

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Huazhu Group Limited (Formerly Known as China Lodging Group, Limited)		N/A	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Investor Relations	(86)(21) 6195 9561	ir@huazhu.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
2266 Hongqiao Road, Changning District		Shanghai, P.R. China 200336	
8 Date of action		9 Classification and description	
May 25, 2018		4-for-1 Split of American Depositary Shares of Huazhu Group Limited	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
16949N109	N/A	HTHT	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On May 25, 2018, Huazhu Group Limited (the "Company") effected a change of its American Depositary Share (the "ADS") to its ordinary share (the "Ordinary Share") ratio from one (1) ADS representing four (4) Ordinary Shares to one (1) ADS representing one (1) Ordinary Share. For the Company's ADS holders, this ratio change has the same effect as a 4-for-1 ADS split.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ As a result of the 4-for-1 ADS split, holders of the ADSs received three (3) additional ADSs for each ADS held. In accordance with Section 307(a) of the Internal Revenue Code of 1986, as amended (the "Code"), each ADS holder is required to allocate the aggregate tax basis in their ADS held immediately prior to the 4-for-1 ADS split among the ADSs held immediately after the 4-for-1 ADS split. The effect to each shareholder is a reduction of their existing tax basis per ADS prior to the ADS split of 75%.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Simple calculation: Assume a holder of an ADS has one (1) ADS with a tax basis of \$120 immediately prior to the 4-for-1 ADS split, immediately after such split, the basis for each ADS should be reduced to \$30.

Part II Organizational Action (continued)

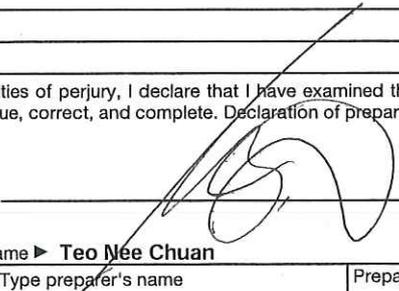
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Pursuant to Section 305(a) of the Code, the 4-for-1 ADS split is a nontaxable event to the holders. The tax treatment for holders receiving the 4-for-1 ADS split described in item 15 is based on Section 307(a) of the Code.

18 Can any resulting loss be recognized? ▶ ADS holders will generally not recognize a gain or loss for U.S. federal income tax purposes associated with the 4-to-1 ADS split.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ 2018

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ January 15, 2019

Print your name ▶ Teo Nee Chuan Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.