

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE EXPEDIA GROUP
STOCKHOLDERS LITIGATION

CONSOLIDATED
C.A. No. 2019-0494-JTL

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT
OF CLASS AND DERIVATIVE ACTION, SETTLEMENT HEARING,
AND RIGHT TO APPEAR**

***The Delaware Court of Chancery authorized this Notice.
This is not a solicitation from a lawyer.***

TO: (1) holders of shares of Expedia common stock that were issued and outstanding as of April 16, 2019 (the “Class Shares”), together with their heirs, assigns, transferees, and successors-in-interest, in each case solely in their capacity as holders or owners of Class Shares (the “Class”);¹ and
(2) all holders of Expedia common stock as of November 2, 2021 (“Current Stockholders”).

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS
ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED
SETTLEMENT OF THIS ACTION.**

Lead Plaintiff Steamfitters Local 449 Pension Plan (“Steamfitters” or “Plaintiff”), a stockholder of Expedia, on behalf of itself and the Class and derivatively on behalf of Expedia, has reached a proposed settlement of the above-captioned consolidated class and derivative action (the “Action”) that provides for certain non-monetary benefits as stated in paragraph 28 below (the “Settlement”).²

¹ Members of the Class are referred to herein as “Class Members.” Excluded from the Class are (i) Defendants, and the officers and directors of the Company as of April 16, 2019 (the “Excluded Parties” and each an “Excluded Party”); (ii) any of the Excluded Parties’ immediate family members, affiliates, parent companies, subsidiaries, legal representatives, heirs, estates, predecessors, successors, and assigns; and (iii) any entity in which any Excluded Party has or had a direct or indirect controlling interest.

² The terms and conditions of the Settlement are set forth in the Stipulation of Compromise and Settlement dated November 2, 2021 (the “Settlement Stipulation” or “Stipulation”), entered into by and among (1) Plaintiff, on behalf of itself and the Class and derivatively on behalf of the Company; (2) nominal defendant Expedia; (3) Barry Diller, Alexander von Furstenberg, the Diller

If approved by the Delaware Court of Chancery (the “Court”), the Settlement will resolve all claims in the Action.

Please Note: Class Members and Expedia stockholders will not receive any direct payment from the Settlement. Accordingly, there is no Proof of Claim Form to submit in connection with this Settlement. Also, Class Members and Expedia stockholders are not required to take any action in response to this notice.

If you are a nominee who held Expedia common stock for the benefit of another, please read the section below entitled “What if I Owned Shares on Someone Else’s Behalf?”

WHAT IS THE PURPOSE OF THIS NOTICE?

1. The purpose of this Notice is to inform Class Members and Current Stockholders of the existence of this Action and how they are affected by the litigation. It is also being sent to inform Class Members and Current Stockholders of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, and the application by Plaintiff’s Counsel for an award of attorneys’ fees and litigation expenses (the “Settlement Hearing”). *See* paragraphs 41-50 below for details about the Settlement Hearing, including the date and location of the hearing.

2. The Court directed that this Notice be mailed to you because you may be a member of the Class or a Current Stockholder. The Court has directed us to send you this Notice because, as a Class Member or Current Stockholder, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this Action and the proposed Settlement generally affect your legal rights.

3. Receipt of this Notice does not mean that you qualify as a Class Member or Current Stockholder. Also, the issuance of this Notice is not an

Foundation d/b/a the Diller-von Furstenberg Family Foundation (the “DVFFF”), Susan C. Athey, A. George “Skip” Battle, Craig A. Jacobson, Chelsea Clinton, Jonathan L. Dolgen, Courtnee Chun, Pamela L. Coe, Christopher Shean, Peter M. Kern, Victor Kaufman, Dara Khosrowshahi, and Mark Okerstrom (collectively, the “Defendants”); and (4) the Special Litigation Committee of the Board of Directors of Expedia, which, as discussed below, was initially comprised of Julie Whalen and Jon Gieselman, until, as discussed below, Mr. Gieselman resigned (the “Special Litigation Committee” or “SLC,” and together with Plaintiff, Defendants, and Expedia, the “Parties”). All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Settlement Stipulation, which is available in the “Investors/Resources” section of Expedia’s website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>.

expression by the Court of any findings of fact or any opinion concerning the merits of any claim in the Action, and the Court has not yet decided whether to approve the Settlement.

WHAT IS THIS CASE ABOUT?

THE FOLLOWING SUMMARY OF THE ACTION HAS BEEN PREPARED BY COUNSEL FOR THE PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS, AND THIS NOTICE IS NOT AN EXPRESSION OR STATEMENT BY THE COURT OF FINDINGS OF FACT.

4. In mid-November 2017, Expedia began exploratory discussions concerning a potential acquisition of Liberty Expedia Holdings, Inc. (“LEXE”), a holding company whose assets included high-vote Class B Common Stock Shares of Expedia (the “Class B Shares”). At the time of those discussions, Mr. Diller held certain rights pursuant to an Amended and Restated Stockholders Agreement, between Mr. Diller and LEXE, dated December 20, 2011, as amended on November 4, 2016 (the “Stockholders Agreement”), and an Amended and Restated Governance Agreement, among Expedia, LEXE, and Mr. Diller, dated December 20, 2011 (the “Governance Agreement” and, together with the Stockholders Agreement, the “Existing Governance Agreements”).

5. Among Mr. Diller’s rights under the Stockholders Agreement was an irrevocable proxy to vote the shares of Expedia common stock and Class B Shares held by LEXE and its subsidiaries (“Mr. Diller’s Proxy”). In addition, under the Stockholders Agreement, Mr. Diller was provided (1) with the right to swap or exchange common shares of Expedia for any Class B Shares LEXE sought to dispose of through a defined “Transfer” (the “Swap/Exchange Right”); and (2) a tag-along right and a right of first refusal in the event of such a Transfer. Under the Governance Agreement, Expedia was required to hold high-vote Class B Shares so that such shares would be available for purchase by Mr. Diller for a period of two years following a transaction where LEXE transferred all its Expedia shares to an unaffiliated third party (the “Warehousing Right”).

6. After the termination of discussions in February 2018, discussions concerning a potential acquisition of LEXE by Expedia began again in late 2018 and a special committee to consider a potential transaction was established comprised of directors Craig Jacobson, A. George “Skip” Battle, and Susan Athey. The special committee retained Paul, Weiss, Rifkind, Wharton & Garrison LLP and PJT Partners Inc. as its legal and financial advisors, respectively. After months of investigation, negotiations and deliberations, in April 2019, Expedia and LEXE announced that

they had reached agreement on a proposed merger whereby Expedia would acquire LEXE, as recommended by the special committee.

7. More specifically, on April 15, 2019, LEXE entered into an agreement and plan of merger (as amended on June 5, 2019, the “Merger Agreement”) with Expedia, LEMS I LLC, a single member Delaware limited liability company and wholly owned subsidiary of Expedia (“Merger LLC”), and LEMS II Inc., a Delaware corporation and a wholly owned subsidiary of Merger LLC (“Merger Sub”). The Merger Agreement provided for the merger of Merger Sub with and into LEXE (the “First-Step Merger”), with LEXE surviving as a wholly owned subsidiary of Merger LLC, and immediately following the First-Step Merger, the merger of LEXE with and into Merger LLC, with Merger LLC surviving as a wholly owned subsidiary of Expedia. The Merger Agreement provided for holders of LEXE common stock to receive 0.360 shares of Expedia common stock for each share of LEXE common stock held as of the time of the mergers (collectively the “Merger”).

8. In connection with the Merger, Expedia entered into an Exchange Agreement, dated as of April 15, 2019 (the “Exchange Agreement”), with Mr. Diller, the DVFFF and LEXE. Pursuant to the Exchange Agreement, Mr. Diller and the DVFFF exchanged, immediately prior to closing of the Merger, 5,523,452 shares of Expedia common stock for an equal number of Class B Shares held by LEXE (the “Exchange”). As a result of the Exchange, Mr. Diller and the DVFFF obtained approximately 28% of the total voting power of Expedia on a post-Merger basis.

9. In addition, a new governance agreement was entered into (the “New Governance Agreement”). Under the New Governance Agreement, for nine months following closing of the Merger, Mr. Diller (directly or together with any third party that grants Mr. Diller a proxy over such shares and executes a joinder of that agreement) was entitled to acquire from Expedia up to 7,276,547 Expedia Class B Shares (the “Additional Shares”) (equal to the 12,799,999 shares owned by LEXE prior to the Merger minus the shares Mr. Diller obtained under the Exchange Agreement) by (a) exchanging shares of Expedia common stock on a 1:1 basis, or (b) purchasing the Class B Shares at a price determined by the average closing price of Expedia common stock over the immediately preceding five trading days (the “New Warehousing Right”). If Mr. Diller had exercised the New Warehousing Right in full, he would have acquired approximately 49% of the total voting power of Expedia including the Class B Shares acquired in the Exchange.

10. The Class B Shares acquired by Mr. Diller and the DVFFF pursuant to the Exchange are freely transferable. In contrast, Mr. Diller and the DVFFF agreed with Expedia that any Additional Shares acquired would convert into Expedia common stock upon any transfer of those shares that represents more than 5% of the

total outstanding voting power. In addition, Additional Shares would convert into common stock automatically upon Mr. Diller's death, disability or such time as he no longer serves as Chairman of the Board or Senior Executive of Expedia.

11. The Merger closed on July 26, 2019. The Merger together with the Exchange Agreement and the New Governance Agreement are referred to as the "Transaction."

12. In June and July of 2019, putative stockholders of Expedia filed three separate putative class action and derivative complaints challenging the Transaction, which the Court consolidated into this case on August 12, 2019. On September 20, 2019, the Court entered an Order Establishing Leadership Structure, designating Steamfitters as Lead Plaintiff and the law firms of Labaton Sucharow LLP, Friedlander & Gorris, P.A., and Bernstein Litowitz Berger & Grossmann LLP as Co-lead Counsel for Steamfitters and the putative class ("Plaintiff's Lead Counsel").

13. On October 17, 2019, Plaintiff filed a Consolidated Verified Class Action and Derivative Complaint in the Court, derivatively on behalf of Expedia and on behalf of itself and a Class of Expedia stockholders. Plaintiff filed a First Amended Consolidated Verified Class Action and Derivative Complaint (the "Complaint") on January 10, 2020. The Complaint asserts: (1) a direct and derivative claim for breach of fiduciary duty against the director Defendants; (2) a direct and derivative claim for breach of fiduciary duty against Mr. Diller contending Mr. Diller was Expedia's controlling stockholder; (3) a direct and derivative claim for breach of fiduciary duty against Messrs. Diller and Okerstrom in their capacities as officers; (4) a derivative claim for unjust enrichment against Mr. Diller and the DVFFF; and (5) a claim for declaratory judgment against all Defendants that Mr. Diller had no contractual right or power to prevent or interfere with the Merger or to obtain any Class B Shares. Plaintiff's central premise for this Action is that Mr. Diller orchestrated the Transaction in order to pass his "outsized voting influence" to his stepson, Alexander von Furstenberg. Plaintiff further alleged that Mr. Diller's right to the Additional Shares was not triggered by the Merger under the terms of the Stockholders Agreement, and thus the Class B Shares were improperly transferred to Mr. Diller, granting him "dynastic control" of the Company.

14. On December 3, 2019, the Board of Directors of Expedia established, pursuant to Delaware law, a special litigation committee consisting of Julie Whalen and Jon Gieselman (the "SLC"), both of whom first joined the Board of the Company after the underlying events that led to the Transaction. The SLC was authorized, among other things, to investigate Plaintiff's claims and to determine an appropriate course of action with respect thereto, and all such determinations were deemed final and binding upon the Company and were not subject to review by the Board. On

December 11, 2019, the SLC moved to stay the Action pending its investigation. Following briefing and argument, on January 9, 2020, the Court granted the SLC's motion and stayed the litigation for six months, which period was later extended.

15. As part of the SLC's investigation, it negotiated a stay of Mr. Diller's New Warehousing Right to acquire the Additional Shares. On April 13, 2020, the Court entered an order requiring Expedia and Mr. Diller to maintain the status quo and prohibiting Mr. Diller from exercising the New Warehousing Right until the SLC completed its investigation. In accordance with the Court's order, Expedia and Mr. Diller entered into Amendment No. 1 to the New Governance Agreement extending the deadline for Mr. Diller to exercise his right to acquire the Additional Shares to forty-five days after the SLC completed its investigation. That 45-day period ran on December 7, 2020, and Mr. Diller determined not to exercise the New Warehousing Right to acquire Class B Shares. Accordingly, Mr. Diller (together with the DVFFF) currently holds approximately 28% of the total voting power of Expedia, and Mr. Diller has relinquished any contract rights to acquire any of the Additional Shares.

16. The SLC conducted an investigation of the claims asserted in the Action consistent with its mandate over the course of nearly a year, assisted by its counsel Wilson Sonsini Goodrich & Rosati, P.C. As a result of its investigation, the SLC determined, among other things, that: (i) the Transaction was entirely fair to Expedia and its stockholders and no individual Defendant engaged in an actionable breach of fiduciary duty; (ii) neither Mr. Diller nor the DVFFF was unjustly enriched as a result of the Transaction; and (iii) there is no actionable claim for declaratory judgment relating to the governance agreements. The SLC found, contrary to the allegations of the Complaint, that there was no plan or intention for Mr. Diller's stepson, Alexander von Furstenberg, to exercise a senior management position at Expedia, that both Mr. Diller and Mr. von Furstenberg had no such desire, and that the Transaction and related agreements were not part of any plan to gift to Mr. Diller or his family dynastic control of the Company. The SLC further found, also contrary to the allegations of the Complaint, that the Transaction likely triggered Mr. Diller's right to the Exchange under the terms of the prior Stockholders Agreement between Mr. Diller and LEXE; that Mr. Diller and LEXE (including its Chairman Dr. John Malone) each considered that the Merger of LEXE and Expedia entitled Mr. Diller to swap for the Class B Shares under the terms of the Stockholders Agreement; and that LEXE would not have engaged in a transaction or the Merger that denied Mr. Diller the rights both he and LEXE considered to belong to Mr. Diller under the Stockholders Agreement. The SLC further noted that the special committee's negotiations with Mr. Diller had resulted in several contractual provisions favorable to the Company and its stockholders, including an equal treatment provision that the

Class B Shares in perpetuity would not receive any greater or different consideration in a sale or merger of the Company than the common stock of the Company.

17. The SLC concluded that the special committee of the Expedia Board that negotiated the terms of the transaction acted in an independent manner and engaged in arms-length bargaining with respect to the Merger and the other aspects of the Transaction. In its Report, the SLC noted that it considered that Expedia and its stockholders derived numerous tangible benefits from the Transaction that would have been unavailable if Mr. Diller had not agreed to the Transaction, including, in addition to the equal treatment provision applicable to the Class B Shares, the acquisition of LEXE's position in Expedia without the payment of a control premium and removal of the uncertainty of how things would transpire upon Mr. Diller's death or disability whereupon LEXE would assume perpetual control of the Company and be in a position to sell that control to a unknown (and potentially undesirable) third party which could have led to an undesirable transaction for the Company's minority stockholders. The SLC further noted that the Transaction ensured Mr. Diller's continued involvement and engagement in the business of Expedia, which the Company's management and the special committee viewed as a positive given his successful track record.

18. Accordingly, the SLC concluded that it was not in the best interests of the Company and its stockholders to pursue claims arising from the Transaction and requested that the Action be dismissed. The SLC filed its report detailing its findings (the "Report") and a Motion to Dismiss (the "Motion to Dismiss") on October 23, 2020.

19. The SLC filed its Opening Brief in Support of its Motion to Dismiss on December 11, 2020.

20. Plaintiff served its First Request for Production of Documents and First Set of Interrogatories directed to the SLC on January 8, 2021. The SLC served its Responses and Objections to Plaintiff's First Request for Production on January 20, 2021, and its Responses and Objections to Plaintiff's First Set of Interrogatories on February 8, 2021.

21. On March 25, 2021, the SLC filed a letter to update the Court on recent developments, including, among other things, that Mr. Gieselman stepped down from his position on the SLC.

22. On April 12, 2021, the SLC filed another letter to provide a further update to the Court and informed the Court that the Parties had begun settlement discussions aimed at resolving the Action.

23. The Parties engaged in extensive settlement discussions before reaching an agreement in principle, which was approved by the SLC on July 22, 2021. On July 28, 2021, the SLC filed a letter informing the Court that the parties had reached an agreement in principle to resolve the Action.

24. On November 2, 2021, the Parties entered into the Settlement Stipulation. The Settlement Stipulation reflects the final and binding agreement between the Parties, subject to the approval of the Court.

25. The Parties believe that the Settlement is in the best interests of the Parties, Expedia, the Class, and Expedia's current stockholders and that the Settlement confers benefits upon Expedia, the Class, and Expedia's current stockholders and that the interests of the Parties, Expedia, the Class, and Expedia's current stockholders would best be served by settlement of the Action on the terms and conditions set forth in the Settlement Stipulation.

26. Prior to reaching agreement on the principal terms of the Settlement, the Parties did not discuss the amount of any potential application by Plaintiff's Counsel for attorneys' fees and expenses.

27. On November 3, 2021, the Court entered a Scheduling Order in connection with the Settlement which, among other things, authorized this Notice to be provided to Class Members and Current Stockholders and scheduled the Settlement Hearing to, among other things, consider whether to grant final approval of the Settlement.

WHAT ARE THE TERMS OF THE SETTLEMENT?

28. As explained in the Parties' Settlement Stipulation, Plaintiff, Defendants, Expedia, and the SLC agreed to the following corporate governance reforms, which created benefits for the Company:

(1) Mr. Diller's relinquishment of rights. By way of background, and as recounted above, Mr. Diller previously chose not to increase his voting percentage in Expedia despite his right to do so in connection with the Transaction under the terms of the New Warehousing Right that entitled him to swap common shares or other consideration with Expedia for up to an additional 7,276,547 Class B shares (i.e., the Additional Shares). By allowing that contractual right to expire unexercised, Mr. Diller relinquished the right to obtain an additional approximately 20% of Expedia voting power that could have been utilized by him during his lifetime. As a result, Mr. Diller (either directly or through a trust controlled by him) and DVFFF hold all of the

outstanding Class B Shares (5,523,452 shares), which represent approximately 28% of the voting power of all Expedia outstanding stock.

(2) Addressing the role of Mr. Diller's family members at Expedia following Mr. Diller's Departure. Also, as recounted above, the SLC Report found that, contrary to the allegations of the Complaint, there was no plan or intention for Mr. Diller's stepson Alexander von Furstenberg to exercise a senior management position at Expedia. In accordance with the findings in the SLC Report, following Mr. Diller's departure from all roles at Expedia ("Mr. Diller's Departure"), no family member of Mr. Diller has any intention to seek or will seek any executive position at Expedia or serve as Chair of the Board of Expedia.

(3) Accordingly, Expedia agrees that following Mr. Diller's Departure, no immediate family member of Mr. Diller will serve in any executive position at Expedia or as Chair of the Board of Expedia.

(4) Prior to Mr. Diller's Departure, the number of immediate family members of Mr. Diller (including Mr. Diller himself) who can serve on the Board of Expedia shall be limited to two. (Mr. von Furstenberg continues to serve as a member of the Expedia Board.)

(5) Following Mr. Diller's Departure, (i) in no event shall more than one member of the Diller family serve on the Expedia Board at any one time, and (ii) in the event that (a) no family member of Mr. Diller is already serving on the Expedia Board, and (b) a "Diller-related Person" (defined as Mr. Diller, a family member of Mr. Diller or an entity owned directly or indirectly by Mr. Diller or one or more family members, the DVFFF, a charitable or other trust for the benefit of any of the foregoing, or any person or entity that comes to hold Class B shares as a result of Mr. Diller's estate planning) owns in the aggregate at least 5% of the outstanding common equity of Expedia or a 15% voting interest in the Company, then Expedia agrees to nominate to serve as a director on the Board one family member of Mr. Diller or one representative designated by Mr. Diller's family; provided further that any member of Mr. Diller's family added under this (ii) shall also require the support of two-thirds (2/3) of Expedia's independent directors to serve as a director.

(6) Addressing the Expedia Class B shares following Mr. Diller's Departure. The provisions of the following paragraphs 7 through 9 shall apply to the Expedia Class B shares following Mr. Diller's Departure.

(7) Limitation on Class B voting power by Diller-related Persons. Following Mr. Diller's Departure, the voting percentage that can be cast by

Class B Shares held or controlled by Diller-related Persons shall be limited to 20% of the voting power of all outstanding Expedia common stock with respect to (a) any merger, sale or other extraordinary transaction requiring the approval of Expedia stockholders and (b) director elections (except as to voting for the election of directors supported by a majority of the Board, in which case the limit shall not apply). Any shares in excess of the limit, when applicable, shall be voted in proportion to votes cast (x) in the case of clause (a), by the common shares not held by Mr. Diller or other Diller-related Persons and (y) in the case of clause (b), by the common shares not held by (1) Mr. Diller or other Diller-related Persons or (2) any other stockholder or other person, or group of such persons, soliciting proxies or acting as a group with respect to one or more nominees not nominated by the Expedia Board or the appropriate committee thereof. The provisions of this paragraph shall not apply to any votes of only the Class B shares required by law or exchange or other regulation.

(8) Expedia's right of first offer. Prior to selling or agreeing to a sale of Class B shares then held by Mr. Diller or other Diller-related Persons that represent 10% or more of the voting power of Expedia common stock, Expedia shall be advised of the interest in such a transaction and shall have the opportunity to offer to purchase the shares contemplated to be sold, as follows: the Company shall have 30 days to offer a price for the relevant shares, and, if the Company makes an offer, thereafter the selling party or parties shall have 15 days to either (a) accept or reject that offer, or (b) make a counteroffer. In the event of a counteroffer, the Company shall have 15 days to accept or reject that offer. Following that process (or following the end of such 30-day period if the Company did not make an offer), the selling party or parties shall be free to proceed to sell the Class B shares for a price not less than the price offered by the Company (or if the Company did not make any offer, for any price). In the event that the shares are not sold or subject to an agreement of sale within 10 months of the conclusion of the right of first offer process, the Company's right of first offer shall again apply, regardless of the number of times such right is reset under this provision on account of the shares not being sold within the 10-months period. For the avoidance of doubt, the calculation of the 10% or more of the voting power that triggers the Company's right of first offer pursuant to this paragraph shall include any series of transactions with the same counter-party that are part of a single agreement.

(9) Expedia's reasonable cooperation in sale process. In connection with a sale of the Class B Shares by Mr. Diller or another Diller-related

Person, Expedia shall cooperate and use reasonable efforts to permit such sale to be consummated promptly, including, without limitation, making any required regulatory filings, registering the transfer of the shares in the stock ledger of the Company and, if applicable, requesting that the Company's depository or book-entry transfer agent register such sale, providing customary documentation in connection with such sale (such as a customary legal opinion if requested by the depository or transfer agent, or evidence of transfer, such as a stock certificate, if applicable), and shall not take any action that would have the purpose or effect of prohibiting or delaying such sale (including adopting a stockholders rights plan). If requested by the transferee, and subject to a customary confidentiality agreement reasonably acceptable to the Company, the Company shall permit the transferee to conduct limited due diligence relating to the Company, its business and affairs, appropriate for an investment of comparable size in a company of the Company's scale, which due diligence shall not require more than one meeting with senior management and shall not otherwise interfere unreasonably with the Company's operations. In addition, if the proposed transferee so requests and agrees to enter into a standstill in customary form at 30% of the Expedia voting power (until the earlier of such time as the transferee owns less than 15% of the Company's outstanding voting power or 3 years), the Board will waive the provisions of 8 *Del. C.* § 203 for such transferee unless it determines that such waiver would be reasonably likely to constitute a violation of the directors' fiduciary duties owing to the identity or plans of the proposed transferee.

WHAT ARE THE PARTIES' REASONS FOR THE SETTLEMENT?

29. Plaintiff and Plaintiff's Counsel thoroughly considered the facts and law underlying the claims asserted in the Action. Plaintiff and Plaintiff's Counsel believe that the claims asserted in the Action have merit, but also believe that the Settlement provides substantial and immediate benefits for Expedia, the Class, and Expedia's current stockholders. In addition to these substantial benefits, Plaintiff and Plaintiff's Counsel have considered: (i) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (ii) the work undertaken by the SLC and its conclusion that the Action should be dismissed; (iii) the probability of success on the merits; (iv) the inherent problems of proof associated with, and possible defenses to, the claims asserted in the Action; (v) the desirability of permitting the Settlement to be consummated according to its terms; (vi) the expense and length of continued proceedings necessary to prosecute the Action against Defendants through trial and appeals; and (vii) the conclusion of Plaintiff and

Plaintiff's Counsel that the terms and conditions of the Settlement Stipulation are fair, reasonable, and adequate, and that it is in the best interests of Expedia, the Class, and Expedia's current stockholders to settle the Action on the terms set forth in the Settlement Stipulation.

30. Defendants deny any and all allegations of wrongdoing, liability, violations of law or damages arising out of or related to any of the conduct, statements, acts, or omissions alleged in the Action, and maintain that their conduct was at all times proper, in the best interests of Expedia and its stockholders, and in compliance with applicable law. Defendants further deny any breach of fiduciary duties. Defendants further deny that Mr. Diller or the DVFFF were unjustly enriched by the Transaction. Defendants affirmatively assert that the Transaction was the best possible transaction for Expedia and its stockholders, was entirely fair to Expedia and to the unaffiliated stockholders, and has provided Expedia and its stockholders with substantial benefits. Defendants also deny that Expedia or its stockholders were harmed by any conduct of Defendants alleged in the Action or that could have been alleged therein. Each of Defendants asserts that, at all relevant times, they acted in good faith and in a manner they reasonably believed to be in the best interests of Expedia and all of its stockholders. Nevertheless, Defendants wish to eliminate the uncertainty, risk, burden, and expense of further litigation, and to permit the operation of Expedia without further distraction and diversion of its Board and personnel with respect to the Action. Defendants have therefore determined to settle the Action on the terms and conditions set forth in the Settlement Stipulation solely to put the Released Claims (as defined in paragraphs 33 and 37 below) to rest, finally and forever, without in any way acknowledging any wrongdoing, fault, liability, or damages.

31. Nothing in the Settlement Stipulation shall be construed as any admission by Defendants of wrongdoing, fault, liability, or damages whatsoever. The SLC has joined in the Settlement Stipulation and supports the Settlement to avoid the cost to the Company of further litigation and because it considers the terms of the Settlement to be beneficial to Expedia and its stockholders.

WHAT CLAIMS WILL THE SETTLEMENT RELEASE?

32. If the Settlement is approved, the Court will enter a final judgment (the "Judgment"). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Plaintiff, Plaintiff's Releasees (as defined in paragraph 38 below), and each and every other Class Member and Expedia stockholder, on behalf of themselves and any other person or entity who could assert any of the Released Plaintiff's Claims

(as defined in paragraph 33 below) on their behalf, in such capacity only, shall have fully, finally, and forever released, settled, and discharged, and shall forever be enjoined from prosecuting, the Released Plaintiff's Claims against Defendants and any other Defendants' Releasees (as defined in paragraph 34 below).

33. "Released Plaintiff's Claims" means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys' fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature, or description whatsoever, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including known claims and Unknown Claims (as defined in paragraph 35 below), whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule (including claims within the exclusive jurisdiction of the federal courts), that are, have been, could have been, could now be, or in the future could, can, or might be asserted, in the Action or in any other court, tribunal, or proceeding by (i) Plaintiff or any other member of the Class arising out of the holding of shares of Expedia common stock or (ii) by Plaintiff or any other Expedia stockholder derivatively on behalf of Expedia, or by Expedia directly, against any of the Defendants' Releasees, which, now or hereafter, are based upon, arise out of, or relate to any of the actions, transactions, occurrences, statements, representations, misrepresentations, omissions, allegations, facts, practices, events, claims, or any other matters related to the Transaction or this litigation and the settlement thereof, including the SLC's investigation, except for claims relating to the enforcement of the Settlement and for any claims that any Defendant or Expedia may have for advancement or indemnity of their legal fees, costs, and expenses incurred in connection with the Action and this Settlement, or any claims that any Defendant or Expedia may have against any of their respective insurers, co-insurers, or reinsurers, to the extent such claims are not otherwise released pursuant to other documentation.

34. "Defendants' Releasees" means Expedia, Defendants, the members of the SLC, and their respective past, present, or future family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, stockholders, principals, officers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors,

advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, associates and insurers, co-insurers and re-insurers (except with respect to any claims any Defendant or Expedia may have against any of their respective insurers, co-insurers, or re-insurers, to the extent such claims are not otherwise released pursuant to other documentation) and those of the SLC Counsel and Defendants' Counsel.

35. "Unknown Claims" means any Released Plaintiff's Claims that Plaintiff, any Plaintiff's Releasee, the Class, Expedia, or any other Expedia stockholder does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff's Claims against the Defendants' Releasees, and any Released Defendants' Claims that any of Defendants or any of the other Defendants' Releasees does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant's Claims against the Plaintiff's Releasees, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. With respect to any and all Released Plaintiff's Claims and Released Defendants' Claims, the Parties stipulate and agree that Plaintiff, Expedia, and each of the Defendants shall expressly waive, and each of the other Class Members, each of the other Plaintiff's Releasees, Expedia stockholders and each of the other Defendants' Releasees shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

and any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code § 1542. Plaintiff, Expedia, and each of the Defendants acknowledge, and each of the other Class Members, Plaintiff's Releasees and Expedia stockholders and each of the other Defendants' Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement.

36. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, the members of the SLC, and the other Defendants'

Releasees (as defined in paragraph 34 above), on behalf of themselves and any other person or entity who could assert any of the Released Defendants' Claims (as defined in paragraph 37 below) on their behalf, in such capacity only, shall have fully, finally, and forever released, settled, and discharged, and shall forever be enjoined from prosecuting, Defendants' Claims against Plaintiff's Releasees (as defined in paragraph 38 below).

37. "Released Defendants' Claims" means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys' fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues, and controversies of any kind, nature, or description whatsoever, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including known claims and Unknown Claims, whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule (including claims within the exclusive jurisdiction of the federal courts), arising out of or relating to this litigation through the date of this Stipulation, including, without limitation, all actions taken by Plaintiff or Plaintiff's Counsel in connection with the initiation, prosecution, and settlement of this Action through the date of this Stipulation. For the avoidance of doubt, the Released Defendants' Claims do not include any claims for advancement or indemnity of their legal fees, costs, and expenses incurred in connection with the Action and this Settlement, or any claims that any Defendant or Expedia may have against any of their respective insurers, co-insurers, or reinsurers, to the extent such claims are not otherwise released pursuant to other documentation.

38. "Plaintiff's Releasees" means Plaintiff, each of the other Class Members and Expedia stockholders, Plaintiff's Counsel, and their respective past, present, or future family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, stockholders, principals, officers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, associates and insurers, co-insurers and re-insurers.

WHAT PAYMENT ARE THE ATTORNEYS FOR PLAINTIFF SEEKING? HOW WILL THE LAWYERS BE PAID?

39. Plaintiff's Counsel have not received any payment for their services in pursuing claims asserted in the Action on behalf of the Class and the Company, nor have Plaintiff's Counsel been paid for their litigation expenses. Before final approval of the Settlement, Plaintiff's Counsel intend to petition the Court for an all-in award of attorneys' fees and litigation expenses, in an amount no greater than \$6,500,000.00, based on the benefits provided to Expedia, the Class, and Expedia's stockholders from the Settlement.

40. The Court will determine the amount of any fee and expense award for Plaintiff's Counsel. Expedia will cause the full payment of any Court-awarded fee and expense award to Plaintiff's Counsel. Class Members and Expedia stockholders are not personally liable for any such fees or expenses.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

41. **Class Members and Current Stockholders do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member or Current Stockholder does not attend the hearing. Class Members and Current Stockholders can participate in the Settlement without attending the Settlement Hearing.**

42. Please Note: The date and time of the Settlement Hearing may change without further written notice to Class Members or Current Stockholders. In addition, the ongoing COVID-19 health emergency is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Hearing by video or telephonic conference, or otherwise allow Class Members and Current Stockholders to appear at the hearing by phone or video, without further written notice to Class Members or Current Stockholders. **In order to determine whether the date and time of the Settlement Hearing have changed, or whether Class Members and Current Stockholders must or may participate by phone or video, it is important that you monitor the Court's docket, the Court of Chancery's website, and the "Investors/Resources" section of Expedia's website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>, before making any plans to attend the Settlement Hearing. Any updates**

regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or telephonic appearances at the hearing, will be posted to the “Investors/Resources” section of Expedia’s website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>. Also, if the Court requires or allows Class Members and Current Stockholders to participate in the Settlement Hearing by telephone or video conference, the information needed to access the conference will be posted to the “Investors/Resources” section of Expedia’s website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>.

43. The Settlement Hearing will be held on **January 19, 2022 at 3:15 p.m.**, before Vice Chancellor J. Travis Laster, either in person at the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, or by telephone or videoconference (in the discretion of the Court), to, among other things: (i) determine whether the Action may be finally maintained as a non-opt out class action and whether the Class should be finally certified by the Court, for purposes of the Settlement, pursuant to Court of Chancery Rules 23(a), 23(b)(1) and 23(b)(2); (ii) determine whether Plaintiff may be finally certified as representative for the Class and Plaintiff’s Lead Counsel as counsel for the Class, and whether Plaintiff and Plaintiff’s Lead Counsel have adequately represented the interests of the Class in the Action; (iii) determine whether the proposed Settlement, on the terms and conditions provided for in the Stipulation, is fair, reasonable, and adequate and in the best interests of the Class, the Company, and Current Stockholders; (iv) determine whether the Court should finally approve the Settlement and enter the Judgment, substantially in the form attached as Exhibit D to the Settlement Stipulation, finally certifying the Class, dismissing the Action with prejudice against Defendants, and extinguishing and releasing the Released Claims; (v) determine whether the application by Plaintiff’s Counsel for an award of attorneys’ fees and expenses should be approved; (vi) hear and determine any objections to the proposed Settlement, the class action determination, and Plaintiff’s Counsel’s fee and expense application; and (vii) consider any other matters that may properly be brought before the Court in connection with the Settlement.

44. Any Class Member or Current Stockholder who objects to the class action determination, the proposed Settlement, the proposed Judgment to be entered, Plaintiff’s Counsel’s application for an award of attorneys’ and expenses, or otherwise wishes to be heard (“Objector”), may appear in person (or, as permitted by the Court, by video or telephonic conference if the Settlement Hearing is conducted in such manner) or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant. Objections must be in writing. To object, you must (1) file any written objection, together with copies of all other

papers and briefs supporting the objection, with the Register in Chancery at the address set forth below **on or before January 4, 2022**; (2) serve the papers (electronically by File & ServeXpress, by hand, by first class U.S. mail, or by express service) on Plaintiff’s Lead Counsel and Defendants’ Counsel at the addresses set forth below so that the papers are *received on or before January 4, 2022*; and (3) email a copy of your objection to MarkL@blbglaw.com, NWeinberger@labaton.com, cfoulds@friedlandergorris.com, eseiler@fklaw.com, jwang@fklaw.com, shirzel@hegh.law, and jbrown@hegh.law **on or before January 4, 2022**.

REGISTER IN CHANCERY	
Register in Chancery Court of Chancery Leonard L. Williams Justice Center 500 North King Street Wilmington, DE 19801	
PLAINTIFF’S LEAD COUNSEL	EXPEDIA’S COUNSEL
Mark Lebovitch Bernstein Litowitz Berger & Grossmann LLP 1251 Avenue of the Americas New York, NY 10020 Ned Weinberger Labaton Sucharow LLP 300 Delaware Avenue, Suite 1340 Wilmington, DE 19801 Christopher Foulds Friedlander & Gorris, P.A. 1201 N. Market Street, Suite 2200 Wilmington, DE 19801	Eric Seiler Jeffrey Wang Friedman Kaplan Seiler & Adelman LLP 7 Times Square New York, NY 10036 Samuel T. Hirzel, II Jamie L. Brown 300 Delaware Ave., Suite 200 Wilmington, DE 19801

45. Any objections must: (i) state the objection is being filed with respect to “*In re Expedia Group Stockholders Litigation*, Consolidated C.A. No. 2019-0494-JTL”; (ii) state the name, address, and telephone number of the Objector and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel; (iii) be signed by the Objector; (iv) contain a specific, written statement of

the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the Objector wishes to bring to the Court's attention, and if the Objector has indicated that he, she, or it intends to appear at the Settlement Hearing, the identity of any witnesses the Objector may call to testify and any exhibits the Objector intends to introduce into evidence at the hearing; and (v) include documentation sufficient to prove that the Objector is a member of the Class (i.e., owned Expedia common stock as of April 16, 2019) and/or a Current Stockholder (i.e., owned Expedia common stock as of November 2, 2021). Documentation establishing that an Objector is a member of the Class and/or a Current Stockholder must consist of copies of monthly brokerage account statements or an authorized statement from the Objector's broker containing the transactional and holding information found in an account statement.

46. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

47. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement or Plaintiff's Counsel's application for an award of attorneys' fees and Litigation Expenses, assuming you timely file and serve a written objection as described above, you must also file a notice of appearance with the Register in Chancery and serve it on Plaintiff's Lead Counsel and on Defendants' Counsel at the addresses set forth in paragraph 44 above so that it is **received on or before January 4, 2022**. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

48. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Plaintiff's Lead Counsel and Defendants' Counsel at the addresses set forth in paragraph 44 above so that the notice is **received on or before January 4, 2022**.

49. The Settlement Hearing may be adjourned by the Court without further written notice to Class Members or Current Stockholders. If you intend to attend the Settlement Hearing, you should confirm the date and time with Plaintiff's Lead Counsel.

50. **Unless the Court orders otherwise, any Class Member or Current Stockholder who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement or Plaintiff’s Counsel’s application for an award of attorneys’ fees and expenses. Class Members and Current Stockholders do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

WHAT IF I OWNED SHARES ON SOMEONE ELSE’S BEHALF?

51. If you owned shares of Expedia common stock as of April 16, 2019 or as of November 2, 2021, as a record holder for the beneficial interest of persons or organizations other than yourself, you are hereby directed to promptly send this Notice to all of the respective beneficial owners. If additional copies of this Notice are needed for forwarding to such beneficial owners, any requests for such copies must be made within seven (7) calendar days of receipt of this Notice to:

Broadridge Corporate Issuer Solutions
c/o Broadridge Investor Communications Solutions, Inc.
51 Mercedes Way, Edgewood NY 11717
Attn: Corporate Action Dept.
Email: ClassActionMailingService@Broadridge.com

52. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Company with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice may also be obtained from the “Investors/Resources” section of Expedia’s website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>, or by emailing ClassActionMailingService@Broadridge.com.

**CAN I SEE THE COURT FILE?
WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?**

53. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Settlement Stipulation, which may be inspected during regular office hours at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801.

Additionally, copies of the Settlement Stipulation will be posted on the “Investors/Resources” section of Expedia’s website, <http://www.expediagroup.com/investors/investors-overview/default.aspx>. All inquiries concerning this Notice should be directed to: Ned Weinberger, Labaton Sucharow LLP, 300 Delaware Avenue, Suite 1340, Wilmington, DE 19801, 302-573-6938, nweinberger@labaton.com; Christopher Foulds, Friedlander & Gorris, P.A., 1201 N. Market Street, Suite 2200, Wilmington, DE 19801, 302-593-3500, cfoulds@friedlandergorris.com; or Mark Lebovitch, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020, 1-800-380-8496, settlements@blbglaw.com;

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE REGISTER IN CHANCERY REGARDING THIS NOTICE.

Dated: November 4, 2021

BY ORDER OF THE COURT OF
CHANCERY OF THE STATE OF
DELAWARE