures for the Examination and Registration of Medium- and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法（國家發展和改革委員會令第 56 號）) issued by the NDRC on January 5, 2023 and which came into effect on February 10, 2023 and any relevant implementation rules, reports, certificates, approvals, or guidelines as issued by the NDRC from time to time (the "**NDRC Post-Issue Reporting**"). The Issuer shall submit the initial NDRC Post-Issue Reporting within ten PRC Business Days after the Issue Date. The Issuer shall within ten PRC Business Days after the submission to NDRC of the initial NDRC Post-Issue Reporting, (i) provide the Trustee with a certificate (substantially in the form scheduled to the Trust Deed) signed by an Authorized Signatory (as defined in the Trust Deed) confirming the submission of the initial NDRC Post-Issue Reporting (together with a copy of the relevant document(s), if any, evidencing due filing with the NDRC) and (ii) give notice to the Bondholders in accordance with Condition 15 (*Notices*) of the Terms and Conditions confirming the submission of the initial NDRC Post-Issue Reporting.
Maintenance of Rating	The Issuer will undertake that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution, the Issuer will maintain a rating on the Bonds by any of the Rating Agencies. "**Rating Agencies**" means Fitch Ratings, Moody's Investors Service, or Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and their respective successors to their ratings business.
Reports by Issuer	The Issuer shall provide to the Trustee within 15 days after the same are required to be filed with the U.S. Securities and Exchange Commission (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 Issuer files with the Commission via the Commission's EDGAR system shall be deemed to be provided to the Trustee for purposes of Condition 3(e) (*Reports by Issuer*) of the Terms and Conditions at the time such documents are filed via the EDGAR system.

Taxation	All payments of principal, premium (if any) and interest in respect of the Bonds and the Trust Deed by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, unless the withholding or deduction of the Taxes is required by law. If the Issuer is required to make any deduction or withholding by or within (i) the Cayman Islands or the PRC (or, in each case, any political subdivision or taxing authority thereof or therein), (ii) any jurisdiction in which the Issuer or any successor is, for tax purposes, incorporated, organized, resident, or doing business (or any political subdivision or taxing authority thereof or therein), or (iii) any jurisdiction from or through which payment is made or deemed made (or any political subdivision or taxing authority thereof or therein), the Issuer shall pay or deliver to the Holders such additional amounts or other consideration, as applicable, as may be necessary to ensure that the net amount received by the Holders after such withholding or deduction (and after deducting any applicable taxes on the additional amounts) will equal the amounts that would have been received by them had no such withholding or deduction been required, subject to the exceptions described in Condition 7 (*Taxation*) of the Terms and Conditions.
Final Redemption	Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to, September 16, 2031. The Bonds may not be redeemed at the option of the Issuer other than in accordance with Condition 5 (*Redemption and Purchase*) of the Terms and Conditions.
Redemption for Taxation Reasons	At any time, on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*) of the Terms and Conditions) to the Bondholders and in writing to the Trustee and CMU Lodging and Paying Agent, the Issuer may redeem the Bonds in whole, but not in part, at their principal amount, together with any interest accrued to, but excluding, the date fixed by the Issuer for redemption, if, as a result of any change in, or amendment to, the laws or regulations of any Taxing Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in, or amendments to, the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after September 9, 2026, the Issuer has or will become obliged to pay Additional Tax Amounts and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.
Optional Redemption	(i) At any time prior to the Par Call Date, the Issuer may redeem the Bonds, in whole or in part, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable subject to the proviso below) and in writing to the Trustee and the CMU Lodging and Paying Agent, at a redemption price equal to their Make Whole Amount, together with any interest accrued to but excluding, the Optional Redemption Date. The Issuer shall give notice to the Bondholders in accordance with Condition 15 (Notices) of the Terms and Conditions and in writing to the Trustee and the CMU Lodging and Paying Agent on or before 12:00 p.m. (Hong Kong time) on the fifth business day immediately preceding such redemption date stating either (i) the Optional Redemption Price or (ii) that the Make Whole Call Reference Rate is not available and that, accordingly the Issuer's exercise of its right to redeem the Bonds under Condition 5(c)(i) of the Terms and Conditions and such Optional Redemption Notice shall be immediately cancelled forthwith and shall cease to have any further effect, without prejudicing the Issuer's right to issue a new Optional Redemption Notice at any time after such cancellation; and (ii) the Issuer may redeem the Bonds on or after the Par Call Date on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*) of the Terms and Conditions) to the Bondholders (which notice shall be irrevocable) and in writing to the

Trustee and the CMU Lodging and Paying Agent, in whole at any time or in part from time to time, provided that such notice may be given prior to the Par Call Date if the date fixed for redemption specified in such notice falls on or after the Par Call Date, at a redemption price equal to 100 per cent. of the principal amount of the Bonds to be redeemed, together with any interest accrued to, but excluding, the date fixed for redemption.

Redemption upon a Change of Control Triggering Event

If at any time while any Bond remains outstanding, there occurs a Change of Control Triggering Event, each Bondholder will have the option (unless, prior to the giving of the Change of Control Put Event Notice, the Issuer gives notice to redeem the Bonds under Condition 5(b) (*Redemption for tax reasons*) of the Terms and Conditions or Condition 5(c) (*Optional redemption*) of the Terms and Conditions) to require the Issuer to redeem all but not some only of its Bonds on the Change of Control Optional Redemption Date at 101 per cent. of the principal amount outstanding of such Bonds, together with interest accrued to, but excluding, the Change of Control Optional Redemption Date.

For the purposes of Condition 5(d) (*Redemption upon a Change of Control Triggering Event)* of the Terms and Conditions:

"**acting in concert**" has the same meaning given to it in The Codes on Takeovers and Mergers and Share Buy-backs.

"**affiliate**" means, for a specified Person, any Person that directly or indirectly through one or more intermediaries is controlling, is controlled by, or is under common control with, the specified Person.

"**Change of Control**" shall be deemed to have occurred at the time after the Bonds are originally issued if any of the following occurs:

(i) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than (x) the Issuer and its Subsidiaries, and (y) the Existing Principal Shareholders or any of their respective affiliates, files a Schedule TO (as defined in the Exchange Act) or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner" of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer representing more than 50 per cent. of the voting power of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer; or

(ii) Mr. Qi Ji and parties acting in concert with him (together with any of their respective affiliates) collectively cease to be the single largest "beneficial owner" of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer,

provided that, as used in paragraphs (i) and (ii) above, the term "**beneficial owner**" shall have the meaning defined in Rule 13d-3 under the Exchange Act.

"**Change of Control Triggering Event**" means a Change of Control, provided however, that, in the event that the Bonds are, on the Rating Date, rated Investment Grade by at least one Rating Agency, a Change of Control Triggering Event shall mean the occurrence of both a Change of Control and a Rating Decline (rather than the occurrence of only one of these events).

"**Existing Principal Shareholders**" means Mr. Qi Ji and parties acting in concert with him, together with any other respective "person" or "group" subject to aggregation of the ordinary

share capital of the Issuer (including ordinary share capital held in the form of depositary shares) with any of the aforementioned persons and entities under Section 13(d) of the Exchange Act.

''**Investment Grade**'' means (i) a rating of ''AAA,'' ''AA,'' ''A'' or ''BBB,'' as modified by a ''+'' or ''-'' indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns; (ii) a rating of ''Aaa,'' or ''Aa,'' ''A'' or ''Baa,'' as modified by a ''1,'' ''2'' or ''3'' indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns; or (iii) a rating of ''BBB'' or better by Fitch, or any of its successors or assigns.

"**Rating Date**" means, in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (a) a Change of Control and (b) a public notice of the occurrence of a Change of Control or of the intention by any Person or Persons to effect a Change of Control.

"**Rating Decline**" means, in connection with a Change of Control Triggering Event and in the event the Bonds are rated as Investment Grade by at least one Rating Agency on the Rating Date, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by any Person or Persons to effect a Change of Control (which period shall be extended (by no more than an additional three months after the consummation of the Change of Control) so long as the rating of the Bonds is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of a downgrade of the rating of the Bonds such that the Bonds cease to be rated as Investment Grade by all such Rating Agencies.

Events of Default

If any of the Events of Default (as further described in Condition 8 (*Events of Default*) of the Terms and Conditions) occurs and is continuing, then the Trustee at its sole and absolute discretion may (but shall not be obliged to) and, if so requested in writing by Holders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or pre-funded and/or provided with security to its satisfaction), give written notice to the Issuer declaring the Bonds to be immediately due and payable, whereupon the Bonds shall become immediately due and payable at their principal amount together with accrued and unpaid interest (if any) without further notice or formality.

Further Issues

The Issuer may from time to time, without the consent of the Bondholders and in accordance with the Trust Deed, create and issue further bonds having the same terms and conditions as the Bonds in all respects (except for the issue date and deadline for the NDRC Post-Issue Reporting and, in some cases, the amount and date of the first interest payment) so as to be consolidated into and form a single series with the Bonds. Any further bonds consolidated into and forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

Clearing System

The Bonds will be represented by the Global Certificate substantially in the form scheduled to the Trust Deed. The Global Certificate will be registered in the name of, and lodged with a sub-custodian for, the CMU Operator, and will be exchangeable for definitive Certificates in registered form only in the circumstances set out therein. Except in the limited circumstances described in the Global Certificate, owners of interests in the Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. For persons seeking to hold a beneficial interest in the Bonds through Euroclear or Clearstream, such persons will hold their interest through an account opened and held by Euroclear or Clearstream (as the case may be) with the CMU Operator.

Governing Law and Jurisdiction	English law. Exclusive jurisdiction of the Hong Kong courts.
Expected Bonds Rating	The Bonds are expected to be rated "Baa2" by Moody's. Such ratings should be evaluated independently of any other rating of any other securities of the Issuer.
Trustee	CNCBI Trustee Limited.
CMU Lodging and Paying Agent	China CITIC Bank International Limited.
Registrar and Transfer Agent	China CITIC Bank International Limited.
Listing	Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in the Bonds by way of debt issues to Professional Investors only and such permission is expected to become effective on or about September 17, 2026.
Selling Restrictions	The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of certain restrictions on offers, sales and deliveries of the Bonds and on the distribution of offering material in the United States, the European Economic Area, the United Kingdom, Cayman Islands, Hong Kong, Singapore, the PRC, Japan and Macau, see "Subscription and Sale."
ISIN	HK0001357729.
Common Code	350132511.
CMU Instrument Number	KWHKFB26039.
Legal Entity Identifier (LEI) of the Issuer	549300Y5ML31FVN83730.

RISK FACTORS

Investing in the Bonds involves risks. You should consider carefully the risks described below, together with all of the other information included or incorporated by reference in this Offering Circular, including the risks and uncertainties discussed under "Item 3. Key Information—D. Risk Factors," "Item 5. Operating and Financial Review and Prospects" and our consolidated financial statements and related notes thereto in our 2025 Annual Report, which is incorporated by reference in this Offering Circular, before investing in the Bonds. Each of the risks described in such document and below could materially and adversely affect our business, financial condition, or results of operations. The selected risks described below or incorporated by reference in this Offering Circular, however, are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition, or results of operations.

Risks Related to Our Business

Our operating results are subject to conditions affecting the lodging industry in general.

Our operating results are subject to conditions typically affecting the lodging industry, which include:

- changes and volatility in national, regional and local economic conditions in China, Europe, the Middle East, Southeast Asia, and other countries and regions where we operate;
- competition from other hotels, the attractiveness of our hotels to customers, and our ability to maintain and increase sales to existing customers and attract new customers;
- adverse weather conditions, natural disasters or travelers' fears of exposure to contagious diseases and social unrest;
- changes in travel patterns or in the desirability of particular locations;
- increases in operating costs and expenses due to inflation and other factors;
- local market conditions such as an oversupply of, or a reduction in demand for, hotel rooms;
- the quality and performance of managers and other employees of our hotels;
- the availability and cost of capital to fund construction and renovation of, and make other investments in, our hotels;
- seasonality of the lodging business and national or regional special events;
- the possibility that leased properties may be subject to challenges as to their compliance with the relevant government regulations; and
- maintenance and infringement of our intellectual property.

Changes in any of these conditions could adversely affect our occupancy rates, average daily room rates and RevPAR, or otherwise adversely affect our results of operations and financial condition.

Our business is sensitive to Chinese, European, Middle Eastern, Southeast Asian and global economic conditions. A severe or prolonged downturn in the Chinese, European, Middle Eastern, Southeast Asian or global economy could materially and adversely affect our revenues and results of operations.

China is one of our major markets, and we also have operations in other countries and regions, including Europe, the Middle East and Southeast Asia. We depend on domestic business and leisure travel customers in China for a significant majority of our revenues, and we also derive a relatively large portion of our revenues from Europe following our acquisition of Deutsche Hospitality in 2020. Our operations have further expanded into the Middle East and Southeast Asia. Accordingly, our financial results have been, and we expect will continue to be, materially affected by developments in the economies and travel industries of China, as well as those of Europe, the Middle East and Southeast Asia.

As the travel industry is highly sensitive to business and personal discretionary spending levels, it tends to decline during general economic downturns. A prolonged slowdown in the Chinese economy could erode consumer confidence and result in changes to consumer spending patterns for travel and lodging-related products and services. The European hotel industry is also significantly affected by the economic performance of European countries.

Global financial markets have experienced significant disruptions from time to time. In addition, conflicts between the United States and China have extended to multiple areas, placing further pressure on China's economic growth. For example, economic and trade sanctions imposed by countries around the globe, particularly those imposed by the U.S. government, have directly or indirectly affected China-based companies. Such laws and regulations are subject to frequent changes, and their interpretation and enforcement involve substantial uncertainties, which may be heightened by national security concerns or driven by political and other factors beyond our control. If any of our business partners were to be identified or designated as a sanctioned person or entity by relevant governmental authorities, any actual or perceived association with such sanctioned person or entity could expose us to reputational harm, regulatory scrutiny, and other adverse consequences for our business and operations. Moreover, the heightened geopolitical uncertainty and potential for further escalation may discourage investments in securities issued by China-based issuers, including us, and adversely affect the global macroeconomic environment. Although cross-border trade is not our principal business, these types of geopolitical developments could materially and adversely affect our overall financial performance and the market prices of our ADSs and ordinary shares. For example, some of our franchisees operate in industries that are relatively more vulnerable to heightened tariffs, such as manufacturing, and an escalated trade war might have a material adverse effect on their business and cash flow, thereby weakening potential franchisees' willingness to enter into franchise agreements with us or existing franchisees' ability to invest in the maintenance and operation of our hotels.

Legislative or administrative actions with respect to China-U.S. relations could increase investor caution toward affected issuers, including us, and the market price of our ordinary shares and ADSs could be adversely affected. For example, the SEC has issued statements primarily focused on companies with significant China-based operations, such as us. During a television interview on April 15, 2025, in response to a journalist's question on whether the U.S. government could include possible delistings of Chinese companies from U.S. exchanges as a step in its ongoing trade disputes with China, U.S. Secretary of the Treasury Scott Bessent declined to exclude this possibility. If the U.S. government were to issue any order or otherwise require or cause the delisting of equity securities issued by China-based issuers, it could have a material adverse effect on the price of our ADSs. If our ADSs were to be delisted from the NASDAQ, our shareholders may suffer losses as a result of a decrease in our share price. All of these events have introduced significant uncertainties into the geopolitical landscape and the global economic outlook. Furthermore, rather than merely delisting our securities from the NASDAQ, the U.S. government could implement broader sanctions, such as those applicable to "China Military-Industrial Complex Companies," or CMIC Companies, which apply to U.S. persons globally and could even more significantly affect our shareholders, in particular U.S. persons, and the market price of our securities, including our Hong Kong Stock Exchange-listed ordinary shares.

Separately, we may also be subject to review and enforcement under domestic and foreign laws that screen foreign investment and acquisitions. In both the United States and non-U.S. jurisdictions, these regulatory requirements may treat companies differently based on the type of company in question and the location and nature of its operations. As a result of these laws and regulations, investments by particular investors may need to be filed with local regulators, which in turn may impose added costs on our business, impact our operations, and limit our ability to engage in strategic transactions that might otherwise be beneficial to us and our investors. These laws are also frequently changed and updated. For example, in October 2024, the U.S. Department of the Treasury issued a final rule (the "**Outbound Investment Rule**"), which imposes a new national security regulatory framework to control outbound investment from the United States in certain sensitive industry sectors in China, including Hong Kong and Macau. The Outbound Investment Rule took effect in January 2025, and it restricts U.S. persons' direct and indirect investment into companies with specified connections to China that engage in specified "covered activities" within three areas of technology: semiconductors and microelectronics, quantum information technologies, and artificial intelligence systems. We do not believe we would be deemed a Covered Foreign Person under the Outbound Investment Rule, because we do not engage in any "covered activity" (as defined in the Outbound Investment Rule) or otherwise meet the definition of Covered Foreign Persons provided in the Outbound Investment Rule. Subsequently, the U.S. government issued a broadly worded "America First Trade Policy" on January 20, 2025, and an "America First Investment Policy" on February 21, 2025. In particular, the America First Trade Policy directs the Treasury and several other executive departments and offices of the U.S. government to review the outbound investment program. In addition, the America First Investment Policy Memorandum contemplates possible application of the outbound investment program to a wider range of technologies and applying restrictions to a wider range of investments. On December 18, 2025, the Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**") was signed into law. The COINS Act retains the core of the final rule while expanding its scope and coverage, including underwriting services as an exception and amending certain key definitions such as "Covered

Foreign Person." It directs the U.S. Department of the Treasury to define the technical parameters for prohibited and notifiable transactions. The content of the implementing regulations remains uncertain. These rules, including any changes that may be adopted, may limit our ability to engage in certain kinds of business operations and may also limit our ability to raise capital from U.S. and other sources if we engage in the development of technologies specified in these rules. Continuing changes in both U.S. and non-U.S. jurisdictions to foreign investment laws and rules could adversely affect our strategic initiatives, financial performance, and growth prospects.

There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by China. At the same time, following a sustained period of low interest rates, interest rates have risen significantly in the United States and Europe since 2022. The combination of rising interest rates and inflation has resulted in significant market volatility and economic uncertainty.

There have also been concerns over unrest in the Middle East and Ukraine, such as the ongoing military conflicts involving Israel, the United States, Iran and the Russia-Ukraine military conflict, which have resulted in significant market volatility and may adversely affect our operations in the Middle East. Eruptions of regional tensions have also resulted in major economic shocks worldwide and substantial volatility across global financial markets.

It is unclear whether the above challenges will be contained or resolved, or what effects they may ultimately have. Any prolonged slowdown in the Chinese, European, Middle Eastern, Southeast Asian or global economy may have a material adverse effect on our business, results of operations and financial condition, and continued turbulence in the international markets may adversely affect our ability to access the capital markets to meet our liquidity needs.

The lodging industries in China, Europe, the Middle East, Southeast Asia, and other countries and regions where we operate are competitive, and if we are unable to compete successfully, our financial condition and results of operations may be harmed.

The lodging industries in China, Europe, the Middle East, Southeast Asia and other countries and regions where we operate are highly fragmented. As a multi-brand hotel group, we believe that we compete primarily based on location, room rates, brand recognition, quality of accommodations, geographic coverage, service quality, range of services, guest amenities, and convenience of the central reservation system. We primarily compete with other hotel groups as well as various independent hotels in each of the markets in which we operate, including Chinese hotel groups such as BTG Hotels, Jinjiang, and Atour, as well as international hotel groups such as Marriott, InterContinental, Accor, and Hilton. We also face competitions from lodging products offered on platforms such as Airbnb and service apartments. New and existing competitors may offer more competitive rates, greater convenience, services, amenities or superior facilities, which could attract customers away from our hotels and result in a decrease in occupancy rates and average daily room rates of our hotels. Competitors may also outbid us for new leased hotel conversion sites, negotiate better terms for potential manachised or franchised hotels, or offer better terms to our existing franchisees in connection with our manachised or franchised hotels, thereby slowing our anticipated pace of expansion. Furthermore, our typical guests may change their travel, spending and consumption patterns and choose to stay in other kinds of hotels, especially given the increase in our hotel room rates to keep pace with inflation. Even if our peers cannot outcompete us, any increasing supply of hospitality assets in the areas in which we operate could negatively affect our operational and financial results. Any of these factors may have an adverse effect on our competitive position, results of operations and financial condition.

Seasonality of our business and national or regional special events may cause fluctuations in our revenues, cause our ADS or ordinary share price to decline, and adversely affect our profitability.

The lodging industry is subject to fluctuations in revenues due to seasonality and national or regional special events. The seasonality of our business may cause fluctuations in our quarterly operating results. Generally, the first quarter, in which both the New Year and Spring Festival holidays fall, accounts for a lower percentage of our annual revenues than other quarters of the year. Our hotels in China typically have a lower RevPAR in the fourth quarter, as compared to the second and third quarters, due to reduced travel activities in winter, though some of our European hotels may recognize higher sales in the fourth quarter as a result of more trade fairs and corporate events. In addition, national or regional special events that attract large numbers of people to travel may also cause fluctuations in our operating results in particular for the hotel locations where those events are held. Therefore, you should not rely on our operating or financial results for prior periods as an indication of our results in any future period. As our revenues may vary from quarter to quarter, our business performance is difficult to predict and our quarterly results could fall below investor expectations, which could cause our ordinary share and/or ADS prices to decline. Furthermore, the

ramp-up process of our new hotels can be delayed during the low season, which may negatively affect our revenues and profitability.

A significant portion of our costs and expenses may remain at the same level or increase even if our revenues decline, which would adversely affect our net margins and results of operations.

A significant portion of our operating costs, including rent and depreciation and amortization, is fixed. Accordingly, a decrease in revenues could result in a disproportionately higher decrease in our earnings because our operating costs and expenses are unlikely to decrease proportionately. For example, the New Year and Spring Festival holiday periods generally account for a lower portion of our annual revenues than other periods. However, our expenses do not vary as significantly with changes in occupancy and revenues as we need to continue to pay rent and salary and to make regular repairs, maintenance and renovations and invest in other capital improvements throughout the year to maintain the attractiveness of our hotels. Our property development and renovation costs may increase as a result of increasing costs of materials. However, we may have a limited ability to pass increased costs to customers through room rate increases. Therefore, our costs and expenses may remain constant or increase even if our revenues decline, which would adversely affect our net margins and results of operations.

We may not be able to manage our planned growth, which could adversely affect our operating results.

Our hotel group has been growing rapidly since we commenced our business of operating and managing a multi-brand hotel group.

We intend to continue developing and operating additional hotels in different geographic locations in China and overseas. Such expansions have placed, and will continue placing, substantial demands on our managerial, operational, technological and other resources. Our planned expansion will also require us to maintain the consistency of our products and the quality of our services to ensure that our business does not suffer as a result of any deviations, whether actual or perceived, in our quality standards. In order to manage and support our growth, we must continue improving our existing operational, administrative and technological systems and our financial and management controls, and recruit, train and retain qualified hotel management personnel as well as other administrative and sales and marketing personnel, particularly as we expand into new markets. We cannot assure you that we will be able to effectively and efficiently manage the growth of our operations, recruit and retain qualified personnel, and integrate new hotels into our operations. Our inability to anticipate the changing demands that expanding operations will impose on our management and information and operational systems, or our failure to quickly adapt our systems and procedures to the new markets, could result in declines of revenues and increases in expenses or otherwise harm our results of operations and financial condition.

In addition, our expansion within existing markets may affect our existing hotels in those markets and, as a result, negatively affect our overall results of operations. Expansion into new geographic markets, especially overseas, and the addition of new hotel products for which we may have limited operating experience and brand recognition may present operating and marketing challenges that are different from those we currently encounter in our existing markets. Those new markets may have different regulatory requirements, competitive conditions, consumer preferences, and discretionary spending patterns as compared to our existing markets. As a result, any new hotels we open in those markets may be less successful than hotels in our existing markets. Guests and franchisees in any new market may not be familiar with our brands and we may need more time to build brand awareness in that market through greater investments in advertising and promotional activities than we anticipated. We may find it more difficult in new markets to hire, motivate and retain qualified employees who share our vision, passion and culture. Hotels operated in new markets may also have lower average revenues or higher operating costs than hotels in existing markets. Revenues at hotels operated in new markets may take longer than expected to ramp up and reach expected revenues and profit levels, and may never do so, thereby affecting our overall profitability.

There can be no assurance that any expansion, new hotel products or brands we introduce will be well received by our customers and become profitable in a timely fashion, or at all. If a new product or brand is not well received by our customers and our expansion into new geographic markets is not successful, we may not be able to generate sufficient revenue to offset related costs and expenses, and our overall financial performance and condition may be adversely affected.

Our multi-brand business strategy exposes us to potential risks and if any of the new hotel brands are not well received by the market, we may not be able to generate sufficient revenue to offset related costs and expenses, and our overall financial performance and condition may be adversely affected.

We have developed and acquired a portfolio of hotel brands globally across economy hotels to luxury hotels. Our brands include HanTing Hotel, Hi Inn, JI Hotel, Grand JI Hotel, Starway Hotel, Manxin Hotel, Joya Hotel, Elan Hotel, Crystal Orange Hotel, Orange Hotel, Blossom House, Madison Hotel, Ni Hao Hotel, CitiGO Hotel, and Song Hotels. In January 2020, we completed the acquisition of Deutsche Hospitality, which operates in Europe, the Middle East, Asia and Africa under the brands of Steigenberger Hotels & Resorts, MAXX, Jaz in the City, IntercityHotel, and Zleep Hotels, as well as the luxury brand Steigenberger Icons. In addition to the hotel brands owned by us, we entered into a strategic alliance with Accor S.A. ("**Accor**"), in January 2016, and are developing certain Accor hotel brands in the PRC, Taiwan and Mongolia under our brand franchise agreements.

We cannot guarantee the size and profitability of the various market segments that each new brand is targeting. The business models of these new brands are not proven, and we cannot guarantee that they can generate returns comparable to those of the established brands. The process of developing new brands may divert management attention and resources from our established brands. We may not be able to find competent management staff to lead and manage the execution of the multi-brand business strategy. If we are unable to successfully execute our multi-brand strategy to target various market segments, we may be unable to generate revenues from these market segments in the amounts and by the times we anticipate, or at all, and our business, competitive position, financial condition and prospects may be adversely affected.

We may not be able to successfully compete for franchise agreements and, as a result, we may not be able to achieve our planned growth.

Our growth strategy includes expanding through manachising and franchising by entering into franchise agreements with our franchisees. We believe that our ability to compete for franchise agreements primarily depends on our brand recognition and reputation, the results of our overall operations in general, and the success of the hotels that we currently manachise and franchise. Other competitive factors for franchise agreements include marketing support, capacity of the central reservation channel, and the ability to operate hotels cost-effectively. The terms of any new franchise agreements that we obtain also depend on the terms that our competitors offer for those agreements. In addition, if the availability of suitable locations for new properties decreases, or regulatory planning or other local regulations change, the supply of suitable properties for our manachised and franchised models could be diminished. If the hotels that we manachise or franchise perform less successfully than those of our competitors or if we are unable to offer terms as favorable as those offered by our competitors, we may not be able to compete effectively for new franchise agreements. As a result, we may not be able to achieve our planned growth and our business and results of operations may be materially and adversely affected.

We may have disputes with our franchisees, and they may terminate the franchise agreements with us earlier if the franchised hotels' performance is worse than they expected.

We may have disputes with our franchisees with respect to the performance of the franchise agreements. For example, we have in the past closed certain manachised and franchised hotels as a result of disputes with the franchisees regarding our measures to avoid competition between the franchisees, including keeping appropriate distances between the manachised and franchised hotels. Some franchisees were not satisfied with the performance of the hotel managers we appointed for our manachised hotels or generally with the manachised or franchised hotels' profitability or growth rates. Some franchisees complained that our loyalty program and other marketing efforts did not bring sufficient customers for their hotels. Our franchisees may also have disputes with us regarding other matters, such as the amount and settlement of fees payable by them and the adequacy of our operational support to them. In addition, our franchise agreements with franchisees typically provide that the franchise agreements could be terminated under certain circumstances. If franchise agreements are terminated early, we lose the franchise fees and related management fees. Furthermore, we may have to pay losses and damages to our guests, and our brand image may be adversely impacted. As a result, our business, results of operations and financial condition may be adversely affected by early termination of our franchise agreements.

We plan to renew our existing franchise agreements upon expiration. However, we may be unable to retain our franchisees on satisfactory terms, or at all. If a significant number of our existing franchise agreements are terminated early or are not renewed on satisfactory terms upon expiration, our revenue and profit may decrease in the

future. If we cannot secure new franchisees to replace those expired or terminated franchises and compensate for the loss of business, our results of operations could be materially and adversely affected.

Acquisitions, financial investments or strategic investments may have an adverse effect on our ability to manage our business and harm our results of operations and financial condition.

If we are presented with appropriate opportunities, we may acquire or invest in businesses or assets. For example, in the past years, we invested in AAPC Hotel Management Limited and China Cjia Group Limited. We completed the acquisition of Crystal Orange, Blossom Hotel Management and Deutsche Hospitality. We also jointly established Yongle Huazhu Hotel & Resort Group with other partners to develop and operate hotels.

The existing and future acquisitions or investments may expose us to potential risks, including risks associated with unforeseen or hidden liabilities, risks that acquired or invested companies will not achieve anticipated performance levels, diversion of management attention and resources from our existing business, difficulty in integrating the acquired businesses with our existing operational infrastructure, and inability to generate sufficient revenues to offset the costs and expenses of acquisitions or investments. In addition, following completion of an acquisition or investment, our management and resources may be diverted from their core business activities due to the integration process, which diversion may harm the effective management of our business. Furthermore, it may not be possible to achieve the expected level of benefits after integration and the actual cost of delivering such benefits may exceed the anticipated cost. Potential risk exposures associated with acquisition or investments, difficulties in business integration, and requirements of cost, expenses and management attention may be more severe and unpredictable if international acquisitions and investments are involved. Any difficulties encountered in the acquisition or investment and integration process may have an adverse effect on our ability to manage our business and harm our results of operations and financial condition. In addition, if we purchase shares from the open market, we may experience volatility in our investments as the prices of such shares fluctuate frequently. For example, we incurred loss from fair value changes of equity securities associated with shares we purchased from the open market in the past. If a financial or strategic investment is unsuccessful, then in addition to the diversion of management attention and resources from our existing business we may lose the value of our investment, which could have a material adverse effect on our financial condition and results of operations.

Our success could be adversely affected by the performance of our manachised and franchised hotels and defaults or wrongdoings of our franchisees may affect our reputation, which would adversely affect our results of operations.

Our success could be adversely affected by the performance of our manachised and franchised hotels, over which we have less control compared to our leased and owned hotels. As of December 31, 2025 and June 30, 2026, we manachised and franchised approximately 95.5% and 96.0% of our hotels, respectively, and we plan to further increase the number of manachised and franchised hotels to increase our presence in China and our overseas markets. Our franchisees for both our manachised and franchised hotels may not be able to develop hotel properties on a timely basis, which could adversely affect our growth strategy and may impact our ability to collect fees from them on a timely basis. Furthermore, given that our franchisees are typically responsible for the costs of developing and operating the hotels, including renovating the hotels to our standards, and all of the operating expenses, the quality of our manachised and franchised hotel operations may be diminished by factors beyond our control.

Our franchisees may not successfully operate hotels in a manner consistent with our standards and requirements. Our manachised and franchised hotels are also operated under our brand names. If our brands are misused by any of our franchisees, there may be an adverse impact on our business reputation and brand image. In addition, like any operators in service-oriented industries, we are subject to customer complaints, and we may face complaints from unsatisfied customers who are unhappy with the standard of service offered by our franchisees. Any complaints, regardless of their nature and validity, may affect our reputation, thereby adversely affecting our results of operations. We may also have to incur additional costs in placating any customers or salvaging our reputation.

If any of our franchisees defaults or commits wrongdoing, there could be situations where the franchisee is not in a position to sufficiently compensate us for losses that we have suffered as a result of such defaults or wrongdoings. While we ultimately can take action to terminate our franchise agreements with franchisees that do not comply with the terms of our franchise agreements or commit wrongdoing, we may not be able to identify problems and make timely responses and, as a result, our image and reputation may suffer, which may have a material adverse effect on our results of operations.

If we are unable to access funds to maintain our hotels' condition and appearance, or if our franchisees fail to make investments necessary to maintain or improve their properties, the attractiveness of our hotels and our reputation could suffer, and our hotel occupancy rates may decline.

In order to maintain our hotels' condition and appearance, ongoing renovations and other leasehold improvements, including periodic replacement of furniture, fixtures and equipment, are required. In particular, we manachise and franchise properties leased or owned by franchisees under the terms of franchise agreements, substantially all of which require our franchisees to comply with standards that are essential to maintaining the relevant product integrity and our reputation. We depend on our franchisees to comply with these requirements by maintaining and improving properties through investments, including investments in furniture, fixtures, amenities and personnel.

Such investments and expenditures require ongoing funding and, to the extent we or our franchisees cannot fund these expenditures from existing cash or cash flow generated from operations, we or our franchisees must borrow or raise capital through financing. We or our franchisees may not be able to access capital and our franchisees may be unwilling to spend available capital when necessary, even if required by the terms of our franchise agreements. If we or our franchisees fail to make investments necessary to maintain or improve the properties, our hotels' attractiveness and reputation could suffer, we could lose market share to our competitors and our hotel occupancy rates and RevPAR may decline.

If the value of our brand or image diminishes, it could have a material adverse effect on our business and results of operations.

We offer multiple hotel products that are designed to target distinct segments of customers. Our continued success in maintaining and enhancing our brands and image depends, to a large extent, on our ability to satisfy customer needs by further developing and maintaining our innovative and distinctive products and maintaining consistent quality of services across our hotel group, as well as our ability to respond to competitive pressures. If we are unable to do so, our occupancy rates may decline, which could in turn adversely affect our results of operations. Our business may also be adversely affected if our public image or reputation were to be diminished by the operations of any of our hotels, whether due to unsatisfactory service, accidents or otherwise. If the value of our products or image is diminished or if our products do not continue to be attractive to customers, our business and results of operations may be materially and adversely affected.

Failure to retain our management team could harm our business.

We place substantial reliance on the experience and the institutional knowledge of members of our current management team. Mr. Qi Ji, our founder and chairman of the board, Mr. Hui Jin, our chief executive officer, Mr. Arthur Yu, our chief financial officer, and other members of the management team are particularly important to our future success due to their substantial experiences in lodging and other consumer-service industries. Finding suitable replacements for Mr. Qi Ji, Mr. Hui Jin, Mr. Arthur Yu and other members of our management team could be difficult, and competition for such personnel of similar experience is intense. The loss of the services of one or more members of our management team due to their departures or otherwise could hinder our ability to effectively manage our business and implement our growth strategies.

Risks Related to Doing Business in China

We are subject to various laws and regulations, including franchise, hotel industry, construction, hygiene, health and safety environmental, anti-monopoly, consumer rights protection, and advertising laws and regulations, which may subject us to liability.

Our business is subject to various compliance and operational requirements under PRC laws and regulations. For example, we are required to complete the filing and submit annual reports with the MOFCOM to engage in the hotel franchising business. In addition, each of our hotels in China is required to obtain a special industry license from the local public security authority and complete fire prevention safety inspection/commitment with the local fire and rescue department, to have hotel operations included in the business scope of its business license, to obtain hygiene permits, and to comply with license requirements and laws and regulations with respect to construction permits, zoning, fire prevention, public area hygiene, food safety, public safety, and environmental protection. We are also subject to anti-monopoly, advertising, consumer rights protection, and other laws and regulations. See "Item 4. Information on the Company — B. Business Overview — Regulation — Regulations on Hotel Operation" of the 2025 Annual Report. If we fail to comply with any applicable laws and regulations, including franchise, hotel industry, construction, hygiene, health and safety, environmental, anti-monopoly, consumer rights protection, and advertising

laws and regulations related to our business, we may be subject to investigations, potentially significant monetary damages and fines, orders for rectification, or the suspension of our operations or development activities, as well as adverse publicity. Furthermore, new laws and regulations could also require us to retrofit or modify our hotels or incur other significant expenses.

New zoning plans or regulations applicable to a specific location may cause us to relocate our hotel(s) in that location or require additional approvals and licenses that may not be granted to us promptly or at all, which may adversely affect our operating results. Any failure by us to control the use of, or to adequately restrict the discharge of, hazardous substances in our development activities, or to otherwise operate in compliance with environmental laws could also subject us to potentially significant monetary damages and fines or the suspension of our hotel development activities or hotel operations, which could materially adversely affect our financial condition and results of operations. Some of our hotels are not in full compliance with all of the applicable requirements. Such failure to comply with applicable construction permit, environmental, fire prevention, health and safety laws and regulations related to our business and hotel operation may subject us to potentially significant monetary damages and fines or the suspension of operations and development activities of our Company or related hotels. We could be subject to any challenges or other actions with respect to such non-compliance.

Our manachised and franchised hotels are subject to the same permit and safety requirements. Although our franchise agreements require these franchisees to obtain and maintain all required permits or licenses, we have limited control over these franchisees. Any failure to obtain and maintain the required permits or licenses by any franchisee of a manachised or franchised hotel may require us to delay opening of the manachised or franchised hotel or to forgo or terminate our franchise agreement, which could harm our brand, result in lost revenues and subject us to potential indirect liability.

In particular, the implementation of our strategy of investing in a competing business could be adversely affected by uncertainties in the implementation and enforcement of the amended PRC Anti-Monopoly Law, which came into effect on August 1, 2022. Under the Anti-Monopoly Law, any mergers, acquisitions, establishment of joint ventures, or other transactions resulting in a change of control may be deemed "concentrations of undertakings" in China and the relevant undertaking(s) must notify the State Administration for Market Regulation (the "**SAMR**") of the transaction before implementing the transaction if certain turnover thresholds are met. The SAMR will consider numerous factors in determining "control." In practice, any newly established joint venture under the joint control of at least two undertakings also constitutes a concentration of undertakings. Because of the uncertainties in interpretation, implementation, and enforcement of the Anti-Monopoly Law, we cannot assure you that the SAMR will not regard our past or future acquisitions or investments as having met the filing thresholds, investigate or demand a filing for merger control review, or otherwise take enforcement actions. The amended Anti-Monopoly Law has significantly increased the penalties for failing to notify the SAMR. On March 24, 2023, the SAMR issued four implementing rules of the Anti-Monopoly Law, including the Provisions on the Review of Concentration of Undertakings, which came into effect on April 15, 2023. The implementing rules strengthen the enforcement of merger control reviews but remain silent on the specific factors to be considered in determining "control," which gives the SAMR great discretion and may result in investigations into our acquisition or investment transactions conducted in the past and make our acquisition transactions in the future more difficult. Our strategic investments, including our past and future transactions, may be subject to SAMR's scrutiny from an anti-monopoly perspective from time to time. There can be no assurance as to whether the SAMR will impose any administrative penalties or other restrictive measures on us or any relevant parties for our strategic investments. If we are deemed to have carried out a concentration of undertakings in violation of the Anti-Monopoly Law, in each incident, we could be subject to a fine of up to RMB5,000,000 where such concentration does not have the effect of excluding or restricting competition, or penalties of being ordered to cease the concentration and unwind the transaction and being imposed with other restrictive measures to restore the pre-concentration market status, or be subject to a fine of up to 10% of our sales revenue from the previous year where such concentration has had or may have the effect of excluding or restricting competition. Our businesses in Europe and other jurisdictions are also subject to local anti-monopoly requirements, and the business activities have to comply with various compliance and operational requirements, including, inter alia, regulations for customer and data protection, as well as regulations with respect to health, safety, fire protection and hygiene requirements. Compliance with these regulations and adaptations to new regulations could potentially increase the cost of operating our business and lead to additional expenses.

SAFE and the relevant Chinese banks where our operating subsidiaries or VIEs in China opened bank accounts may adopt restrictions on the cross-border payment obligations and dividends repatriation made by these

subsidiaries or VIEs. These actions, as well as future actions and policies of the PRC government, could materially affect our liquidity and access to capital and our ability to operate our business.

Regulatory developments in China may subject us to additional regulatory review and disclosure requirements, expose us to government influence, or otherwise restrict or completely hinder our ability to offer securities and raise capital outside China, which could adversely affect our business operations and cause the value of our securities to significantly decline or become worthless.

As our business is primarily conducted in China, we are exposed to legal and other risks associated with our operations in China. The PRC regulators have authority to exert influence on the ability of a company with operations in China, including us, to conduct its business, and may exert influence over the manner in which our operations are conducted. Any actions by the PRC regulators to exert more oversight over offerings that are conducted overseas or foreign investment in companies having operations in China, including us, could significantly limit or completely hinder our ability to offer or continue to offer securities to investors, and cause the value of our securities to significantly decline or become worthless. Over the past few years, the PRC regulators initiated a series of regulatory actions and statements to regulate business operations in China, including cracking down on illegal activities in the securities market, enhancing supervision over China-based companies listed overseas, adopting new measures to extend the scope of cybersecurity reviews, adopting new laws and regulations related to data security, and expanding the efforts in anti-monopoly enforcement. While we do not believe that these regulatory changes would have any material impact on us, we cannot guarantee that the authorities will agree with us or will not promulgate new regulations that restrict our business operations or access to capital.

On July 6, 2021, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Severe and Lawful Crackdown on Illegal Securities Activities. These opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision of overseas listings by China-based companies. These opinions proposed to take effective measures, such as promoting the construction of relevant regulatory systems, to deal with the risks and incidents facing China-based overseas-listed companies and the demand for cybersecurity and data privacy protection. These opinions and any related implementation rules to be enacted may subject us to additional compliance requirements in the future. There are still uncertainties regarding the interpretation and implementation of these opinions, and further explanations or detailed rules and regulations with respect to these opinions may be issued in the future that could impose additional requirements on us. Therefore, we cannot assure you that we will remain fully compliant with all new regulatory requirements of these opinions or any future implementation rules on a timely basis, or at all.

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (which came into effect on March 31, 2023) and its relevant notes and five supporting guidelines. Pursuant to these regulations, if the offering and listing of securities in an overseas market are made in the name of an offshore entity based on equity, assets, or earnings of PRC companies that operate the offshore entity's main businesses, such offering or listing of securities is subject to filing requirements of the CSRC. These regulations apply to various types of overseas equity offerings and listings, including re-financing, secondary or dual primary listings, listing through special purpose acquisition companies, issuance of equity incentive awards, and issuance of equity securities or securities convertible into or exchangeable for equity securities. Issuers conducting these transactions will need to make filings with the CSRC. According to the Circular on the Arrangements for the Filing-based Administration of Overseas Securities Offering and Listing by Domestic Companies, for companies that have already offered shares or been listed overseas prior to the implementation of such new regulations, these companies qualify as "Stock Enterprises," and Stock Enterprises are not required to apply for the filing immediately until a subsequent re-financing event occurs. These regulations and their future developments could potentially complicate our future equity offerings and require us to incur significant compliance costs.

In addition, these rules and regulations impose additional requirements on our future re-financing activities and will subject us to relevant CSRC filings or other regulatory authorization or requirements. We cannot assure you that we would be able to obtain such filings or approvals or meet such requirements in a timely manner or at all. Any failure may subject us to fines, penalties or other sanctions, which may have a material adverse effect on our business and financial condition as well as our ability to complete this or other future offerings.

Regulatory control of currency conversion may limit our ability to pay dividends in foreign currencies to our shareholders and therefore adversely affect the value of your investment.

The PRC regulators impose controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of China. For example, our PRC subsidiaries must present certain documents to SAFE, its authorized branch, or the designated foreign exchange bank, before they can obtain and remit foreign currencies out of the PRC, including evidence that the relevant PRC taxes have been paid. See "Item 4. Information on the Company — B. Business Overview — Regulation — Regulations on Foreign Currency Exchange" in the 2025 Annual Report for discussions of the principal regulations and rules governing foreign currency exchange in China. We receive a substantial portion of our revenues in RMB. For most capital account items, approval from appropriate regulatory authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of bank loans denominated in foreign currencies. The PRC regulators may also, at their discretion, restrict access in the future to foreign currencies for current account transactions. If our PRC subsidiaries, for any reason, fail to satisfy any of the PRC legal requirements for remitting foreign currency, or if the foreign exchange control system otherwise prevents us from obtaining sufficient foreign currency to satisfy our currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of our ADSs and ordinary shares, which would adversely affect the value of your investment.

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

As an offshore holding company, our ability to make loans or additional capital contributions to our PRC operating subsidiaries and VIEs 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 ADSs, ordinary shares or other securities to make loans or additional capital contributions to our PRC operating subsidiaries and VIEs, and impair our ability to fund and expand our business which may adversely affect our business, financial condition and results of operations. For example, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts ("**Circular 16**") on June 9, 2016. Under Circular 16, registered capital of a foreign-invested company settled in RMB converted from foreign currencies shall be subject to certain limitations prescribed under Circular 16. In addition, foreign-invested companies may not change how they use such capital without SAFE's approval, and may not in any case use such capital to repay RMB loans if they have not used the proceeds of such loans.

Furthermore, any offshore funds that we use to finance our PRC entities, including the net proceeds from the offering of the ADSs, ordinary shares or other securities, are subject to the foreign investment regulations and foreign exchange regulations in the PRC. We may make loans to our PRC entities, but they are subject to approval by or registration with relevant governmental authorities in the PRC. Furthermore, the application of the proceeds under the ADSs, ordinary shares or other securities is subject to the foreign exchange regulations in the PRC. We may also decide to finance our entities by means of capital contributions. According to the relevant PRC regulations on foreign-invested enterprises in China, depending on the total amount of investment, capital contributions to our PRC operating subsidiaries and VIEs are no longer subject to the approval or record-filing of the PRC Ministry of Commerce or its local branches. Instead, we are required to submit reports to the competent department of commerce and make registration with relevant governmental authorities in China. However, we cannot assure you that the regulations will always remain favorable to us. If the regulations are revised in the future or we fail to complete such registration or obtain such approvals on time, our ability to use the proceeds of the ADSs, ordinary shares or other securities and to capitalize our operations in the PRC may be negatively affected, which could adversely affect our liquidity and our ability to fund and expand our business.

Fluctuation in the value of the Renminbi may have a material adverse effect on your investment.

The value of the Renminbi against U.S. dollar, Euro, Hong Kong dollar and other currencies is affected by, among other things, changes in China's political and economic conditions and China's foreign exchange policies.

We rely substantially on dividends paid to us by our operating subsidiaries in China and Europe. A significant portion of our revenues, expenses, and financial assets are denominated in Renminbi. The functional currencies of the entities within Deutsche Hospitality include Euro and other currencies such as Swiss Franc. Any significant depreciation of Renminbi or Euro against U.S. dollar may have a material adverse effect on our revenues, and the value of, and any dividends payable on, our ADSs and ordinary shares, when translated into U.S. dollars. If we decide to convert our Renminbi or Euro into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or for other business purposes, depreciation of Renminbi or Euro against U.S. dollar or Hong Kong dollar

would reduce U.S. dollar or Hong Kong dollar amount available to us. On the other hand, to the extent that we need to convert U.S. dollars or Hong Kong dollars into Renminbi or Euro for our operations, appreciation of Renminbi or Euro against U.S. dollar or Hong Kong dollar would have an adverse effect on the Renminbi amount we receive from the conversion. See "Item 11. Quantitative and Qualitative Disclosures about Market Risk — Foreign Exchange Risk" in the 2025 Annual Report for discussions of our exposure to foreign currency risks. In summary, fluctuation in the value of Renminbi in either direction could have a material adverse effect on the value of our Company and the value of your investment.

In addition, because our reporting currency is Renminbi and we also have operations in Europe (namely, Deutsche Hospitality) with the functional currencies of Euro and other currencies such as Swiss Franc, when Renminbi appreciates (or depreciates) against these other functional currencies, such as Euro and Swiss Franc, our revenues from these operations could decrease (or increase) when translated into Renminbi. In general, fluctuation in the value of Renminbi in either direction could result in the fluctuation in the value of our Company and the value of your investment.

We may rely on dividends and other distributions on equity paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct our business.

We are a holding company, and we may rely on dividends from our subsidiaries in China for our cash requirements, including any debt we may incur. Current PRC regulations permit our subsidiaries to pay dividends to us only out of their accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, each of our subsidiaries in China is required to set aside a certain amount of its after-tax profits each year, if any, to fund certain statutory reserves. These reserves are not distributable as cash dividends. Furthermore, if our subsidiaries in China incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us. The inability of our subsidiaries to distribute dividends or other payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends, or otherwise fund and conduct our business.

It is unclear whether we will be considered as a PRC resident enterprise under the Enterprise Income Tax Law of the PRC, and depending on the determination of our PRC resident enterprise status, if we are not treated as a PRC resident enterprise, dividends paid to us by our PRC subsidiaries will be subject to PRC withholding tax; if we are treated as a PRC resident enterprise, we may be subject to 25% PRC income tax on our worldwide income, and holders of our ADSs or ordinary shares that are non-PRC resident investors may be subject to PRC withholding tax on dividends on and gains realized on their transfer of our ADSs or ordinary shares.

On March 16, 2007, the PRC National People's Congress passed the Enterprise Income Tax Law, and the PRC State Council subsequently issued the Implementation Regulations of the Enterprise Income Tax Law (the "**Implementation Regulations**"). The Enterprise Income Tax Law (last amended in 2018) and its Implementation Regulations (amended in 2024) (the "**EIT Law**") provides that enterprises established outside of China whose "de facto management bodies" are located in China are considered resident enterprises and are therefore subject to PRC enterprise income tax at the rate of 25% with respect to their income sourced from both within and outside of China. The Implementation Regulations defines the term "de facto management body" as a management body that exercises substantial and overall control and management over the production and operations, personnel, accounting and properties of an enterprise.

On April 22, 2009, the State Taxation Administration (previously known as State Administration of Taxation (the "**SAT**")) issued the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies, or Circular 82. Circular 82 provides certain specific criteria for determining whether the "de facto management body" of a Chinese-controlled offshore-incorporated enterprise is located in China. In addition, the SAT issued Public Announcement [2011] No. 45 in 2011 and Public Announcement [2014] No. 9 in 2014, providing clarification for resident status determination and competent tax authorities. However, the above-mentioned tax circulars apply only to offshore enterprises controlled by PRC enterprises, not those invested in or controlled by PRC individuals, like our company. Currently, there are no further detailed rules or precedents applicable to us regarding the procedures and specific criteria for determining "de facto management body" for a company like us. It is still unclear if the PRC tax authorities would determine that we should be classified as a PRC resident enterprise.

Although we have not been notified that we are treated as a PRC resident enterprise, we cannot assure you that we will not be treated as a resident enterprise under the EIT Law, any aforesaid circulars or any amended regulations in the future. If we are treated as a PRC resident enterprise for PRC enterprise income tax purposes, among other things, we would be subject to the PRC enterprise income tax at the rate of 25% on our worldwide taxable income. Furthermore, if we are treated as a PRC resident enterprise, payments of dividend by us may be regarded as derived from sources within the PRC and therefore we may be obligated to withhold PRC income tax at 10% on payments of dividend on the ADSs or shares to non-PRC resident enterprise investors. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20%.

In addition, if we are treated as a PRC resident enterprise, any gain realized on the transfer of the ADSs and/or shares by non-PRC resident investors may be regarded as derived from sources within the PRC and accordingly may be subject to a 10% PRC income tax in the case of non-PRC resident enterprises or 20% in the case of non-PRC resident individuals. The PRC income tax on dividends and/or gains may be reduced or exempted under applicable tax treaties between the PRC and the ADS holder's home country. See "Item 10.E.Taxation—PRC Taxation" in our 2025 Annual Report.

Risks Related to Our Corporate Structure

H World Group Limited is a Cayman Islands holding company. As a result, you may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management based on foreign laws.

H World Group Limited is a holding company with no operations of its own. H World Group Limited conducts its operations primarily through our subsidiaries, a majority of which are based in China and Europe, and through contractual arrangements with the Consolidated Affiliated Entities. Investors in our ADSs and ordinary shares do not hold equity interests in our operating entities in China, but instead are purchasing equity securities of a Cayman Islands holding company, and holders of the Bonds will hold debt securities issued by a Cayman Islands holding company. In addition, most of our executive officers reside within China for a significant portion of the time and most of them are PRC nationals. As a result, it may be difficult for our shareholders and Bondholders to effect service of process upon us or those persons residing inside China. In addition, China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the Cayman Islands, United States, and many other countries and regions.

Therefore, recognition and enforcement in China of judgments of a court in any of these non-PRC jurisdictions in relation to any matter, including any matter relating to the Bonds, not subject to a binding arbitration provision may be difficult or impossible.

Risks Related to the Bonds

Any failure to complete the relevant filings under Order 56 within the prescribed timeframes following the completion of the issue of the Bonds or to comply with the continuing reporting obligations under the Order 56 may have adverse consequences for the Issuer and/or the Bondholders.

The NDRC issued Order 56 on January 5, 2023, which came into effect on February 10, 2023 and repealed the Circular on Promoting the Reform of the Filings and Registration System for Issuance of Foreign Debt by Enterprises (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知 (發改外資 [2015] 2044 號)) on the same date. According to Order 56, domestic enterprises and their overseas controlled entities shall obtain the Certificate of Review and Registration of any debt securities denominated in Renminbi or a foreign currency, with a maturity term of more than one year issued outside of the PRC with the NDRC prior to the issue of such securities and notify the particulars of the relevant issues within 10 working days after the completion of the issuance. According to Order 56, enterprises are required, among others, to (i) report on the status of the foreign debt within 10 working days after the expiration of the relevant Certificate of Review and Registration, (ii) report on use of proceeds, principal and interest repayment status and arrangement and key business indicators within five working days prior to the end of January and July each year, and (iii) promptly report on any material event that may affect the due performance of their debt obligations. Order 56 sets forth certain legal liabilities and disciplinary measures which would be imposed on enterprises and intermediaries if they fail to comply with the relevant requirements. According to Order 56, for any enterprise that fails to report relevant information according to Order 56, the review and registration authorities shall, depending on the seriousness of the circumstances, impose disciplinary measures such as interviews and public warnings on such enterprise concerned and its principal responsible person. Furthermore, conduct in violation of Order

56 committed by enterprises will be published on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統). In the worst-case scenario, non-compliance with the NDRC reporting obligations under Order 56 may result in it being unlawful for the Issuer to perform or comply with any of its obligations under the Bonds.

Any failure to complete the relevant filings under Order 56 within the prescribed timeframes following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the investors of the Bonds. Potential investors of the Bonds are advised to exercise due caution when making their investment decisions. The Issuer will undertake to file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds within the relevant prescribed timeframes in accordance with Order 56 and comply with all applicable PRC laws and regulations (including laws and regulations as issued by the NDRC from time to time) in connection therewith.

The Bonds are effectively subordinated to the indebtedness of our subsidiaries.

The Issuer conducts substantially all of its operations through its subsidiaries, which generate substantially all of its core operating income and cash flow. As a result, distributions or advances from subsidiaries of the Issuer are a major source of funds necessary for the Issuer to meet its debt service and other obligations. Contractual provisions, laws or regulations, as well as the subsidiaries' financial condition and operating requirements, may limit the ability of the Issuer to obtain cash required to pay the Issuer's debt service obligations, including payments on the Bonds. The Bonds will be structurally subordinated to all obligations of the Issuer's subsidiaries, including claims with respect to trade payables. This means that holders of the Bonds will have a junior position to the claims of creditors of the Issuer's subsidiaries on their assets and earnings. As of June 30, 2026, the Issuer and its subsidiaries had a total of approximately RMB34,239 million (US$5,046 million) of indebtedness (including trust preferred securities) outstanding (other than trade payables and repurchase agreements).

The Bonds are not secured by any of our assets and any secured creditors would have a prior claim on our assets.

The Bonds are not secured by any of our assets. The Terms and Conditions permit us to issue secured indebtedness, subject to certain limitations, without equally and ratably securing the Bonds. See "Terms and Conditions of the Bonds." If we become insolvent or are liquidated, or if payment under any of the agreements governing any secured debt is accelerated, the lenders under our secured debt agreements will be entitled to exercise the remedies available to a secured lender. Accordingly, the secured lenders will have a prior claim on our assets to the extent of their liens, and it is possible that there will be insufficient assets remaining from which claims of the holders of the Bonds can be satisfied. As of the date of this Offering Circular, we do not have significant amounts of secured indebtedness.

The Bonds may not be a suitable investment for all investors.

Each potential investor in any Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference into this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant indices; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowings and (3) other restrictions apply to its purchase of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

The Issuer may choose to redeem the Bonds prior to maturity.

The Issuer may redeem some or all of the Bonds at any time and from time to time as described under Condition 5 (*Redemption and Purchase*) of the Terms and Conditions. Although the Bonds contain make-whole provisions during certain periods designed to compensate you for the lost value of your Bonds if we redeem your Bonds prior to maturity, the make-whole provisions are only an approximation of this lost value and may not adequately compensate you. Furthermore, depending on prevailing interest rates at the time of any such redemption, you may not be able to reinvest the redemption proceeds in a comparable security at an interest rate as high as the interest rate of the Bonds being redeemed or at an interest rate that would otherwise compensate you for any lost value as a result of any redemption of Bonds. Additionally, the Issuer may redeem some or all of the Bonds at any time on or after the Par Call Date at a redemption price equal to 100 per cent. of the principal amount of the Bonds to be redeemed, together with any interest accrued to, but excluding, the date fixed for redemption.

The Bonds will be redeemable in the event of certain changes in tax laws.

The Issuer also has the right to redeem the Bonds at their principal amount plus accrued interest at any time in the event it has or will become obliged to pay Additional Tax Amounts on account of any existing or future withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of a Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax as a result of any change in, or amendment to, the laws or regulations of a Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, or any change in, or amendments to, the application or official position of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after September 9, 2026. Depending on prevailing interest rates at the time of any such redemption, you may not be able to reinvest the redemption proceeds in a comparable security at an interest rate as high as the interest rate of the Bonds being redeemed or at an interest rate that would otherwise compensate you for any lost value as a result of any redemption of Bonds.

Negative covenants in the Terms and Conditions offer only limited protection to holders of the Bonds.

The Terms and Conditions contain limited negative covenants that apply to us and our subsidiaries and do not:

- require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flows or liquidity and, accordingly, do not protect holders of the Bonds in the event that we experience significant adverse changes in our financial condition or results of operations;
- limit our ability to incur indebtedness that is equal in right of payment to the Bonds;
- restrict our ability to repurchase or redeem our securities;
- restrict our ability to pay dividends or make other payments in respect of our common stock or other securities ranking junior to the Bonds; or
- restrict our ability to make investments,

which could have the effect of diminishing our ability to make payments on the Bonds when due.

The credit ratings assigned to the Bonds may not reflect all risks of your investment in the Bonds and these ratings could be lowered at any time.

The credit ratings assigned to the Bonds are limited in scope, and do not address all material risks relating to an investment in the Bonds, but rather reflect only the view of each rating agency at the time the rating is issued. An explanation of the significance of its rating may be obtained from each rating agency. There can be no assurance that the credit ratings will remain in effect for any given period of time or that a rating will not be lowered, suspended or

withdrawn entirely by a rating agency, if, in the rating agency's judgment, circumstances so warrant. For example, any ratings in effect on the date of this Offering Circular could be lowered prior to the Issue Date for the Bonds or shortly thereafter. Agency credit ratings are not a recommendation to buy, sell or hold any security. Each agency's rating should be evaluated independently of any other agency's rating. Actual or anticipated changes or downgrades in the credit ratings of the Bonds, including any announcement that such ratings are under further review for a downgrade, could affect the market value of the Bonds.

The Issuer may issue additional Bonds in the future.

The Issuer may, from time to time, and without the consent of the Bondholders create and issue further bonds (see Condition 14 (*Further Issues*) of the Terms and Conditions) or otherwise raise additional capital through such means and in such manner as the Issuer may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

A change in English law may adversely affect holders of the Bonds.

The Terms and Conditions will be governed by English law. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Bonds.

Changes in market interest rates may have an adverse effect on the price of the Bonds.

The Bondholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Bonds, resulting in a capital loss for the Bondholders. However, the Bondholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Bonds may rise. The Bondholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates. As the Bonds will carry a fixed interest rate, the trading price of the Bonds will consequently vary with the fluctuations in interest rates. If the Bondholders propose to sell their Bonds before their maturity, they may receive an offer lower than the amount they have invested.

Modifications and waivers may be made in respect of the Terms and Conditions, the Agency Agreement and/or the Trust Deed by the Trustee or less than all of the Bondholders.

The Terms and Conditions will provide that the Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of the Terms and Conditions or any of the provisions of the Trust Deed (in each case, other than in respect of a Reserved Matter) and/or the Agency Agreement that is in its opinion of not materially prejudicial to the interests of Bondholders, and any modification of the Conditions, the Bonds, the Trust Deed or the Agency Agreement which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any authorization or waiver of any proposed breach or breach of the Bonds or of any of the provisions of the Trust Deed or the Agency Agreement (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby. The Trustee may request and conclusively rely upon a certificate signed by an Authorized Signatory and/or an opinion of counsel concerning the compliance with the above conditions in respect of any modification, waiver and/or authorization. Any such authorization, waiver or modification shall be notified to the Bondholders by the Issuer as soon as practicable thereafter.

If the Issuer is unable to comply with the restrictions and covenants in its debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the Issuer's debt to be accelerated.

If the Issuer is unable to comply with the restrictions and covenants in the Terms and Conditions, or current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, those debt agreements may contain cross-acceleration or cross-default provisions. As a result, the default by the Issuer under one debt agreement may cause the acceleration of repayment of debt or result in a default under its other debt agreements, including the Bonds. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows to repay in full all of the Issuer's indebtedness, or that it would be able to find alternative financing. Even if the Issuer could obtain alternative financing, there can be no assurance that it would be on terms that are favorable or acceptable to the Issuer.

The Bonds will be represented by the Global Certificate and holders of a beneficial interest in such Global

Certificate must rely on the procedures of the Clearing System.

The Bonds will be represented by a Global Certificate substantially in the form scheduled to the Trust Deed. The Global Certificate will be registered in the name of and lodged with a sub-custodian for the CMU Operator, and will be exchangeable for definitive Certificates in registered form only in the circumstances set out therein.

While the Bonds are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Bonds by making payments to the Clearing System for distribution to their account holders.

A holder of a beneficial interest in the relevant Global Certificate must rely on the procedures of the Clearing System to receive payments under the Bonds. None of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate with respect to the Bonds will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Certificate with respect to the Bonds will not have a direct right under the Global Certificate to take enforcement action against the Issuer in the event of a default under the Bonds but will have to rely upon their rights under the Trust Deed.

The insolvency laws of the Cayman Islands may differ from those of another jurisdiction with which the Bondholders are familiar.

As the Issuer is a Cayman Islands limited liability company, any insolvency proceeding relating to the Issuer would likely involve the Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Bondholders are familiar.

The Trustee may request the Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction.

In certain circumstances, including, without limitation, giving of notice to the Issuer pursuant to Condition 8 (*Events of Default*) of the Terms and Conditions and taking steps and/or actions and/or instituting enforcement proceedings pursuant to Condition 13 (*Enforcement*) of the Terms and Conditions, the Trustee may, at its sole and absolute discretion, request the Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps and/or actions or institutes any proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute any such proceedings if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may affect when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity, security or pre-funding to it, in breach of the terms of the Trust Deed or the Terms and Conditions, and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Bondholders to take such actions directly.

Decisions that may be made on behalf of all Bondholders may be adverse to the interests of individual Bondholders.

The Terms and Conditions will contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Bondholders, including those who did not attend and vote at the meeting and those who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of Bondholders of the Bonds may be adverse to the interests of individual Bondholders.

The liquidity and price of the Bonds following this offering may be volatile.

The market prices of the Bonds will depend on many factors that may vary over time and some of which are beyond our control, including:

- the Group's financial performance;

- the amount of indebtedness the Issuer and its subsidiaries have outstanding;
- market interest rates;
- the market for similar securities;
- competition;
- the size and liquidity of the markets for the Bonds; and
- general economic and general lodging industry conditions.

As a result of these factors, you may only be able to sell the Bonds at prices below those you believe to be appropriate, including prices below the price you paid for them.

Developments in other markets may adversely affect the market price of the Bonds.

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries. Since the global financial crisis in 2008 and 2009, the international financial markets have experienced significant volatility. Over the years, the U.S. Federal Reserve has raised and lowered interest rates. Such fluctuations may increase the uncertainties relating to the prices of Renminbi denominated bonds. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

Bondholders should be aware that a definitive Certificate which has a principal amount that is not an integral multiple of the minimum Authorized Denomination may be illiquid and difficult to trade.

In relation to any Bond which has a principal amount consisting of a minimum Authorized Denomination plus a higher integral multiple of another smaller amount, it is possible that the Bonds may be traded in amounts in excess of the minimum Authorized Denomination that are not integral multiples of such minimum Authorized Denomination. In such a case a Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Authorized Denomination will not receive a definitive Certificate in respect of such holding (should definitive Certificates be printed) and would need to purchase a principal amount of the Bonds such that it holds an amount equal to one or more Authorized Denominations. If definitive Certificates are issued, holders should be aware that a definitive Certificate which has a principal amount that is not an integral multiple of the minimum Authorized Denomination may be illiquid and difficult to trade.

There might be difficulties in effecting service of legal process and enforcing judgments against the Issuer and its management.

The Terms and Conditions of the Bonds and the transaction documents are governed by English law and the Issuer has submitted to the exclusive jurisdiction of the Hong Kong courts. Thus, the Bondholders' ability to initiate a claim outside Hong Kong will be limited.

On 18 January 2019, the Supreme People's Court of the PRC and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region (關於內地與香港特別 行政區法院相互認可和執行民商事案件判決的安排) (the "**2019 Arrangement**"). The 2019 Arrangement has been implemented in Hong Kong by the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645), which came into operation on 29 January 2024. In the Mainland, the Supreme People's Court promulgated a judicial interpretation to implement the 2019 Arrangement on 25 January 2024 (the "**Judicial Interpretation**"). The 2019 Arrangement applies to judgments made on or after 29 January 2024.

Under the 2019 Arrangement, where the Hong Kong court has given a legally effective judgment in a civil and commercial matter, any party concerned may apply to the relevant People's Court of the Mainland for recognition and enforcement of the judgment, subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement and the Judicial Interpretation. The recognition and enforcement of a Hong Kong court judgment could be refused if the relevant People's Court of the Mainland consider that the enforcement of such judgment is contrary to the basic principles of law of the Mainland or the social and public interests of the Mainland. While it is expected that the relevant People's Courts of the Mainland will recognise and enforce a judgment given by

a Hong Kong court and governed by English law, there can be no assurance that such courts will do so for all such judgments as there is no established practice in this area.

Risks Related to Renminbi-Denominated Bonds

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Bonds and the Issuer's ability to source Renminbi outside the PRC to service the Bonds.

As a result of the regulations imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the People's Bank of China (the "**PBOC**"), has entered into agreements on the clearing of Renminbi business (the "**Settlement Arrangements**"), with financial institutions (each, a "**Renminbi Clearing Bank**") in a number of financial centers and cities, including but not limited to Hong Kong, London, Frankfurt and Singapore, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi-denominated financial assets outside the PRC remains limited.

There are regulations imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC, although the PBOC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, where the participating banks cannot source sufficient Renminbi through the above channels, the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although the offshore Renminbi market may continue to grow in depth and size, Renminbi remains a relatively new currency in international financial markets. Its offshore market infrastructure is still developing, and its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. As a result, there is no assurance that Renminbi will be available in sufficient quantities outside the PRC, or that its market will become as deep or liquid as more established currencies.

There is also no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Bonds. To the extent the Issuer is required to source Renminbi outside the PRC to service the Bonds, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Remittance of proceeds into or outside of the PRC in Renminbi may be difficult.

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there can be no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

In the event that the Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, the Issuer will need to source Renminbi outside the PRC to finance its obligations under the Bonds, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investment in the Bonds is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as other factors. In August 2015, the PBOC changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit for the PBOC's reference rates to consider the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. In May 2017, the PBOC further decided to introduce counter-cyclical factors to offset the

market pro-cyclicality, so that the midpoint quotes could adequately reflect China's actual economic performance. However, the volatility in the value of the Renminbi against other currencies still exists. The Bonds are denominated and payable in Renminbi. The Issuer will make all payments of interest and principal with respect to the Bonds in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Bonds entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of Renminbi against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds is translated into such currency. Accordingly, the value of the investment made by a holder of the Bonds in that foreign currency will decline.

Payments with respect to the Bonds may be made only in the manner specified in such Bonds.

All payments to investors in respect of the Bonds will be made solely (i) for so long as the Bonds are represented by a global certificate registered in the name of, and lodged with a sub-custodian for, the CMU Operator, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong in accordance with prevailing CMU rules and procedures or (ii) for so long as the Bonds are in definitive form, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank that processes payments in Renminbi in accordance with prevailing rules and regulations. The Issuer is not required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft, or by transfer to a bank account in the PRC).

There may be tax consequences with respect to investment in the Bonds.

In considering whether to invest in the Bonds, investors should consult their individual tax advisers with regard to the application of tax laws to their particular situation as well as any tax consequences arising under the laws of the Cayman Islands or any political subdivision or taxing authority thereof or therein. The value of the holder's investment in the Bonds may be materially and adversely affected if the holder is required to pay tax with respect to acquiring, holding, disposing of or receiving payments under those Bonds.

Investment in the Bonds is subject to interest rate risks.

The value of Renminbi payments under the Bonds may be susceptible to interest rate fluctuations occurring within and outside the PRC, including PRC Renminbi repo rates and/or the Shanghai interbank offered rate. The PRC government has gradually liberalized its regulation of interest rates in recent years. Further liberalization may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

The Bonds will carry a fixed interest rate. Consequently, the trading price of such Bonds will vary with the fluctuations in the Renminbi interest rates. If holders of the Bonds propose to sell their Bonds before their maturity, they may receive an offer lower than the amount they have invested.

USE OF PROCEEDS

The gross proceeds from this offering will be CNY3.35 billion, before deducting the Joint Lead Managers' fees and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from the offering for general corporate purposes.

CAPITALIZATION

The following table sets forth our consolidated total capitalization as of June 30, 2026, on an actual basis and on an as-adjusted basis to give effect to the issuance of the Bonds, before deducting the fees, commissions, and estimated expenses in this offering, as if the Bonds had been issued on that day.

This table should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements and the notes thereto in our 2025 Annual Report, which is incorporated by reference in this Offering Circular.

	As of June 30, 2026			
	Actual		As Adjusted	
	RMB	US$	RMB	US$
	(In millions, except for share and per share data)			
Short-term debt and current portion of long-term debt	911	134	911	134
Long-term debt (non-current)	3,315	489	3,315	489
Bonds to be issued	-	-	3,350	494
Shareholders' equity:				
Ordinary shares	0	0	0	0
Treasury stock	(2,303)	(339)	(2,303)	(339)
Additional paid-in capital	13,132	1,935	13,132	1,935
Retained deficit	3,133	462	3,133	462
Accumulated other comprehensive income	118	17	118	17
Total H World Group Limited shareholders' equity	14,080	2,075	14,080	2,075
Non-controlling interests	155	23	155	23
Total equity	14,235	2,098	14,235	2,098
Total capitalization[(1)]	17,550	2,587	20,900	3,081

Notes:

(1) Total capitalization equals the sum of long-term debt (non-current), bonds to be issued and total equity.

There has been no material adverse change to the capitalization and indebtedness of the Company since June 30, 2026.

DIVIDEND POLICY

On August 17, 2026, we declared a cash dividend of US$0.087 per ordinary share, or US$0.87 per ADS, for a total expected distribution of approximately US$275 million. On March 18, 2026, we declared a cash dividend of US$0.13 per ordinary share, or US$1.30 per ADS. The total amount of cash distributed for the dividend was approximately US$400 million. On August 20, 2025, we declared a cash dividend of US$0.081 per ordinary share, or US$0.81 per ADS. The total amount of cash distributed for the dividend was approximately US$250 million. On March 20, 2025, we declared a cash dividend of US$0.097 per ordinary share, or US$0.97 per ADS. The total amount of cash distributed for the dividend was approximately US$300 million. On July 23, 2024, we declared a cash dividend of US$0.063 per ordinary share, or US$0.63 per ADS. The total amount of cash distributed for the dividend was approximately US$200 million. On November 29, 2023, we declared a cash dividend of US$0.093 per ordinary share, or US$0.93 per ADS. The cash dividend consisted of two tranches, including (i) an ordinary dividend of US$0.062 per ordinary share, or US$0.62 per ADS and (ii) a special dividend of US$0.031 per ordinary share, or US$0.31 per ADS. The total amount of cash distributed for the dividend was approximately US$300 million.

H World Group Limited is a holding company with no material operations of its own. H World Group Limited conducts its operations primarily through its subsidiaries in China and Europe. As a result, our ability to pay dividends and to finance any debt we may incur depends upon dividends paid to us by our subsidiaries. If our subsidiaries or any newly formed subsidiaries 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 PRC subsidiaries are permitted to pay dividends to us only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Pursuant to laws applicable to entities incorporated in the PRC, our subsidiaries in the PRC must make appropriations from after-tax profit to non-distributable reserve funds. In particular, subject to certain cumulative limits, the statutory reserve fund requires an annual appropriation of 10% of after-tax profit (as determined under accounting principles generally accepted in the PRC at each year-end) until the accumulative amount of such reserve fund reaches 50% of its registered capital. These reserve funds can only be used for specific purposes as provided in PRC laws, and are not distributable as cash dividends.

For our German subsidiaries, distributable profit is calculated based on the respective subsidiary's annual unconsolidated financial statements prepared in accordance with German accounting principles, namely, the general accounting principles stated in the German Commercial Code (Handelsgesetzbuch). Distributions of dividends on shares of stock corporations (Aktiengesellschaften) for a given financial year are generally determined by a process in which the management board (Vorstand) and supervisory board (Aufsichtsrat) submit a proposal to the annual general shareholders' meeting (Hauptversammlung) held in the subsequent financial year, and such annual general shareholders' meeting (Hauptversammlung) adopts a resolution. German law provides that a resolution concerning dividends and the distribution thereof may be adopted only on the basis of balance sheet profit (Bilanzgewinn) shown in the company's adopted annual single-entity financial statements (festgestellter Jahresabschluss). If the management board and supervisory board adopt the financial statements, they can (but are not obliged to) allocate an amount of up to half of the company's net income for the year to other surplus reserves. Additions to the legal reserves and loss carryforwards must be deducted in advance when calculating the amount of net income for the year to be allocated to other surplus reserves. Dividends on shares resolved by the general shareholders' meeting (Hauptversammlung) are paid annually, generally three days after the annual shareholders' meeting (Hauptversammlung). The German subsidiaries are mainly integrated into Steigenberger Hotels AG through control and profit and loss transfer agreements (Beherrschungs- und Gewinnabführungsverträge) in such a way that their annual profits or losses are automatically transferred to Steigenberger Hotels AG and integrated into its financial statements.

Steigenberger Hotels AG changed its legal form on November 8, 2022 into a limited liability company (Steigenberger Hotels GmbH). Consequently, the distribution of profits follows the Law on Limited Liability Companies (Gesetz betreffend die Gesellschaften mit beschränkter Haftung). The distributable profit is calculated based on the respective subsidiary's annual unconsolidated single entity financial statements prepared in accordance with German accounting principles, namely, the general accounting principles stated in the German Commercial Code (Handelsgesetzbuch). Distributions of dividends on shares of limited liability companies (GmbH) for a given financial year are generally determined by a process in which the management board (Geschäftsführung) presents the single-entity financial statements to the supervisory board (Aufsichtsrat) for review. The supervisory board submits a proposal regarding the approval of the financial statements and another proposal regarding the distribution of a possible profit to the annual general shareholders' meeting (Gesellschafterversammlung) held in the subsequent financial year. Such annual general shareholders' meeting passes a resolution regarding the confirmation of the single-entity financial statements and passes another resolution on the distribution of profits.

For our Singapore subsidiary, pursuant to the Companies Act 1967 of Singapore, dividends are only payable out of profits. Typically, the directors will recommend a particular rate of dividend and the company in general meeting will declare the dividend subject to the maximum recommended by the directors.

Our board of directors has the sole discretion to declare and distribute ordinary or special dividends from time to time. If we pay any dividends, we will pay our ADS holders to the same extent as holders of our ordinary shares, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder.

DESCRIPTION OF OTHER INDEBTEDNESS

In March 2024, we entered into a five-year syndicated loan contract with a facility amount of RMB400 million expiring in March 2029. As of December 31, 2024 and December 31, 2025, buildings with a net book value of RMB510 million and RMB478 million, respectively, and land use rights with a net book value of RMB69 million and RMB67 million, respectively, were pledged as collateral for this loan. The loan was intended for the operation of our headquarters buildings and refinancing existing obligations. The interest rate of the loan resets every year and is based on the People's Bank of China one-year benchmark LPR minus 55 basis points on the pricing date. There are certain financial covenants, including revenue and profit, under this facility. We were fully in compliance with the covenants for the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026. As of December 31, 2024 and 2025, the outstanding loan amount was RMB325 million and RMB285 million, respectively.

In July 2025, we entered into a one-year loan facility of up to RMB2,000 million (or its equivalent in other currencies). The interest rate of our drawdowns under this facility was fixed at 1.8% per annum. As of December 31, 2025, the outstanding loan amount was RMB1,400 million, and our total bank deposits of RMB1,406 million in short-term investments were pledged as collateral for this loan.

In November 2025, we entered into a term loan and revolving credit facility agreement of up to US$300 million (or its RMB equivalent) with several banks. The term loan and revolving credit facility is available for 12 months after the utilization date and is expected to be extended to 36 months, subject to satisfaction of certain conditions. There are certain financial covenants, including interest cover, leverage and book equity, under this facility. We were fully in compliance with the covenants for the year ended December 31, 2025 and for the six months ended June 30, 2026. As of December 31, 2025, we had not made any drawdown under this facility.

In the fourth quarter of 2025, we entered into two uncommitted one-year revolving loan facility agreements of up to US$100 million (or the RMB equivalent) and up to US$50 million (or the equivalent in RMB, EUR or HKD), respectively. The revolving credit facilities are available for 12 months after the utilization date and are expected to be extended to 36 months, subject to satisfaction of certain conditions. As of December 31, 2025, we had not made any drawdown under these facilities.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to amendment and save for the paragraphs in italics, are the terms and conditions (the "Conditions") of the Bonds (as defined below), which will be endorsed on the Bond Certificates (as defined below) evidencing the Bonds:

The CNY3,350,000,000 2.25 per cent. bonds due 2031 (the "**Bonds**", which expression includes any further bonds issued pursuant to Condition 14 (*Further Issues*) and consolidated into and forming a single series therewith) of H World Group Limited (the "**Issuer**") was authorized by a resolution of the board of directors of the Issuer passed on May 14, 2026. The Bonds are constituted by, are subject to, and have the benefit of, a trust deed dated September 16, 2026 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer and CNCBI Trustee Limited as trustee (the "**Trustee**", which expression includes its successor(s) and all other persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of an agency agreement dated September 16, 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, China CITIC Bank International Limited as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Bonds), as CMU lodging and paying agent (the "**CMU Lodging and Paying Agent**", which expression includes any successor CMU lodging and paying agent appointed from time to time in connection with the Bonds) and as transfer agent (the "**Transfer Agent**", which expression includes any successor or additional transfer agent appointed from time to time in connection with the Bonds) and the Trustee. References herein to (i) the "**Paying Agents**" are to the CMU Lodging and Paying Agent and any successor or additional paying agents appointed from time to time in connection with the Bonds, and (ii) the "**Agents**" are to the Registrar, the Paying Agents, the Transfer Agent and the CMU Lodging and Paying Agent and any other agent or agents appointed from time to time under the Agency Agreement with respect to the Bonds, and any reference to an "**Agent**" is to any one of them. Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. The Bondholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. So long as any Bond is outstanding (as defined in the Trust Deed), copies of the Trust Deed and the Agency Agreement (i) are available to Bondholders during normal business hours (being between 9:00 am (Hong Kong time) and 3:00 pm (Hong Kong time) Mondays to Fridays, excluding public holidays) with prior written notification and satisfactory proof of holdings and identity from the specified office of the CMU Lodging and Paying Agent, being at the date hereof 29/F, CITIC Tower,1 Tim Mei Avenue, Central, Hong Kong, or (ii) may be provided by email to any Bondholder following prior written request and proof of holdings and identity to the satisfaction of the CMU Lodging and Paying Agent.

All capitalised terms not defined in these Conditions have the meanings ascribed to them in the Trust Deed.

1. FORM, DENOMINATION, STATUS AND RANKING

(a) Form and Denomination

The Bonds are in registered form in the denomination of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof (each, an "**Authorized Denomination**").

(b) Status of the Bonds

The Bonds constitute direct, general, unsubordinated, unconditional and (subject to Condition 3(a) (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be provided by applicable provisions of laws and regulations, and will be effectively subordinated to any secured indebtedness of the Issuer to the extent of the value of the assets securing such indebtedness, and be structurally subordinated to all obligations of the Issuer's subsidiaries, including claims with respect to trade payables.

*Upon issue, the Bonds will be evidenced by a global certificate (the "**Global Certificate**") substantially in the form scheduled to the Trust Deed. The Global Certificate will be registered in the name of, and lodged with a sub-custodian for, the Hong Kong Monetary Authority as operator (the "**Operator**") of the Central Moneymarkets Unit (the "**CMU**"). These Conditions are modified by certain provisions contained in the Global Certificate while any of the Bonds are represented by the Global Certificate. See "Summary of Provisions Relating to the Bonds in Global Form".*

Except in the limited circumstances described in the Global Certificate, owners of interests in the Bonds represented by the Global Certificate will not be entitled to receive Bond Certificates in respect of their individual holdings of Bonds.

For so long as any of the Bonds are represented by the Global Certificate, each person who is for the time being shown in the records of the Operator as the holder of a particular principal amount of Bonds (in which regard any certificate or other documents issued by the Operator as to the principal amount of such Bonds standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer, the Trustee, the Registrar, the Transfer Agent, the CMU Lodging and Paying Agent and the Operator as the holder of such principal amount of such Bonds for all purposes other than with respect to the payment of principal, premium (if any) and/or interest on the Bonds, the right to which shall be vested, as against the Issuer and the Agents, solely in the registered holder of the Global Certificate in accordance with and subject to its terms. For so long as any of the Bonds are represented by the Global Certificate and the Global Certificate is held with the CMU, any transfer of principal amounts of Bonds shall be effected in accordance with the rules and procedures for the time being of the CMU.

2. REGISTER, TITLE AND TRANSFERS

(a) Register

The Registrar will maintain a register (the "**Register**") outside of the United Kingdom in respect of the Bonds in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Bond means the person in whose name such Bond is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Bondholder**" shall be construed accordingly. A certificate (each, a "**Bond Certificate**") will be issued to each Bondholder in respect of its entire registered holding. Each Bond Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) Title

The Holder of each Bond shall (except as ordered by a court of competent jurisdiction or otherwise required by law) be treated as the absolute owner of such Bond for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Bond Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Bond Certificate) and no person shall be liable for so treating such Holder.

(c) Transfers

Subject to paragraphs (f) (*Closed periods*) and (g) (*Regulations concerning transfers and registration*) below, a Bond may be transferred upon surrender of the relevant Bond Certificate, with the form of transfer duly completed and signed, at the specified office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Bond may not be transferred unless the principal amount of Bonds transferred and (where not all of the Bonds held by a Holder are being transferred) the principal amount of the balance of Bonds not transferred are Authorized Denominations. Where not all the Bonds represented by the surrendered Bond Certificate are the subject of the transfer, a new Bond Certificate in respect of the balance of the Bonds will be issued to the transferor. No transfer of title to a Bond will be valid unless and until entered on the Register.

Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules and procedures of the CMU.

(d) **Registration and delivery of Bond Certificates**

Within seven business days of the surrender of a Bond Certificate in accordance with paragraph (c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Bond Certificate of a like principal amount of the Bonds transferred to each relevant Holder at its specified office or (as the case may be) the specified office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured mail to the address specified for the purpose by such relevant Holder.

(e) **No charge**

The transfer of a Bond will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but upon (i) such payment or indemnity and/or security and/or pre-funding as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer; (ii) the Registrar being satisfied in its absolute discretion with the documents of title or identity of the person making the application; and (iii) the relevant Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

(f) **Closed periods**

No Bondholders may require the transfer of a Bond to be registered:

(i) during the period of 15 days ending on (and including) the due date for any redemption of that Bond;

(ii) during the period of seven days ending on (and including) any Record Date (as defined in paragraph (e) (*Record date*) of Condition 6 (*Payments*)); or

(iii) after a Change of Control Put Option Notice (as defined below) has been delivered in respect of the relevant Bond(s) in accordance with Condition 5(d) (*Redemption upon a Change of Control Triggering Event*).

(g) **Regulations concerning transfers and registration**

All transfers of Bonds and entries on the Register are subject to the detailed regulations concerning the transfer of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Trustee and the Registrar, or by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available for inspection by the Registrar to any Bondholder upon prior written request and satisfactory proof of holding and identity during normal business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the specified office for the time being of the Registrar.

3. **COVENANTS**

(a) **Negative Pledge**

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer shall not, and the Issuer shall procure that none of its Significant Subsidiaries (other than any Listed Subsidiary) will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith or (b) providing such other security for the Bonds as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Bondholders.

The foregoing restriction will not apply to:

(i) any Security Interest arising or already arisen automatically by operation of law which is timely discharged or disputed in good faith by appropriate proceedings;

(ii) any Security Interest in respect of the obligations of any Person which becomes a Significant Subsidiary or which merges with or into the Issuer or a Significant Subsidiary after the Issue Date (as defined below) which is in existence at the date on which it becomes a Significant Subsidiary or merges with or into the Issuer or a Significant Subsidiary; provided that any such Security Interest was not incurred in anticipation of such acquisition or of such Person becoming a Significant Subsidiary or being merged with or into the Issuer or a Significant Subsidiary;

(iii) any Security Interest created or outstanding in favor of the Issuer;

(iv) any Security Interest in respect of Relevant Indebtedness of the Issuer or any Significant Subsidiary with respect to which the Issuer or such Significant Subsidiary has paid money or deposited money or securities with a fiscal agent, trustee or depository to pay or discharge in full the obligations of the Issuer or such Significant Subsidiary in respect thereof (other than the obligation that such money or securities so paid or deposited, and the proceeds therefrom, be sufficient to pay or discharge such obligations in full);

(v) any Security Interest created in connection with a project financed with, or created to secure, Non-recourse Obligations; or

(vi) any Security Interest arising out of the refinancing, extension, renewal or refunding of any Relevant Indebtedness secured by any Security Interest permitted by the foregoing paragraph (ii) or (v) or this paragraph (vi); provided that such Relevant Indebtedness is not increased beyond the principal amount thereof (together with the costs of such refinancing, extension, renewal or refunding) and is not secured by any additional property or assets.

(b) **Consolidation, Merger, Sale, Conveyance and Lease**

The Issuer shall not consolidate with, merge with or into, or (directly, or indirectly through one or more of the Issuer's Subsidiaries or Variable Interest Entities) sell, convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets to another Person other than to one or more of the wholly-owned Subsidiaries of the Issuer, unless:

(i) the resulting, surviving or transferee Person or the Person which acquires by conveyance, transfer, lease or other disposition all or substantially all of the Issuer's properties and assets (the "**Successor Company**"), if not the Issuer, shall be a corporation, limited liability company or other corporate entity, in each case, treated as a corporation for U.S. federal income tax purposes, 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, Hong Kong, Singapore or the United Kingdom, and the Successor Company (if not the Issuer) shall expressly assume, by a supplemental trust deed all of the obligations of the Issuer under the Bonds and the Trust Deed (including the obligation to pay Additional Tax Amounts pursuant to Condition 7 (*Taxation*));

(ii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing under the Trust Deed;

(iii) if the Issuer is not the Successor Company, the Issuer shall deliver to the Trustee an officers' certificate and an opinion of counsel each stating and as conclusive evidence that any such consolidation, merger, sale, conveyance, transfer, lease or disposition and any such assumption and, if a supplemental trust deed is required in connection with such transaction, such supplemental trust deed, complies with the provisions of the Trust Deed and that such supplemental trust deed is the legal, valid and binding obligation of the Successor Company, enforceable against it in accordance with its terms, subject to customary exceptions; and

(iv) other conditions specified in the Trust Deed are met.

Upon any such consolidation, sale, merger or conveyance, transfer, lease or other disposal, the resulting, surviving, transferee or successor person (if not the Issuer) shall succeed to, and may exercise every right and power of the Issuer under the Trust Deed, and the Issuer shall be discharged from its obligations under the Bonds and the Trust Deed except in the case of any such lease.

The Trustee shall be entitled to rely conclusively without further enquiry or investigation upon such officers' certificate and opinion of counsel given as contemplated in this Condition 3(b) and in the Trust Deed and shall not be liable to any Bondholder or any other person for so relying upon such documents.

(c) **NDRC Post-Issue Filing**

The Issuer undertakes to file or cause to be filed with the NDRC the requisite information and documents within the prescribed timeframes after the Issue Date in accordance with the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法（國家發展和改革委員會令第 56 號）) issued by the NDRC on January 5, 2023, which came into effect on February 10, 2023 and any relevant implementation rules, reports, certificates, approvals or guidelines as issued by the NDRC from time to time (the "**NDRC Post-Issue Reporting**").

The Issuer shall submit the initial NDRC Post-Issue Reporting within ten PRC Business Days after the Issue Date.

The Issuer shall within ten PRC Business Days after the submission to NDRC of the initial **NDRC Post-Issue Reporting** (i) provide the Trustee with a certificate (substantially in the form scheduled to the Trust Deed) signed by an Authorized Signatory (as defined in the Trust Deed) confirming the submission of the initial NDRC Post-Issue Reporting (together with a copy of the relevant document(s), if any, evidencing due filing with the NDRC) and (ii) give notice to the Bondholders in accordance with Condition 15 (*Notices*) confirming the submission of the initial NDRC Post-Issue Reporting.

The Trustee shall have no duty or obligation to monitor or ensure the completion of (or otherwise assist with) the NDRC Post-Issue Reporting on or before the deadlines referred to above or to verify the accuracy, validity and/or genuineness of any certificate, confirmation or other documents in relation to or in connection with the NDRC Post-Issue Reporting or to translate or procure the translation into English of any document relating to the NDRC Post-Issue Reporting or to give notice to the Bondholders confirming the submission of the NDRC Post-Issue Reporting, and shall not be liable to any Bondholders or any other persons for any of the foregoing and for not doing so.

(d) **Ratings**

The Issuer undertakes that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution, the Issuer will maintain a rating on the Bonds by any of the Rating Agencies.

(e) **Reports by Issuer**

The Issuer shall provide to the Trustee within 15 days after the same are required to be filed with the U.S. Securities and Exchange Commission (the "**Commission**") copies of any documents or reports that the Issuer 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 Issuer files with the Commission via the Commission's EDGAR system shall be deemed to be provided to the Trustee for purposes of this Condition 3(e) at the time such documents are filed via the EDGAR system.

The Trustee shall have no obligation to determine if and when the Issuer's statements or reports are required to be filed with the Commission and/or publicly available and/or accessible electronically.

The Trustee shall not be required to review the Issuer's statements or reports delivered to it as contemplated in this Condition 3(e).

(f) **Definitions**

In these Conditions:

"**Additional Tax Amounts**" has the meaning ascribed to it in Condition 7 (*Taxation*).

"**business day**" means: (a) in respect of Condition 2 (*Register, Title and Transfers*), a day, excluding a Saturday and a Sunday, on which commercial banks are generally open for business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the Transfer Agent has its specified office, (b) in respect of Condition 4 (*Interest*), any day, excluding a Saturday and a Sunday, on which commercial banks are generally open for business (including dealings in foreign currencies) and settlement of Renminbi payments in Beijing and Hong Kong, and (c) in respect of Condition 5(c)(i) *(Optional Redemption – Make whole redemption*), Condition 5(d) (*Change of Control*), Condition 6 (*Payments*) and Condition 16 (*Judgment Currency*), any day, excluding a Saturday and a Sunday, on which (i) commercial banks are generally open for business (including dealings in foreign currencies) and settlement of Renminbi payments in Beijing and Hong Kong and (ii) the CMU is operating and open for business and (iii) in the case of surrender (or, in the case of part payment only, endorsement) of a Bond Certificate, in the place in which the Bond Certificate is surrendered (or, as the case may be, endorsed).

"**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.

"**CNY**" means the lawful currency of the People's Republic of China in the Hong Kong foreign exchange market.

"**Default**" means any event that is, or after notice or passage of time, or both, would be, an Event of Default.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Holder**" has the meaning ascribed to it in paragraph (a) (*Register*) of Condition 2 (*Register, Title and Transfers*).

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China.

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised.

"**Listed Subsidiary**" means (i) any Subsidiary of the Issuer with shares of common stock or other common equity interests that are listed or for which an application has been submitted for listing on an internationally recognized stock exchange and (ii) Subsidiaries of any Subsidiary referred to in limb (i) of this definition.

"**NDRC**" means the National Development and Reform Commission of the PRC or its local counterparts.

"**Non-recourse Obligations**" means indebtedness or other obligations substantially related to (i) the acquisition of assets (including any person that becomes a Subsidiary) not previously owned by the Issuer or any of the Issuer's Subsidiaries or (ii) the financing of a project involving the purchase, development, improvement or expansion of properties of the Issuer or any of the Issuer's Subsidiaries, as to which the obligee with respect to such indebtedness or obligation has no recourse to the Issuer or any of the Issuer's Significant Subsidiaries or to the Issuer or any such Significant Subsidiary's

assets other than the assets which were acquired with the proceeds of such transaction or the project financed with the proceeds of such transaction (and the proceeds thereof).

"**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.

"**PRC**" means the People's Republic of China excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**PRC Business Day**" means a day other than a Saturday, Sunday or a day on which banking institutions in the PRC are authorized or obligated by law, regulation or executive order to remain closed.

"**Rating Agencies**" means Fitch Ratings ("**Fitch**"), Moody's Investors Service ("**Moody's**"), or Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("**S&P**"), and their respective successors to their ratings business;

"**Register**" has the meaning ascribed to it in paragraph (a) (*Register*) of Condition 2 (*Register, Title and Transfers*).

"**Relevant Indebtedness**" means any Indebtedness issued outside the PRC which is in the form of or represented by any bonds, notes, debentures, debenture stock, loan stock, or other securities which is, or is intended to be or is commonly, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market), but shall exclude any bank debt or bank loans.

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

"**Significant Subsidiary**" means a Subsidiary of the Issuer that meets the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act. Each of the Issuer's Variable Interest Entities, if any, shall be deemed to be a "subsidiary" for purposes of the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act.

"**Subsidiary**" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50 per cent. 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.

"**Variable Interest Entities**" means, with respect to any Person, any corporation, association or other entity which is or is required to be consolidated with such Person under Accounting Standards Codification subtopic 810-10, Consolidation: Overall (including any changes, amendments or supplements thereto) or, if such person prepares its financial statements in accordance with accounting principles other than the accounting principles generally accepted in the United States of America, the equivalent of Accounting Standards Codification subtopic 810-10, Consolidation: Overall under such accounting principles.

4. INTEREST

The Bonds bear interest on their outstanding principal amount from and including September 16, 2026 (the "**Issue Date**") at the rate of 2.25 per cent. per annum, payable semi-annually in arrear on March 16 and September 16 in each year (each an "**Interest Payment Date**"), commencing on March 16, 2027. If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined in Condition 3(f) (*Definitions*)), it shall be postponed to the next day which is a business day unless it would thereby fall into

the next calendar month in which event it shall be brought forward to the immediately preceding business day.

Each Bond will cease to bear interest from the due date for redemption unless, upon surrender of the Bond Certificate representing such Bond, payment of principal or premium (if any) is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the day which is seven days after the Trustee or the CMU Lodging and Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholders under these Conditions).

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Bond shall be calculated per CNY10,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the rate of interest specified above, the Calculation Amount and the actual number of days in the relevant Interest Period (or such other period) divided by 365, rounding the resulting figure to the nearest CNY0.01 (CNY0.005 being rounded upwards).

5. REDEMPTION AND PURCHASE

(a) Final redemption

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to, September 16, 2031 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 5.

(b) Redemption for tax reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*)) to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with any interest accrued to, but excluding, the date fixed by the Issuer for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

(i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of any Taxing Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in, or amendments to, the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after September 9, 2026; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts if a payment in respect of the Bonds were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph (b), the Issuer shall deliver or procure that there is delivered to the Trustee:

(A) a certificate in English signed by an Authorized Signatory of the Issuer stating that the circumstances referred to in (i) and (ii) above prevail and setting out the details of such circumstances; and

(B) an opinion in form and substance reasonably satisfactory to the Trustee of independent legal advisors or accounting firm of recognized standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment.

The Trustee shall be entitled, without being liable to Bondholders or any other Person, to conclusively rely on such certificate and opinion without investigation and to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (i) and (ii) above, in which event they shall be conclusive and binding on the Bondholders, and the Trustee shall be protected and shall have no liability to any Bondholder or any person for so accepting and relying on such certificate or opinion.

Upon the expiry of any such notice period as is referred to in this paragraph (b), the Issuer shall be bound to redeem the Bonds in accordance with this paragraph (b).

(c) **Optional redemption**

(i) *Make whole redemption*: The Issuer may redeem the Bonds, in whole or in part, at any time prior to August 16, 2031 (the "**Par Call Date**") on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*)) to the Bondholders (which notice shall be irrevocable subject to the proviso below) and in writing to the Trustee and the CMU Lodging and Paying Agent (an "**Optional Redemption Notice**"), at a redemption price equal to their Make Whole Amount, together with any interest accrued to but excluding, the Optional Redemption Date (together, the "**Optional Redemption Price**").

The Issuer shall give notice to the Bondholders in accordance with Condition 15 (*Notices*) and in writing to the Trustee and the CMU Lodging and Paying Agent on or before 12:00 p.m. (Hong Kong time) on the fifth business day immediately preceding such redemption date stating either (i) the Optional Redemption Price or (ii) that the Make Whole Call Reference Rate (as defined below) is not available and that, accordingly the Issuer's exercise of its right to redeem the Bonds under this Condition 5(c)(i) and such Optional Redemption Notice shall be immediately cancelled forthwith and shall cease to have any further effect. Nothing herein shall prejudice the Issuer's right to issue a new Optional Redemption Notice at any time after such cancellation.

Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under these Conditions, including in particular but without limitation the Optional Redemption Price of the Bonds payable under this Condition 5(c)(i).

In this Condition 5(c)(i):

"Independent Investment Bank" means an independent investment bank or financial advisor of international repute, selected and appointed by the Issuer at the cost of the Issuer (and notice thereof is given to Bondholders in accordance with Condition 15 (*Notices*) and in writing to the Trustee and the CMU Lodging and Paying Agent by the Issuer) for the purposes of performing any of the functions expressed to be performed by it under this Condition 5(c)(i).

"**Make Whole Amount**" means, in respect of each Bond at the Optional Redemption Date, the greater of (A) the principal amount of such Bond and (B) the present value at such redemption date of (I) the principal amount of such Bond on the Maturity Date, plus (II) all required remaining scheduled interest payments due on such Bond to, but not including, the Maturity Date (but excluding accrued and unpaid interest to the Optional Redemption Date), computed using a discount rate equal to the Make Whole Call Reference Rate plus 15 basis points (all as determined by the Independent Investment Bank).

"**Make Whole Call Reference Rate**" means the rate per annum equal to the semi-annual equivalent yield to maturity derived from the average of the bid and asked prices of the offshore China Government Bond denominated in Renminbi (Bloomberg ticker: CGB Govt, or any equivalent successor Bloomberg ticker that is publicly available) having a maturity equal or closest to the Maturity Date, as determined by the Independent Investment Bank in accordance with the provisions hereof (the "**Comparable China Government Bond**") (expressed as a percentage of principal amount (rounded to three decimal places, 0.0005 being rounded upwards)), prevailing at 11:00 a.m. (Hong Kong time) on the sixth Make Whole Determination Business Day preceding the Optional Redemption Date as displayed on the Bloomberg page and as determined by the Independent Investment Bank. If on the sixth Make Whole Determination Business Day preceding the Optional Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity derived from the average of the bid and asked prices of the China Government Bond ticker is not published or available, the Independent Investment Bank shall, on the fifth Make Whole Determination Business Day preceding such Optional Redemption Date, calculate the Make Whole Call Reference Rate based on the average of the bid and asked prices at 11:00 a.m. (Hong Kong time) of such Comparable China Government Bond (expressed as a percentage of principal amount (rounded to three decimal places, 0.0005 being rounded upwards)) quoted in writing to the Independent Investment Bank by any financial institutions that are recognized dealers or brokers in offshore PRC Government Bonds.

"**Make Whole Determination Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks and foreign exchange markets are open for general business in Hong Kong.

"**Optional Redemption Date**" means the date on which the Bonds shall be redeemed at the option of the Issuer pursuant to Condition 5(c)(i) (*Optional redemption – Make whole redemption*) as specified in the Optional Redemption Notice.

(ii) *Par redemption*: The Issuer may redeem the Bonds on or after the Par Call Date on giving not less than 30 nor more than 60 days' notice (in accordance with Condition 15 (*Notices*)) to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the CMU Lodging and Paying Agent, in whole at any time or in part from time to time, provided that such notice may be given prior to the Par Call Date if the date fixed for redemption specified in such notice falls on or after the Par Call Date, at a redemption price equal to 100 per cent. of the principal amount of the Bonds to be redeemed, together with any interest accrued to, but excluding, the date fixed for redemption.

So long as the Bonds are represented by the Global Certificate, a Holder's right to redemption of the Bonds will be effected in accordance with the rules and procedures for the time being of the Operator.

(d) **Redemption upon a Change of Control Triggering Event**

If at any time while any Bond remains outstanding, there occurs a Change of Control Triggering Event, each Bondholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice to redeem the Bonds under Condition 5(b) (*Redemption for tax reasons*) or Condition 5(c) (*Optional redemption*)) to require the Issuer to redeem all but not some only of its Bonds on the Change of Control Optional Redemption Date (as defined below) at 101 per cent. of their principal amount

outstanding of such Bonds together with interest accrued to, but excluding, the Change of Control Optional Redemption Date.

The Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Bondholders in accordance with Condition 15 (*Notices*) and in writing to the Trustee and the CMU Lodging and Paying Agent, by not later than 30 days following the first day on which it becomes aware of the occurrence of a Change of Control Triggering Event, which notice shall specify the procedure for exercising the Change of Control Put Option contained in this Condition 5(d), including: the Change of Control Optional Redemption Date, nature of the Change of Control Triggering Event and the circumstances giving rise to it, the date by which the Change of Control Put Option Notice must be given, the redemption amount and the method by which such amount will be paid, the names and addresses of all Paying Agents, and that a Change of Control Put Option Notice, once validly given, may not be withdrawn.

To exercise the Change of Control Put Option, a Bondholder must deposit at the specified office of the CMU Lodging and Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of the CMU Lodging and Paying Agent or any other Paying Agent (a "**Change of Control Put Option Notice**"), together with the Bond Certificate evidencing the Bonds to be redeemed, within the period (the "**Change of Control Put Period**") of 30 days following a Change of Control Triggering Event, or, if later, 30 days following the date upon which a Change of Control Put Event Notice is given.

A Change of Control Put Option Notice once given shall be irrevocable. The Issuer shall redeem the Bonds in respect of which the Change of Control Put Option has been validly exercised as provided above on the date which is the fourteenth day following the end of the Change of Control Put Period (the "**Change of Control Optional Redemption Date**").

The Trustee and the Agents shall not be required to monitor the occurrence of or to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred and shall not be liable to the Bondholders or any other person for not doing so.

Where:

"**acting in concert**" has the same meaning given to it in The Codes on Takeovers and Mergers and Share Buy-backs.

"**affiliate**" means, for a specified Person, any Person that directly or indirectly through one or more intermediaries is controlling, is controlled by, or is under common control with, the specified Person.

"**Change of Control**" shall be deemed to have occurred at the time after the Bonds are originally issued if any of the following occurs:

(i) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than (x) the Issuer and its Subsidiaries, and (y) the Existing Principal Shareholders or any of their respective affiliates, files a Schedule TO (as defined in the Exchange Act) or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner" of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer representing more than 50 per cent. of the voting power of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer; or

(ii) Mr. Qi Ji and parties acting in concert with him (together with any of their respective affiliates) collectively cease to be the single largest "beneficial owner" of the ordinary share capital (including ordinary share capital held in the form of depositary shares) of the Issuer,

provided that, as used in paragraphs (i) and (ii) above, the term "beneficial owner" shall have the meaning defined in Rule 13d-3 under the Exchange Act.

"**Change of Control Triggering Event**" means a Change of Control, provided however, that, in the event that the Bonds are, on the Rating Date, rated Investment Grade by at least one Rating Agency, a Change of Control Triggering Event shall mean the occurrence of both a Change of Control and a Rating Decline (rather than the occurrence of only one of these events).

"**Existing Principal Shareholders**" means Mr. Qi Ji and parties acting in concert with him, together with any other respective "person" or "group" subject to aggregation of the ordinary share capital of the Issuer (including ordinary share capital held in the form of depositary shares) with any of the aforementioned persons and entities under Section 13(d) of the Exchange Act.

''**Investment Grade**'' means (i) a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns; (ii) a rating of "Aaa," or "Aa," "A" or "Baa," as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns; or (iii) a rating of "BBB" or better by Fitch, or any of its successors or assigns.

"**Rating Date**" means, in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (a) a Change of Control and (b) a public notice of the occurrence of a Change of Control or of the intention by any Person or Persons to effect a Change of Control.

"**Rating Decline**" means, in connection with a Change of Control Triggering Event and in the event the Bonds are rated as Investment Grade by at least one Rating Agency on the Rating Date, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by any Person or Persons to effect a Change of Control (which period shall be extended (by no more than an additional three months after the consummation of the Change of Control) so long as the rating of the Bonds is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of a downgrade of the rating of the Bonds such that the Bonds cease to be rated as Investment Grade by all such Rating Agencies.

(e) **Notice of Redemption**

All Bonds in respect of which any notice of redemption is given under this Condition 5 shall be redeemed on the date specified in such notice in accordance with this Condition 5. If there is more than one notice of redemption given in respect of any Bond, the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail.

The notice of redemption given under this Condition 5 shall specify the date of redemption and the principal amount of Bonds to be redeemed. Bonds may be redeemed in part in the Authorized Denomination or in any integral multiple of such amount.

Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or have a duty to verify the accuracy, validity and/or authenticity of any documents in relation to or in connection therewith, and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

(f) **Partial redemption**

If the Bonds are to be redeemed in part only on any date in accordance with Condition 5(c)(i) (*Optional Redemption - Make whole redemption*), each Bond shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Bonds to be redeemed on the Optional Redemption Date bears to the aggregate principal amount of outstanding Bonds on such date.

(g) **No other redemption**

The Issuer shall not be entitled to redeem the Bonds otherwise than as provided in paragraphs (a) to (d) above.

(h) **Purchase**

The Issuer or any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise and at any price. The Bonds so purchased, while held by or on behalf of the Issuer or any of its Subsidiaries, shall not entitle the Bondholder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the Bondholders and for the purposes of Condition 8 (*Events of Default*), Condition 12(a) (*Meetings of Bondholders*) and Condition 13 (*Enforcement*).

(i) **Cancellation**

All Bonds so redeemed or purchased by the Issuer or any of its Subsidiaries may be cancelled. Any Bonds so cancelled may not be reissued or resold.

6. **PAYMENTS**

(a) **Principal**

Payments of principal shall be made in Renminbi by wire transfer to the registered account of the relevant Bondholder and (i) (in the case of redemption) upon surrender, or (ii) (in the case of part payment only) upon endorsement of the relevant Bond Certificates at the specified office of the CMU Lodging and Paying Agent.

For the purpose of this Condition 6(a) and Condition 6(b) (*Interest*), Bondholder's "**registered account**" means the Renminbi account maintained by or on behalf of it with a bank that processes payments in Renminbi, details of which appear on the Register on the Record Date.

(b) **Interest**

Payments of interest shall be made in Renminbi by wire transfer to the registered account of the relevant Bondholder and (i) (in the case of interest payable on redemption) upon surrender, or (ii) (in the case of part payment only) upon endorsement of the relevant Bond Certificates at the specified office of the CMU Lodging and Paying Agent.

(c) **Payments subject to fiscal laws**

All payments in respect of the Bonds are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(d) **Payments on business days**

Payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Bond Certificate is surrendered (or, in the case of part payment only, endorsed) at the specified office of the CMU Lodging and Paying Agent, on the first business day on which the CMU Lodging and Paying Agent is open for business and on or following which the relevant Bond Certificate is surrendered and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Bond shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a business day.

(e) **Record date**

Each payment in respect of a Bond will be made to the person shown as the Holder in the Register at the close of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**").

*For so long as any of the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of the Operator, the CMU Lodging and Paying Agent will make payments of interest, premium (if any) or principal to the Operator who will make payment to the person(s) at the close of business on the Clearing System Business Day immediately before the due date for payment (each, a "**CMU participant**") for whose account(s) a relevant interest in the Global Certificate is credited as being held with the CMU in accordance with the CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the Operator, where "**Clearing System Business Day**" means a day on which the CMU is operating and open for business. Such payment made in accordance thereof shall discharge the Issuer's obligations in respect of that payment. Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants; and the Trustee, the CMU Lodging and Paying Agent and the other Agents shall have no liability to the Bondholders, the Issuer, the CMU participants, the indirect participants or any other person in respect of any such payment. Save in the case of final payment, no presentation of the Global Certificate shall be required for such purpose.*

(f) **Partial payment**

If the CMU Lodging and Paying Agent makes a partial payment in respect of any Bonds, the Issuer shall procure that the amount and date of such payment are noted in the Register and, in the case of partial payment upon presentation of a Bond Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Bond Certificate.

7. **TAXATION**

All payments of principal, premium (if any) and interest in respect of the Bonds and the Trust Deed by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of the Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, unless the withholding or deduction of the Taxes is required by law.

If the Issuer is required to make any deduction or withholding by or within the (i) Cayman Islands or the PRC (or, in each case, any political subdivision or taxing authority thereof or therein), (ii) any jurisdiction in which the Issuer or any successor is, for tax purposes, incorporated, organized or resident or doing business (or any political subdivision or taxing authority thereof or therein) or (iii) any jurisdiction from or through which payment is made or deemed made (or any political subdivision or taxing authority thereof or therein) (each of (i), (ii) and (iii), as applicable, a "**Taxing Jurisdiction**"), the Issuer shall pay or deliver to the Holders such additional amounts or other consideration, as applicable (the "**Additional Tax Amounts**"), as may be necessary to ensure that the net amount received by the Holders after such withholding or deduction (and after deducting any applicable taxes on the additional amounts) will equal the amounts that would have been received by them had no such withholding or deduction been required; provided that no such Additional Tax Amounts will be payable:

(a) for or on account of:

(i) any applicable taxes that would not have been imposed but for:

(A) the existence of any present or former connection between the relevant Holder of such Bonds and the relevant Taxing Jurisdiction, other than merely acquiring or holding such Bonds, or the receipt of payments or the exercise or enforcement of rights thereunder,

including, without limitation, such Holder being or having been a national, domiciliary or resident of such relevant Taxing Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(B) the presentation of such Bonds (in cases in which presentation is required) more than 30 days after the Relevant Date, except to the extent that the Holder would have been entitled to additional amounts had the Bonds been presented on the last day of such 30 day period); or

(C) the failure of the Holder to comply with a timely written request from the Issuer or any successor, addressed to the Holder, to the extent such Holder is legally entitled, to provide certification, information, documents or other evidence concerning such Holder's nationality, residence, identity or connection with the relevant Taxing 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 Taxing Jurisdiction to reduce or eliminate any withholding or deduction as to which additional amounts would have otherwise been payable to such Holder; provided that the provision of any certification, information, documents or other evidence described in this clause 7(a)(i)(C) would not be materially more onerous, in form, in procedure, or in the substance of information disclosed, to a Holder than comparable information or other reporting requirements imposed under U.S. tax law, regulations and administrative practice (such as U.S. Internal Revenue Service Forms W-8BEN, W-8BEN-E and W-9, or any successor forms), and reasonable procedure for the collection of such documentation has been implemented and is in effect at the time that such written request is received;

(ii) any estate, inheritance, gift, sale, personal property or similar applicable taxes;

(iii) any applicable taxes that are not payable by way of withholding or deduction from payments under or with respect to the Bonds;

(iv) any applicable taxes required to be withheld or deducted under Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (or any amended or successor versions of such Sections that are substantively comparable and not materially more onerous to comply with) ("**FATCA**"), any regulations or other official guidance thereunder, any intergovernmental agreement or agreement pursuant to Section 1471(b)(1) of the Code 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

(v) any combination of applicable taxes referred to in the preceding clauses 7(a)(i), 7(a)(ii), 7(a)(iii) or 7(a)(iv), or

(b) with respect to any payment of the principal of (including the redemption price), premium, if any, and interest on, such Bond to a Holder, 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 Taxing Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a partner of that partnership or a beneficial owner who would not have been entitled to such additional amounts had that beneficiary, settlor, partner or beneficial owner been the holder thereof.

In these Conditions, "**Relevant Date**" means the later of the date on which the payment of the principal of (including the redemption price), premium, if any, and interest, became due and payable pursuant to the terms thereof or was made or duly provided for.

Any reference in these Conditions to principal, premium (if any) or interest shall be deemed to include any additional amounts in respect of such principal, premium (if any) or interest (as the case may be) which may be payable under this Condition 7 or any undertaking given in addition to or in substitution of this Condition 7 pursuant to the Trust Deed.

If the Issuer becomes subject at any time to any taxing jurisdiction other than any of the Taxing Jurisdictions, references in these Conditions to the Taxing Jurisdiction shall be construed as references to the Taxing Jurisdictions and/or such other jurisdiction.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 7 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Bondholder or any third party to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

8. EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs and is continuing, then the Trustee at its sole and absolute discretion may (but shall not be obliged to) and, if so requested in writing by Holders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or pre-funded and/or provided with security to its satisfaction), give written notice to the Issuer declaring the Bonds to be immediately due and payable, whereupon the Bonds shall become immediately due and payable at their principal amount together with accrued and unpaid interest (if any) without further notice or formality:

(a) **Non-payment of Interest**

failure by the Issuer to pay any amount of interest or Additional Tax Amounts, if any, on any of the Bonds, when due and payable, which failure continues for 30 days after the date when due; or

(b) **Non-payment of Principal or Premium**

failure by the Issuer to pay when due the principal or the premium in respect of the Bonds on the due date for payment thereof; or

(c) **Consolidation**

failure by the Issuer to comply with obligations under Condition 3(b) (*Consolidation, Merger, Sale, Conveyance and Lease*); or

(d) **Breach of Other Obligations**

failure by the Issuer for 60 days after written notice to the Issuer by the Trustee or to the Issuer and the Trustee by Holders of at least 25 per cent. in the aggregate principal amount of the Bonds then outstanding to comply with (or obtain a waiver with respect to) any of its terms, covenants or agreements contained in the Bonds or the Trust Deed not otherwise provided for in this Condition 8; or

(e) **Cross-Default**

default by the Issuer or any Significant Subsidiary 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 U.S.$100 million (or the foreign currency equivalent thereof) in the aggregate of the Issuer 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 indebtedness when due and payable at its stated maturity, upon redemption, upon required

repurchase, upon declaration of acceleration or otherwise, in each case, after the expiration of any applicable grace period, if such default is not cured or waived, or such acceleration is not rescinded, within 30 days after written notice to the Issuer by the Trustee or to the Issuer and the Trustee by holders of at least 25 per cent. in the aggregate principal amount of the Bonds then outstanding; or

(f) **Unsatisfied Judgments**

a final judgment for the payment of U.S.$100 million (or the foreign currency equivalent thereof) or more (excluding any amounts covered by insurance or bond) rendered against the Issuer or any Significant Subsidiary by a court of competent jurisdiction, 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; or

(g) **Voluntary Insolvency**

the Issuer or any Significant Subsidiary shall (A) commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Issuer 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 Issuer or any such Significant Subsidiary or any substantial part of its property, except for (x) such action above-mentioned, which is in connection with or pursuant to a reconstruction, amalgamation, reorganization, merger or consolidation conducted on terms approved by an Extraordinary Resolution of the Holders or (y) in the case of a Significant Subsidiary, such action above-mentioned, (i) which is in connection with or pursuant to a reconstruction, amalgamation, reorganization, merger or consolidation of such Significant Subsidiary whilst solvent, or whereby the undertaking and assets of such Significant Subsidiary are transferred to or otherwise vested in the Issuer or another of its Significant Subsidiaries, or (ii) as a result of a disposal of such Significant Subsidiary on an arm's length basis where the consideration received from such disposal is transferred to or otherwise vested in the Issuer or another of its Subsidiaries, or (B) 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 (C) make a general assignment for the benefit of creditors, or (D) fail generally to pay its debts as they become due; or

(h) **Involuntary Insolvency**

an involuntary case or other proceeding shall be commenced against the Issuer or any Significant Subsidiary seeking liquidation, reorganization or other relief with respect to the Issuer 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 Issuer or such Significant Subsidiary or any substantial part of its property; or

(i) **Invalidity**

the Bonds or the Trust Deed is or becomes or is claimed by the Issuer to be unenforceable, invalid or ceases to be in full force and effect.

9. **PRESCRIPTION**

Claims for payment in respect of the Bonds shall become void unless the relevant Bond Certificates are surrendered for payment within ten years (in the case of principal) and five years (in the case of interest) of the appropriate Relevant Date.

10. **REPLACEMENT OF BOND CERTIFICATES**

If any Bond Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar and the Transfer Agent having its specified office in Hong Kong, subject to all applicable laws and stock exchange requirements or other relevant authority, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, pre-

funding, indemnity and otherwise as the Issuer, the Registrar or the Transfer Agent may require. Mutilated or defaced Bond Certificates must be surrendered before replacements will be issued.

11. TRUSTEE AND AGENTS

Under the Trust Deed, the Trustee is entitled to be indemnified, pre-funded or secured to its satisfaction and is relieved from taking proceedings to enforce payment or taking other steps and/or actions and/or instituting any other proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction and for the Trustee to be paid or reimbursed for its fees, costs and expenses and indemnity payments and for any liabilities incurred by it in priority to the claims of the Holders. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity and/or security and/or pre-funding given to it by the Holders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty or the validity and effectiveness of the security.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or any of the Issuer's Subsidiaries and/or any entity related (directly or indirectly) to any of them and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries and/or any entity related (directly or indirectly) to any of them, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Holders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In connection with the exercise by it of any of its functions, trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorization or determination), the Trustee shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and nor shall any Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided for in Condition 7 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 7 (*Taxation*) pursuant to the Trust Deed.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer (financial or otherwise) and any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Holder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Holders. The Trustee shall be entitled to rely conclusively on any direction, request or resolution of Holders given by Holders holding the requisite principal amount of Bonds outstanding or passed at a meeting of Holders convened and held in accordance with the Trust Deed.

The Trustee shall have no obligation to monitor or take any steps to ascertain whether an Event of Default has occurred or may occur, and shall not be liable to the Holders or any other person for not doing so.

Each Holder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and/or its Subsidiaries, and the Trustee shall not at any time have any responsibility or liability for the same and each Holder shall not rely on the Trustee in respect thereof.

In acting under the Agency Agreement and in connection with the Bonds, the Agents act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any obligations or responsibilities towards or relationship of agency or trust for or with any of the Holders or any third parties.

The initial Agents and their initial specified offices are listed below. The Issuer reserves the right (with the prior written approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor registrar or CMU Lodging and Paying Agent and additional or successor paying agents and transfer agents, **provided, however, that** the Issuer shall at all times maintain (a) a CMU Lodging and Paying Agent, (b) a registrar and (c) a transfer agent.

Notice of any change in any of the Agents or in their specified offices shall promptly be given by the Issuer to the Holders.

12. MEETINGS OF BONDHOLDERS; MODIFICATION AND WAIVER

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters relating to the Bonds, including the modification of any provision of these Conditions, the Agency Agreement or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or by the Trustee and shall be convened by the Trustee upon the request in writing of Bondholders holding not less than 10 per cent. of the aggregate principal amount of the outstanding Bonds **provided that** the Trustee shall have been indemnified and/or pre-funded and/or secured to its satisfaction. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing more than half of the aggregate principal amount of the outstanding Bonds or, at any adjourned meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, **provided, however, that** certain proposals (including any proposal to (i) modify the Maturity Date of the Bonds or the dates on which interest is payable in respect of the Bonds or circumstances in which the Bonds may be redeemed or the circumstances in which interest is payable or (ii) to reduce or cancel the principal amount of, or interest payable on any date in respect of the Bonds or to vary the method of calculating the interest rate or to reduce the interest rate in respect of the Bonds (other than as provided under these Conditions) or (iii) to change the currency of payments under the Bonds or (iv) to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")), may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which two or more persons holding or representing not less than two-thirds or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Bonds form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Bondholders, whether present or not.

The Trust Deed provides that a resolution passed (i) at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) in writing signed by or on behalf of the Bondholders of not less than 90 per cent. in principal amount of the Bonds for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the Bondholders of not less than 90 per cent. in principal amount of the Bonds for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution. An Extraordinary Resolution passed at any meeting of the Bondholders will be binding on all Bondholders, whether or not they are present and whether or not they voted at the meeting at which such resolution was passed. An Extraordinary Resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more Bondholders.

(b) Modification and waiver

The Trustee may (but shall not be obliged to), without the consent of the Bondholders, agree to any modification of these Conditions or the Trust Deed (in each case, other than in respect of a Reserved

Matter) or the Agency Agreement which, in the opinion of the Trustee, will not be materially prejudicial to the interests of Bondholders and to any modification of these Conditions, the Bonds, the Trust Deed or the Agency Agreement which, in the opinion of the Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Bondholders, authorize or waive any proposed breach or breach of the Bonds or of any of the provisions of the Trust Deed or the Agency Agreement (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

The Trustee may request and conclusively rely upon a certificate signed by an Authorized Signatory and/or an opinion of counsel concerning the compliance with the above conditions in respect of any modification, waiver and/or authorization. Any such authorization, waiver or modification shall be notified to the Bondholders by the Issuer as soon as practicable thereafter.

(c) **Certificates and reports**

The Trustee and Agents may each rely conclusively without investigation or verification, and may act or refrain from acting, in each case without liability to Holders, the Issuer or any other person on the advice, opinion or report of or any information, confirmation or certificate obtained from any lawyer, valuer, accountant, auditor, surveyor, banker, broker, auctioneer, or other expert (whether obtained by the Issuer, the Trustee or otherwise, whether or not addressed to the Trustee, and whether or not the advice, opinion, report, information, confirmation or certificate, or any engagement letter or other related document, contains a monetary or other limit on liability or limits the scope or basis of such advice, opinion, report or information). The Trustee and the Agents may each accept and shall be entitled to rely conclusively on any such report, information, confirmation, certificate, opinion or advice, in which case such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Holders. The Trustee and the Agents will not be responsible to anyone for any liability occasioned by so acting or refraining from acting.

(d) **Directions from Holders**

Notwithstanding anything to the contrary in these Conditions or the Trust Deed, whenever the Trustee is required or entitled by the terms of these Conditions, the Trust Deed or the Agency Agreement to exercise any discretion or power, take any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from taking any such action, making any such decision, or giving any such direction or certification, to seek directions or clarification of the directions from the Holders by way of an Extraordinary Resolution and shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including but not limited to legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking or refraining from taking such action, making such decision, or giving such direction or certification as a result of seeking such direction or clarification from the Holders or in the event that no direction or clarification is given to the Trustee by the Holders.

13. **ENFORCEMENT**

The Trustee may at any time, at its sole and absolute discretion and without notice, take such steps and/or actions and/or institute such proceedings against the Issuer and/or any other person as it thinks fit to enforce its rights under the Trust Deed and the Agency Agreement and in respect of the Bonds, but it shall not be bound to do so unless:

(a) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Bonds or has been so directed by an Extraordinary Resolution; and

(b) it has been indemnified and/or pre-funded and/or provided with security to its satisfaction.

No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

The Trustee may refrain from taking any steps or actions or instituting any proceedings in any jurisdiction that would, in its opinion, be contrary to any law of that jurisdiction or that would otherwise render it liable to any person in that jurisdiction or if, in its opinion, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

14. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Bondholders and in accordance with the Trust Deed, create and issue further bonds having the same terms and conditions as the Bonds in all respects (except for the issue date and the deadline for the NDRC Post-Issue Reporting and, in some cases, the amount and date of the first interest payment) so as to be consolidated into and form a single series with the Bonds. Any further bonds consolidated into and forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

15. NOTICES

Notices to Bondholders will be sent to them at the Issuer's expense by (i) uninsured mail at their respective addresses on the Register, any such notice shall be deemed to have been given on the fourth day (being a day other than a Saturday, a Sunday or a public holiday) after the date of mailing or (ii) electronic communication, when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, **provided that** no delivery failure notification is received by the sender within 24 hours of sending such communication. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any notice shall be deemed to have been given, on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of the Operator, any notice to the Holders of the Bonds shall be validly given by the delivery of the relevant notice to each relevant accountholder via the CMU in substitution for notification as required by these Conditions, and shall be deemed to have been given on the date of delivery to the CMU. Indirect participants will have to rely on the CMU participants (through whom they hold the Bonds, in the form of interests in the Global Certificate) to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants.

16. JUDGMENT CURRENCY

The Issuer agrees, to the fullest extent that it may effectively do so under applicable law, that (a) if for the purpose of obtaining judgment in any court it is necessary to convert the sum due in respect of the principal of, or premium or interest, if any, or Additional Tax Amounts on the Bonds (the "**Required Currency**") into a currency in which a judgment will be rendered (the "**Judgment Currency**"), the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee and each Holder could purchase in Hong Kong the requisite amount of the Required Currency with the Judgment Currency on the business day preceding the day on which a final unappealable judgment is given and (b) its obligations under these Conditions to make payments in the Required Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with clause (a)), in any currency other than the Required Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Required Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Required Currency the amount, if any, by which such actual receipt shall fall

short of the full amount of the Required Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under these Conditions.

17. GOVERNING LAW AND JURISDICTION

(a) Governing law

The Bonds, the Agency Agreement and the Trust Deed and any non-contractual obligations arising out of or in connection with the Bonds, the Agency Agreement and the Trust Deed are governed by, and will be construed in accordance with, English law.

(b) Jurisdiction

The Issuer has in the Trust Deed (i) agreed for the benefit of the Trustee and the Bondholders that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Bonds (including any non-contractual obligation arising out of or in connection with the Bonds); (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated the Issuer's Hong Kong office, currently at Room 607, 6th Floor, Island Place Tower, 510 King's Road, North Point, Hong Kong, as its address for service of any process; (iv) consented to the enforcement of any judgment; and (v) to the extent that it may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction. The Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee or any of the Bondholders from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction and that, to the extent allowed by law, the Trustee or any of the Bondholders may take concurrent Proceedings in any number of jurisdictions.

18. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Bonds, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate will contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the "Terms and Conditions of the Bonds" set out in this Offering Circular. Terms defined in the "Terms and Conditions of the Bonds" have the same meaning in the paragraphs below. The following is a summary of certain of those provisions.

The Bonds will be represented initially by a Global Certificate which will be registered in the name of, and lodged with a sub-custodian for, the Hong Kong Monetary Authority as the CMU Operator.

Under the Global Certificate, the Issuer, for value received, will promise to pay such principal and interest and premium (if any) on the Bonds to the holders of such Bonds on such date or dates as the same may become payable in accordance with the Terms and Conditions of such Bonds.

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates in registered form only if (i) the CMU is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or (ii) any of the circumstances described in Condition 8 (*Event of Default*) of the Terms and Conditions occurs and the Bonds become due and payable. In such circumstances, the Issuer will cause sufficient individual definitive Certificates in registered form to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its Specified Office such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

Payment

Payments of principal, interest, premium (if any) or any other amounts shall be made to the Operator of the CMU that will make payments to the person(s) shown in the records of the operator of the CMU as the holder of a particular principal amount of Bonds at the close of business on the record date which shall be fifteen (15) days prior to the relevant payment date.

Notwithstanding the provisions of the preceding paragraph, payment of interest or principal will be made to the Operator of the CMU who will make payment to the person(s) for whose account(s) interests in the Global Certificate are credited as being held with the CMU in accordance with the CMU rules and procedures at the relevant time and payment made in accordance thereof shall discharge the Issuer's obligations in respect of that payment. For these purposes, a notification from the CMU Operator shall be conclusive evidence of records of the CMU (save in the case of manifest error). Save in the case of final payment, no presentation of the Global Certificate shall be required for such purpose.

Notices

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of the Hong Kong Monetary Authority as operator of the CMU, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to the accountholder via the CMU in substitution for notification as required by these Conditions, and any such notice shall be deemed to have been given to the holders of the Bonds on the date of delivery to the CMU. Indirect participants will have to rely on the CMU participants (through whom they hold the Bonds, in the form of interests in the Global Certificate) to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants.

Transfers

Transfers of beneficial interests in the Bonds represented by this Global Certificate will be effected through the records of the CMU (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of the CMU (or any Alternative Clearing System) and their respective direct and indirect participants.

Cancellation

Cancellation of any Bond represented by this Global Certificate by the Issuer will be effected by a reduction in the principal amount of the Bonds in the register of Holders and this Global Certificate on its presentation to or to the order of the Registrar for annotation (for information only) in the Schedule to the Global Certificate.

Meetings

For the purposes of any meeting of Bondholders of the Bonds, the holder of the Bonds represented by a Global Certificate shall be treated as two voters for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each CNY10,000 in principal amount of the Bonds.

Redemption at the Option of the Issuer

The options of the Issuer provided for in Conditions 5(b) (*Redemption for tax reasons*) and 5(c) (*Optional redemption*) of the Terms and Conditions shall be exercised by the Issuer in accordance with the requirements contained in such Terms and Conditions and giving notice to the Bondholders within the time limits set out in and containing the information required by such Terms and Conditions, as the case may be.

Bondholders' Redemption

The Bondholders' redemption option in Condition 5(d) (*Redemption upon a Change of Control Triggering Event*) of the Terms and Conditions may be exercised by the entitled accountholder (and by the sub-custodian on behalf of an entitled sub-accountholder) giving notice to the CMU Lodging and Paying Agent of the principal amount of the Bonds in respect of which the option is exercised within the time limits specified in the Terms and Conditions in accordance with the rules and procedures of the CMU or any Alternative Clearing System.

Trustee's Powers

In considering the interests of Holders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obliged to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which the Global Certificate is issued.

TAXATION

The following is a general summary of certain Cayman Islands, Hong Kong, and PRC tax consequences relevant to an investment in the Bonds. The discussion is not intended to be, nor should it be construed as, legal or tax advice to any particular prospective purchaser. The discussion is based on laws and relevant interpretations thereof in effect as of the date of this Offering Circular, all of which are subject to change or different interpretations, possibly with retroactive effect. The discussion does not address tax laws of jurisdictions other than the Cayman Islands, Hong Kong, and the PRC. You should consult your own tax advisors with respect to the consequences of investment in the Bonds. To the extent that this discussion relates to matters of Cayman Islands tax law, it is the opinion of Maples and Calder (Hong Kong) LLP, our Cayman Islands counsel. To the extent that the discussion states definitive legal conclusions under PRC tax laws and regulations, it is the opinion of JunHe LLP, our special PRC counsel.

Cayman Islands Taxation

The following is a discussion of certain Cayman Islands income tax consequences of an investment in the Bonds. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands law, payments of interest and principal on the Bonds will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Bonds, nor will gains derived from the disposal of the Bonds be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporate, or capital gains tax and no estate duty, inheritance tax, or gift tax. No stamp duty is payable in respect of the issue of the Bonds. An instrument of transfer in respect of a Bond is stampable if executed in or brought into the Cayman Islands.

PRC Taxation

The following is a summary of certain PRC tax consequences of the purchase, ownership, and disposition of Bonds to non-PRC resident enterprises and non-resident individuals. It is based upon applicable laws, rules, and regulations in effect as of the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own, or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Bonds should consult their own tax advisors concerning the tax consequences of the purchase, ownership, and disposition of Bonds, including such possible consequences under the laws of their country of citizenship, residence, or domicile.

The Bonds are issued by H World Group Limited, a company incorporated in the Cayman Islands. We have not been notified that we are treated as a PRC resident enterprise and, accordingly, we are not expected to be subject to PRC withholding obligations in respect of interest payments on the Bonds, unless we are deemed to be a PRC tax resident enterprise under applicable PRC tax laws. It is still unclear if the PRC tax authorities would determine that we should be classified as a PRC tax resident enterprise.

The EIT Law, applies a uniform 25% enterprise income tax rate to both foreign-invested enterprises and domestic enterprises. The EIT Law imposes a withholding tax of 10% on dividends distributed by a PRC foreign invested enterprise to its immediate holding company outside of China, if such immediate holding company is considered a "non-resident enterprise" without any establishment or place within China or if the received dividends have no connection with the establishment or place of such immediate holding company within China, unless such immediate holding company's jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. The Cayman Islands, where we are incorporated, does not have such a tax treaty with China. Thus, dividends paid to us by our subsidiaries in China may be subject to the 10% withholding tax if we are considered a "non-resident enterprise" under the EIT Law.

If we are deemed to be a PRC tax resident enterprise, interest paid on the Bonds and any gains realized from the transfer of the Bonds may be treated as income derived from sources within the PRC and may be subject to PRC taxation in accordance with applicable laws and regulations. In such case, non-resident enterprise holders may be subject to PRC withholding tax at a rate of 10% (or a lower rate if available under an applicable tax treaty), and non-resident individual holders may be subject to PRC individual income tax at a rate of 20% (or a lower rate if

available under an applicable tax treaty) and our Company would be obliged to withhold such taxes from payments of interest in respect of the Bonds to such non-resident enterprise or individual holders of the Bonds.

However, the availability of any tax treaty benefits will depend on whether the relevant holders are regarded as beneficial owners of the income and satisfy other applicable conditions, and there is uncertainty as to the practical application of such benefits.

If we are treated as a PRC resident enterprise, the interest and other interest-like earnings derived from the Bonds and received by a non-PRC resident Bondholder from our Company may be subject to PRC value-added tax ("**VAT**"), which our Company may be required to withhold on payments of interest and certain other amounts on the Bonds paid to Bondholders that are non-resident enterprises or individuals. Additionally, VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside the PRC and therefore unlikely to be applicable to gains realized upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if the seller of Bonds is located inside the PRC. However, as the VAT Law, which was issued by the Standing Committee of the National People's Congress on December 25, 2024, and its implementing rules, together with other laws and regulations pertaining to VAT, are relatively new, the interpretation and enforcement of such laws and regulations involve significant uncertainties.

If we are not deemed to be a PRC tax resident enterprise, non-resident enterprise and non-resident individual holders of the Bonds will not be subject to PRC income tax on interest payments or gains from the transfer of the Bonds.

In addition, no PRC stamp duty will be imposed on non-PRC Bondholders either upon issuance of the Bonds or upon a subsequent transfer of the Bonds to the extent that the register of holders of the Bonds is maintained outside the PRC and the issuance and the sale of the Bonds are made outside the PRC.

We will not be obligated to pay any additional amounts to holders of the Bonds in respect of any taxes, including any PRC taxes, that may be imposed on such holders as a result of (i) present or future tax laws or regulations of any jurisdiction or (ii) any interpretation or determination regarding our tax residency status or the source of our income.

Each holder of the Bonds will be solely responsible for any taxes imposed on such holder in connection with its investment in the Bonds.

Hong Kong Taxation

The following summary contains a description of the principal tax laws of Hong Kong, as in effect on the date of this Offering Circular, and is subject to any change in the tax laws of Hong Kong that may come into effect after such date (which may have retroactive effect).

No Hong Kong tax will be required to be withheld from payments of principal or interest on the Bonds.

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets). Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances: (i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong; (ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; (iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or (iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of Section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its

intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In addition, with effect from January 1, 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the "**FSIE Amendments**"), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

No Hong Kong stamp duty will be chargeable upon the issue or subsequent transfer of the Bonds.

ENFORCEABILITY OF CIVIL LIABILITIES

Our Company is incorporated and exists under the laws of the Cayman Islands to take advantage of certain benefits associated with being a Cayman Islands exempted company, such as:

- political and economic stability;
- an effective judicial system;
- a favorable tax system;
- the absence of exchange control or currency restrictions; and
- the availability of professional and support services.

However, certain disadvantages accompany incorporation in the Cayman Islands. These disadvantages include but are not limited to:

- the Cayman Islands has a less developed body of securities laws as compared to the United States and these securities laws provide significantly less protection to investors as compared to the United States; and
- Cayman Islands companies may not have standing to sue before the federal courts of the United States.

Our Memorandum does not contain provisions requiring that disputes between us, our officers, directors and holders of our securities, be arbitrated.

Our Company is incorporated in the Cayman Islands and conducts a substantial portion of its operations through our subsidiaries in China. Following our acquisition of Deutsche Hospitality, we expanded our operations to Europe. Most of our officers reside outside the United States and some or all of the assets of those persons are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the Cayman Islands or in China in the event that you believe that your rights have been infringed under the securities laws of the United States or otherwise.

Maples and Calder (Hong Kong) LLP, our counsel as to Cayman Islands law, has advised us that the courts of the Cayman Islands are unlikely:

- to recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the federal securities laws of the United States or any state or territory in the United States; and
- in original actions brought in the courts of the Cayman Islands, to impose liabilities against us or our directors or officers predicated solely upon the federal securities laws of the United States or any state or territory within the United States, so far as the liabilities imposed by those provisions are penal in nature.

Maples and Calder (Hong Kong) LLP has informed us that in those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the federal or state courts of the United States, 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 and for a liquidated sum, (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. 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.

JunHe LLP has further advised us that the recognition and enforcement of foreign judgments are primarily provided for under the PRC Civil Procedures Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between the PRC and the

country where the judgment is made or on reciprocity between jurisdictions. There is currently no treaty between the PRC and the United States that provides for mutual recognition and enforcement of judgments rendered in the other state. As of the date of this Offering Circular, although there have been occasions where courts in the PRC recognized and enforced judgments rendered by courts in the other jurisdiction, there is uncertainty whether a PRC court would generally form the view that reciprocity exists between the PRC and the United States and therefore recognize and enforce judgments rendered by United States courts on a reciprocal basis. In addition, according to the PRC Civil Procedures Law, courts in the PRC 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. Therefore, it is uncertain whether a PRC court would enforce a judgment rendered by a court in the United States.

PLAN OF DISTRIBUTION

The Issuer has entered into a subscription agreement with the Joint Lead Managers dated on or about September 9, 2026 (the "**Subscription Agreement**") pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Issuer agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for the Bonds at an issue price of 100.00 per cent. of their principal amount in the amount set forth below:

Joint Lead Managers	**Principal amount of the Bonds to be subscribed**
Goldman Sachs (Asia) L.L.C.	CNY662,500,000
CLSA Limited	CNY662,500,000
Morgan Stanley & Co. International plc.....	CNY662,500,000
J.P. Morgan Securities (Asia Pacific) Limited	CNY662,500,000
Industrial Bank Co., Ltd. Hong Kong Branch	CNY100,000,000
CMB International Capital Limited.....	CNY100,000,000
China CITIC Bank International Limited.....	CNY100,000,000
China Minsheng Banking Corp., Ltd. Hong Kong Branch	CNY100,000,000
CMBC Securities Company Limited	CNY100,000,000
Bank of China Limited.....	CNY100,000,000
Bank of China (Hong Kong) Limited.....	CNY100,000,000
Total.....	**CNY3,350,000,000**

The Subscription Agreement provides that the Issuer will indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitle the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

In connection with the offering of the Bonds, any of the Joint Lead Managers appointed and acting in its capacity as stabilization manager (the "**Stabilization Manager**") or any person acting on behalf of the Stabilization Manager may, to the extent permitted by applicable laws and directives, over-allot the Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail, but in so doing, the Stabilization Manager or any person acting on behalf of the Stabilization Manager shall act as principal and not as agent of the Issuer. However, there is no assurance that the Stabilization Manager or any person acting on behalf of the Stabilization Manager will undertake stabilization action. Any loss or profit sustained as a consequence of any such over-allotment or stabilization shall be for the account of the Joint Lead Managers.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities ("**Banking Services or Transactions**"). The Joint Lead Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services or Transactions with the Issuer for which they have received, or will receive, fees and expenses.

In connection with the offering of the Bonds, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer, may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trade of the Bonds may be material. Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds may be impacted.

Furthermore, it is possible a significant proportion of the Bonds may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in the Bonds may be constrained. The Issuer and the Joint Lead Managers are under no obligation to disclose the extent of

the distribution of the Bonds amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer, including the Bonds and could adversely affect future trading price and liquidity of the Bonds. The Joint Lead Managers and their respective affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or other financial instruments of the Issuer and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments of the Issuer.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Joint Lead Managers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high-net-worth individuals, in each case, subject to the selling restrictions or any UK MiFIR product governance language set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Joint Lead Manager(s) (if any) to categorize it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant

omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: gs-hk-dcm-omnibus@gs.com; projecthanhai@clsa.com; ficcsyndicate@citicclsa.com; omnibus_debt@morganstanley.com; investor.info.hk.oc.bond.deals@jpmorgan.com; TMG_Syndicate@cncbinternational.com; hkdcm@cmbc.com.cn; dcm@bochk.com; gmd_syndicate@bochk.com.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint Lead Manager with such evidence within the timeline requested.

Selling Restrictions to the Offering

General

None of the Issuer or any of the Joint Lead Managers makes any representation that any action has been or will be taken in any jurisdiction that would permit a public offering of any of the Bonds, or possession or distribution of this Offering Circular or any other offering or publicity material, in any country or jurisdiction where action for that purpose is required. Each of the Joint Lead Managers shall, to the best of its knowledge and belief, comply in all material respects with all applicable securities laws, regulations and directives in force in each jurisdiction in which it purchases, offers, sells or delivers Bonds or has in its possession or distributes this Offering Circular or any other offering or publicity material, in all cases at its own expense.

No Joint Lead Manager is authorized to make any representation or use any information in connection with the issue, offering and sale of the Bonds other than as contained in, or which is consistent with, this Offering Circular or any amendment or supplement to it.

United States

The Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bonds are being offered and sold only outside of the United States to non-U.S. persons in reliance on Regulation S.

Each Joint Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Bonds (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons, and it will

have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each purchaser of the Bonds and each subsequent purchaser of such Bonds in resales prior to 40 days after the later of the commencement of the offering and the closing date (such period, the "distribution compliance period"), by accepting delivery of this Offering Circular and the Bonds, will be deemed to have represented, agreed and acknowledged that:

(1) it is, or at the time Bonds are purchased will be, the beneficial owner of such Bonds and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;

(2) it understands that such Bonds have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Bonds except in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;

(3) the Issuer, the Joint Lead Managers, the Trustee and the Agents and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements; and

(4) it understands that the Bonds offered in reliance on Regulation S will be represented by a Global Certificate. Prior to the expiration of the distribution compliance period, before any interest in the Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Global Certificate, it will be required to provide the Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

United Kingdom

Each of the Joint Lead Managers has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Each of the Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**");

(b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or

(c) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"); and

(ii) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

The Cayman Islands

No offer or invitation may be made to the public in the Cayman Islands to subscribe for the Bonds. Each Joint Lead Manager has represented, warranted and undertaken that the public in the Cayman Islands will not be invited to subscribe for the Bonds.

The PRC

Each of the Joint Lead Managers has represented and agreed that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws of the PRC.

Hong Kong

Each of the Joint Lead Managers has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and each of the Joint Lead Managers represents, warrants and agrees that it will not offer or sell any Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other relevant laws, regulations and ministerial guidelines of Japan.

Macau

Each of the Joint Lead Managers represents, warrants and agrees that the Bonds may not be promoted, distributed, sold or delivered in the Macau Special Administrative Region of the People's Republic of China (Macau), or any document relating to the Bonds be distributed or circulated in Macau, except under the terms of and in compliance with the Macau Financial System Act and any other laws in Macau that may apply to the offer and sale of the Bonds in Macau. The Bonds are not registered or otherwise authorized for public offer under the Financial System Act of Macau, thus may not be offered or sold in Macau, unless such offer is made by Macau licensed entities according to the Macau Financial System Act and upon their communication to the Macau Monetary Authority, in observation of the guidelines and recommendations issued by the Macau local regulatory authority from time to time.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Bonds (or beneficial interests therein).

The Bonds have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States (as defined in Regulation S) or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Bonds are being offered and sold only to non-U.S. persons in offshore transactions in accordance with Regulation S.

By its purchase of the Bonds, each purchaser of the Bonds will be deemed to have acknowledged, represented and/or agreed as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

1. it represents and agrees that it is purchasing the Bonds for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account are non-U.S. persons outside the United States and purchasing the Bonds in an offshore transaction in accordance with Regulation S;

2. it understands and acknowledges that the Bonds are being offered only in a transaction not involving any public offering in the United States, within the meaning of the Securities Act, and the Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the United States except as set forth below;

3. it agrees that it will inform each person to whom it transfers the Bonds of any restrictions on transfer of such Bonds;

4. it understands that the Bonds will be represented by the global certificate and that transfers thereto are restricted as described under "Terms and Conditions of the Bonds—2. Register, Title and Transfer—(c) Transfers";

5. it agrees that if it should resell, pledge, or otherwise transfer any of the Bonds represented by the global certificate or any beneficial interest in any of the Bonds represented by the global certificate, such Bonds may be resold, pledged, or transferred only in accordance with the requirements of the legends set forth in paragraph (6) below;

6. it understands that each Bond represented by a global certificate will bear a legend substantially to the following effect unless otherwise agreed by us (unless such Bond has been sold pursuant to a registration statement that has been declared effective under the Securities Act):

   "THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

   THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SUCH SECURITY, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF

THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE TRANSFER AGENT'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR THE INDIVIDUAL SECURITIES REPRESENTED HEREBY, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE 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.";

7. it acknowledges that, prior to any proposed transfer of Bonds in certificated form or of beneficial interests in Bonds represented by a global certificate (in each case other than pursuant to an effective registration statement), the holder of Bonds or the holder of beneficial interests in Bonds represented by a global certificate, as the case may be, may be required to provide certifications and other documentation relating to the manner of such transfer and submit such certifications and other documentation; and

8. it acknowledges that the Issuer, the Transfer Agent, the Joint Lead Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agree that if any of the acknowledgements, representations or agreements deemed to have been made by its purchase of the Bonds are no longer accurate, it shall promptly notify the Issuer, the Transfer Agent. If it is acquiring any Bonds as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

LEGAL MATTERS

We are being represented by Cleary Gottlieb Steen & Hamilton LLP with respect to legal matters of English law, by Cleary Gottlieb Steen & Hamilton (Hong Kong) with respect to legal matters of Hong Kong law, by Maples and Calder (Hong Kong) LLP with respect to legal matters of Cayman Islands law, and by Junhe LLP with respect to legal matters of PRC law. The Joint Lead Managers are being represented by Clifford Chance with respect to legal matters of English law and Hong Kong law and by Jingtian & Gongcheng with respect to legal matters of PRC law. Cleary Gottlieb Steen & Hamilton LLP and Cleary Gottlieb Steen & Hamilton (Hong Kong) may rely upon Maples and Calder (Hong Kong) LLP with respect to legal matters governed by Cayman Islands law and Junhe LLP with respect to legal matters governed by PRC law. Clifford Chance may rely upon Jingtian & Gongcheng with respect to legal matters governed by PRC law.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements of H World Group Limited as of December 31, 2024 and 2025 and for each of the three years in the period ended December 31, 2023, 2024 and 2025, incorporated by reference in this Offering Circular, have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, an independent registered public accounting firm, as stated in their report thereon incorporated by reference herein.

The registered business address of Deloitte Touche Tohmatsu Certified Public Accountants LLP is 30th Floor, Bund Center, 222 Yan An Road East, Shanghai 200002, People's Republic of China.

GENERAL INFORMATION

Clearing Systems: The Bonds have been accepted for clearance through the CMU under Common Code: 350132511, ISIN: HK0001357729 and CMU Instrument Number: KWHKFB26039.

Authorizations: The Issuer has obtained all necessary consents, approvals and authorizations in connection with the issue and performance of the Bonds. The issue of the Bonds was authorized by the board of directors of the Issuer on May 14, 2026.

No Material Adverse Change: There has been no material adverse change, nor any development or event involving a prospective material adverse change, in the financial condition, business, or results of operations of the Group since December 31, 2025.

Litigation: The Group is not involved in any litigation or arbitration proceedings that the Group believes are material in the context of the Bonds nor is the Group aware that any such proceedings are pending or threatened.

Available Documents: So long as any of the Bonds is outstanding, copies of the following documents will be available to Bondholders (i) for inspection or collection at all reasonable times during normal business hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the principal place of business for the time being of the Trustee, being as of the Issue Date at 13/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong, and at the specified office of the CMU Lodging and Paying Agent, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the CMU Lodging and Paying Agent and (ii) electronically from the CMU Lodging and Paying Agent following prior written request and provision of proof of holding and identity to the satisfaction of the CMU Lodging and Paying Agent:

- the Trust Deed for the Bonds; and
- the Agency Agreement for the Bonds.

Listing: Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in the Bonds by way of debt issues to Professional Investors only. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Group or the Bonds.

ISSUER

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People's Republic of China

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CNCBI Trustee Limited
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Central, Hong Kong

CMU LODGING AND PAYING AGENT

China CITIC Bank International Limited

29/F, CITIC Tower, 1 Tim Mei Avenue
Central, Hong Kong

REGISTRAR AND TRANSFER AGENT

China CITIC Bank International Limited

29/F, CITIC Tower, 1 Tim Mei Avenue
Central, Hong Kong

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