
WAIVERS AND EXEMPTIONS

In preparation for the Listing, we have sought the following waivers and exemptions from strict compliance with the relevant provisions of the Hong Kong Listing Rules, the SFO and the Companies (Winding Up and Miscellaneous Provisions) Ordinance and have applied for a ruling under the Takeovers Code:

Rules	Subject matter
Rule 2.07A of the Hong Kong Listing Rules	Printed Corporate Communications
Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules	Acquisition after the Track Record Period
Rules 4.04(3)(a), 4.05(2) and 4.13 of the Hong Kong Listing Rules and Paragraph 31(3)(b) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance	Disclosure Requirements Relating to the Accountant's Report
Rule 9.09(b) of the Hong Kong Listing Rules	Dealings in Shares prior to Listing
Rule 13.25B of the Hong Kong Listing Rules	Monthly Return
Rules 19C.07(3), 19C.07(4), 19C.07(6) and 19C.07(7) of the Hong Kong Listing Rules	Shareholder Protection Requirements
Paragraphs 13 and 26 of Appendix 1A to the Hong Kong Listing Rules and Paragraphs 11, 14 and 25 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance	Particulars of any Commissions, Discounts and Brokerages, Alterations of Capital and Authorized Debentures
Paragraph 29(1) of Appendix 1A to the Hong Kong Listing Rules and Paragraph 29 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance	Disclosure of Information on Subsidiaries Whose Profits or Assets Make Material Contributions to Us
Paragraph 27 of Appendix 1A to the Hong Kong Listing Rules and Paragraph 10 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance	Disclosure Requirements of Options
Paragraphs 33(2), 33(3), 46(2), 46(3) of Appendix 1A to the Hong Kong Listing Rules	Disclosure Requirements of the Remuneration of Directors and Five Individuals Whose Emoluments Were Highest

WAIVERS AND EXEMPTIONS

Rules	Subject matter
Paragraphs 41(4) and 45 of Appendix 1A to and Practice Note 5 of the Hong Kong Listing Rules	Disclosure of Interests Information
[REDACTED]	
Rule 10.04 of and Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules	Subscription for Shares by Existing Shareholders
Paragraph 3(b) of Practice note 15 to the Hong Kong Listing Rules	Three-year Restriction on Spin-offs
Section 4.1 of the Introduction to the Takeovers Codes	Not a public company in Hong Kong under Takeovers Code
Part XV of the SFO	Disclosure of interests under Part XV of the SFO

PRINTED CORPORATE COMMUNICATIONS

Rule 2.07A of the Hong Kong Listing Rules provides that a listed issuer may send or otherwise make available to the relevant holders of its securities any corporate communication by electronic means, provided that either the listed issuer has previously received from each of the relevant holders of its securities an express, positive confirmation in writing or the shareholders of the listed issuer have resolved in a general meeting that the listed issuer may send or supply corporate communications to shareholders by making them available on the listed issuer's own website or the listed issuer's constitutional documents contain provision to that effect, and certain conditions are satisfied.

Our ADSs have been listed on the Nasdaq since April 2014. We have a diverse shareholder base with ADS holders globally.

We do not currently produce or send out any corporate communications to our shareholders or holders of ADSs in printed form unless requested or in limited circumstances. We publicly file or furnish various corporate communications with the SEC which are posted on the SEC's website. Our annual reports on Form 20-F and current reports on Form 6-K and all amendments to these reports are also available free of charge on our website as soon as reasonably practicable after they are filed with or furnished to the SEC. Further, we will post our proxy materials and notices to our shareholders and holders of ADSs on a publicly accessible website. Those documents will also be available on our website.

WAIVERS AND EXEMPTIONS

Apart from the [REDACTED] that we will [REDACTED] for [REDACTED] by the [REDACTED] in Hong Kong, the [REDACTED] will be placed to professional, institutional, corporate and other [REDACTED] in Hong Kong and elsewhere in the world. Given our diverse shareholder base and the potential number of countries in which our shareholders are located, we consider that it would not be practicable for us to send printed copies of all our corporate communications to all of our shareholders. Further, we consider that it would also not be practicable for us to approach our existing shareholders individually to seek confirmation from them of their wish to receive corporate communications in electronic form, or to provide them with the right to request corporate communications in printed form instead.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with Rule 2.07A of the Hong Kong Listing Rules on the conditions that we will:

- (a) issue all future corporate communications as required by the Hong Kong Listing Rules on our own website in English and Chinese, and on the Hong Kong Stock Exchange’s website in English and Chinese;
- (b) provide printed copies of proxy materials in English to our shareholders at no costs upon request; and
- (c) ensure that the “Investor Relations” page of our website (<http://ir.weibo.com/>) will direct investors to all of our future filings with the Hong Kong Stock Exchange.

ACQUISITION AFTER THE TRACK RECORD PERIOD

Pursuant to Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules, the accountant’s report to be included in a listing document must include the income statements and balance sheets of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which its latest audited accounts have been made up in respect of each of the three financial years immediately preceding the issue of the listing document.

Acquisition since June 30, 2021

Since the end of Track Record Period, we have completed an acquisition up to the Latest Practicable Date (the “**Acquisition**”). Details of the Acquisition up to the Latest Practicable Date include:

<u>Target</u>	<u>Consideration⁽¹⁾</u> <u>(approximately</u> <u>RMB million)</u>	<u>Percentage of interest acquired</u>	<u>Principal</u> <u>business</u> <u>activities</u>
Business A ⁽²⁾	200	100%	E-sports team

Notes:

(1) The approximate consideration disclosed in the table represents the consideration for the Acquisition after the Track Record Period.

(2) None of the core connected persons at the level of our Company has a controlling interest in the target.

WAIVERS AND EXEMPTIONS

The consideration for the Acquisition was arrived at after commercial arm’s length negotiations, based on factors including market dynamics, a mutually agreed valuation, and capital required for the target company’s operations.

Our directors believe that the Acquisition will complement our Group’s businesses and are therefore expected to create synergies. Accordingly, our directors believe that the Acquisition, if consummated, will be fair and reasonable and in the interests of the Shareholders as a whole. The consideration for the Acquisition, if consummated, will be satisfied by our Group’s own source of funds. For the avoidance of doubt, the [REDACTED] of the [REDACTED] will not be used to fund the Acquisition.

Conditions for granting the waiver and its scope in respect of the Acquisition

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules in respect of the Acquisition on the following grounds:

The percentage ratios of the Acquisition are all less than 5% by reference to the most recent fiscal year of our Track Record Period

The relevant percentage ratios calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules for the Acquisition are all less than 5% by reference to the most recent fiscal year of the Track Record Period.

Accordingly, we believe that the Acquisition has not resulted in, or is not expected to result in, any significant changes to our financial position since June 30, 2021, and all information that is reasonably necessary for the potential investors to make an informed assessment of our activities or financial position has been included in this document. As such, we consider that a waiver from compliance with Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules would not prejudice the interests of the investors.

The historical financial information of the target is not readily available

The Company confirms that the target of the Acquisition does not have available historical financial information which is readily available. In particular, the target of the Acquisition is an E-sports team and it did not have any historical cash flow or profit and loss statements available for inclusion in this [REDACTED].

In addition, having considered the Acquisition to be immaterial and that we do not expect the Acquisition to have any material effect on our business, financial condition or operations, we believe that it would not be meaningful and would be unduly burdensome for us to prepare and include the financial information of the target during the Track Record Period in this document. As we do not expect the Acquisition to result in any material changes to our financial position after the Track Record Period, we do not believe the non-disclosure of the required information pursuant to Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules would prejudice the interests of the investors.

WAIVERS AND EXEMPTIONS

Alternative disclosure of the Acquisition in this document

We have provided alternative information about the Acquisition in this document. Such information includes those which would be required for a discloseable transaction under Chapter 14 of the Hong Kong Listing Rules that our directors consider to be material, including, for example, descriptions of the target’s principal business activities, the investment amounts, and a statement as to whether the core connected persons at the level of our Company is a controlling shareholder of the target. We have however excluded disclosure on the name of the target in connection with the Acquisition as the Company has entered into confidentiality agreement with the acquisition target and there is no consent for such disclosure. Since the relevant percentage ratio of the Acquisition is less than 5% by reference to the most recent fiscal year of the Track Record Period, we believe the current disclosure is adequate for potential investors to form an informed assessment of us. We do not expect to use any [REDACTED] from the [REDACTED] to fund the Acquisition.

DISCLOSURE REQUIREMENTS RELATING TO THE ACCOUNTANT’S REPORT

Rules 4.04(3)(a), 4.05(2) and 4.13 of the Hong Kong Listing Rules and Paragraph 31(3)(b) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance set out certain historical financial information to be included in a listing document that is not required to be disclosed under U.S. GAAP, including in particular:

- (i) balance sheet at a company level;
- (ii) aging analysis of accounts receivables;
- (iii) aging analysis of accounts payables; and
- (iv) adjustments made to show profits of all periods in accordance with the relevant accounting standards in relation to the last fiscal year reported on.

In accordance with U.S. GAAP, we have applied the modified retrospective method to account for the impact of the adoption of certain new accounting standards in the Track Record Period. Under the modified retrospective method adopted by our Group, comparative periods in the latest consolidated financial statements are not retrospectively adjusted.

During the Track Record Period, we have adopted, among other new accounting standards that did not have a material impact on the Group’s consolidated financial statements, Accounting Standards Update 2016-13 “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments”, or ASC Topic 326, and Accounting Standards Update 2016-02 “Leases (Topic 842)”, including certain transitional guidance and subsequent amendments, or ASC 842. The relevant accounting policies upon the adoption of these new accounting standards are disclosed in the “Accountant’s Report” in Appendix IA.

ASC Topic 326 was adopted on January 1, 2020 which amends previously issued guidance regarding the impairment of financial instruments by creating an impairment model that is based on expected losses. ASC Topic 326 does not permit a full retrospective approach and comparative prior periods should not be adjusted. The adoption had no material impact to the beginning retained earnings on January 1, 2020.

WAIVERS AND EXEMPTIONS

ASC 842 was adopted on January 1, 2019 using the modified retrospective method by applying the new lease standard to all leases existing as of January 1, 2019, the date of initial application, and no adjustments were made to the comparative periods. Adoption of the new lease standard resulted in the recognition of US\$14.4 million of operating lease asset and US\$14.9 million of operating leasing liability on the consolidated balance sheet as of January 1, 2019, and no impact to the beginning retained earnings on January 1, 2019.

The following alternative disclosures with respect to certain items identified above which are relevant to us have been included in this document: (a) for certain new accounting standards that came into effect in the latest fiscal year, the accounting policies as well as the impact of adoption, if any, to the beginning accumulated deficit of initial application (i.e., January 1, 2019 and 2020) has been disclosed in the “Accountant’s Report” in Appendix IA in accordance with the relevant requirements under U.S. GAAP; and (b) disclosure of the relevant accounting policies adopted for the Track Record Period in the “Accountant’s Report” in Appendix IA.

As this document has included the above alternative disclosures and the current disclosure in this document contains all information which is necessary for the investors to make an informed assessment of the business, asset and liability, financial position, trading position, management and prospect of our Group, we believe that it would be of no material value to the Hong Kong investors and be unduly burdensome for the Accountant’s Report in Appendix IA to this document to include certain required information pursuant to Rules 4.04(3)(a), 4.05(2) and 4.13 of the Hong Kong Listing Rules and Paragraph 31(3)(b) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and that the non-disclosure of such information will not prejudice the interests of investors.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from the Hong Kong Stock Exchange to us from strict compliance with the requirements under Rules 4.04(3)(a), 4.05(2) and 4.13 of the Hong Kong Listing Rules. We have applied for[, and the SFC has granted,] an exemption from the SFC to us from the requirements under Paragraph 31(3)(b) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, to the extent not strictly met by the current disclosure in this document. The SFC exemption referred to above shall be granted on the conditions that: (i) the particulars of such exemption are set out in this document; and (ii) this document will be issued on or before [November 29], 2021.

DEALINGS IN SHARES PRIOR TO [REDACTED]

According to Rule 9.09(b) of the Hong Kong Listing Rules, there must be no dealing in the securities of a new applicant for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the “**Relevant Period**”).

We had approximately 70 subsidiaries (including the Company’s consolidated affiliated entities) as of June 30, 2021, and our ADSs are widely held, publicly traded and listed on the Nasdaq. We consider that we are therefore not in a position to control the investment decisions of our shareholders or the [REDACTED] in the US.

Solely based on public filings with the SEC as of the Latest Practicable Date, other than SINA Corporation and Ali WB Investment Holding Limited (“Ali WB”), a wholly-owned subsidiary of Alibaba Group, we had no shareholders who was not a director and held 10% or more of our issued share capital.

WAIVERS AND EXEMPTIONS

For a company whose securities are listed and traded in the U.S., we note that it is a common practice for substantial shareholders and corporate insiders, including directors, executives and other members of management, to set up trading plans that meet the requirements of Rule 10b5-1 under the U.S. Exchange Act (the “Rule 10b5-1 Plan(s)”) to buy or sell the company’s securities. A Rule 10b5-1 Plan is a written plan, set up with a broker, to trade securities that (a) is entered into at a time when the person trading the securities is not aware of any material non-public information; (b) specifies the amount of securities to be purchased or sold and the price at which and the date on which the securities were to be purchased or sold; and (c) does not allow the person trading the securities to exercise any subsequent influence over how, when, or whether to effect purchases or sales. Persons who trade securities pursuant to a Rule 10b5-1 Plan have an affirmative defense against insider trading allegations under U.S. securities law.

On the basis of the above, we consider that the following categories of persons (collectively, the “**Permitted Persons**”) should not be subject to the dealing restrictions set out in Rule 9.09(b) of the Hong Kong Listing Rules:

- (a) Mr. Charles Chao, our chairman of the board of directors since our inception and who controls our Company through SINA, in respect of (i) his use of the Shares as security (including, for the avoidance of doubt, using Shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period and (ii) his dealings pursuant to Rule 10b5-1 Plans that have been set up prior to the Relevant Period (“**Category 1**”);
- (b) the directors and chief executives of our Company other than Mr. Charles Chao, and the directors and chief executives of our Major Subsidiaries, in respect of (i) their respective use of the Shares as security (including, for the avoidance of doubt, using Shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period and (ii) the respective dealings pursuant to Rule 10b5-1 Plans that have been set up prior to the Relevant Period (“**Category 2**”);
- (c) directors, chief executives and substantial shareholders of our non-Major Subsidiaries and their close associates (“**Category 3**”); and
- (d) any other person (whether or not an existing Shareholder) who may, as a result of dealings, become our substantial shareholder (as defined in the Hong Kong Listing Rules) and who is not its director or chief executive, or a director or chief executive of our subsidiaries, or their close associates (“**Category 4**”).

For the avoidance of doubt:

- (a) as the foreclosure, enforcement or exercise of other rights by the lenders in respect of a security interest over the Shares (including, for the avoidance of doubt, any security interest created pursuant to any top-up of security) will be subject to the terms of the financing transaction underlying such security and not within the control of the pledgor,

WAIVERS AND EXEMPTIONS

any change in the beneficial owner of the Shares during the Relevant Period resulting from the foreclosure, enforcement or exercise of other rights by the lenders in respect of such security interest will not be subject to Rule 9.09(b) of the Hong Kong Listing Rules; and

- (b) persons in Category 1 and Category 2 who use their respective Shares other than as described in this section headed “— Dealings in the Shares prior to Listing” are subject to the restrictions under Rule 9.09(b) of the Hong Kong Listing Rules.

We believe, subject to the conditions set forth below, the dealings in our securities by our core connected persons will not prejudice the interests of the potential investors of our Company and align with the principles in the Hong Kong Stock Exchange’s Guidance Letter GL42-12.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with Rule 9.09(b) of the Hong Kong Listing Rules subject to the following conditions:

- (a) Categories 1 and 2 of the Permitted Persons who entered into Rule 10b5-1 Plans have no discretion over dealings in our ADSs after the plans have been entered into; where Categories 1 and 2 of the Permitted Persons use the Shares as security, there will be no change in the beneficial ownership of the Shares at the time of entering into the relevant transactions during the Relevant Period;
- (b) Categories 3 and 4 of the Permitted Persons do not have any influence over the [REDACTED] and do not possess any of our non-public inside information given that such persons are not in a position with access to information that is considered material to us taken as a whole. Given the large number of our subsidiaries (including our consolidated affiliated entities) and our vast ADS holder base, we and our management do not have effective control over the investment decisions of Categories 3 and 4 of the Permitted Persons in our ADSs;
- (c) we will promptly release any inside information to the public in the United States and Hong Kong in accordance with the relevant laws and regulations of the U.S. (including the Nasdaq rules) and Hong Kong. Accordingly, the Permitted Persons (other than Category 1 and Category 2 persons) are not in possession of any non-public inside information of which we are aware;
- (d) we will notify the Hong Kong Stock Exchange of any breaches of the dealing restrictions by any of our core connected persons during the Relevant Period when we become aware of the same other than dealings by the core connected persons who are Permitted Persons within the permitted scopes set out above; and
- (e) prior to the Listing Date, other than within the permitted scopes set out above, our directors and chief executive and the directors and chief executives of our Major Subsidiaries and their close associates will not deal in the Shares or the ADSs during the Relevant Period provided that such prohibited dealing in the Shares shall not include the granting, vesting, payment or exercise (as applicable) of RSUs, incentive and non-statutory options, restricted shares, dividend equivalents, and share payments under our Group’s share incentive plans.

WAIVERS AND EXEMPTIONS

MONTHLY RETURN

Rule 13.25B of the Hong Kong Listing Rules requires a listed issuer to publish a monthly return in relation to movements in our equity securities, debt securities and any other securitized instruments, as applicable, during the period to which the monthly return relates.

Under the Joint Policy Statement, this common waiver is subject to the condition that the issuer can meet one of the following three conditions:

- (a) it has received a relevant partial exemption from Part XV of the SFO; or
- (b) it publishes a “next day disclosure return” in strict compliance with Rule 13.25A of the Hong Kong Listing Rules, regardless of the waiver of general effect from this Rule for secondary listed issuers; or
- (c) it is subject to overseas laws or regulations that have a similar effect to Rule 13.25B of the Hong Kong Listing Rules and any differences are not material to shareholder protection.

As we [have obtained] a partial exemption from strict compliance with Part XV of the SFO from the SFC, we have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the continuing obligations under Rule 13.25B of the Hong Kong Listing Rules. We will disclose information about share repurchases, if material, in our quarterly earnings releases and annual reports on Form 20-F which are furnished or filed with the SEC in accordance with the applicable U.S. rules and regulations.

SHAREHOLDER PROTECTION REQUIREMENTS

For an overseas issuer seeking a secondary listing on the Hong Kong Stock Exchange, Rule 19.30(1)(b) of the Hong Kong Listing Rules requires the overseas issuer’s primary listing is or is to be on an exchange where the standards of shareholder protection are at least equivalent to those provided in Hong Kong. Rule 19C.06 of the Hong Kong Listing Rules provides that Appendices 3 and 13 to the Hong Kong Listing Rules do not apply to an overseas issuer that is a Non-Greater China Issuer (as defined in the Hong Kong Listing Rules) or a Grandfathered Greater China Issuer seeking a secondary listing under Chapter 19C of the Hong Kong Listing Rules. Rule 19C.07 of the Hong Kong Listing Rules provides that the Hong Kong Stock Exchange will consider that a Grandfathered Greater China Issuer seeking a secondary listing has met the requirements of Rule 19.30(1)(b) of the Hong Kong Listing Rules if it has met the shareholder protection standards by reference to eight criteria set out in Rule 19C.07 of the Hong Kong Listing Rules.

We are a Grandfathered Greater China Issuer under Chapter 19C of the Hong Kong Listing Rules.

Approval, Removal and Remuneration of Auditors

Rule 19C.07(3) of the Hong Kong Listing Rules requires the appointment, removal and remuneration of auditors to be approved by a majority of the Qualifying Issuer’s (as defined in the Hong Kong Listing Rules) members or other body that is independent of the issuer’s board of directors (the “**Auditors Provision**”).

WAIVERS AND EXEMPTIONS

Our Articles do not contain an equivalent Auditors Provision. Pursuant to our Articles, our board has the power to appoint, remove and remunerate the auditors instead. Although the board has such a power, it has formally delegated this function to our audit committee (the "**Audit Committee**") since our listing on the Nasdaq in April 2014.

The Audit Committee is akin to an independent body of the board on the basis of the independence requirements set out in applicable U.S. laws and the Nasdaq rules. The Audit Committee comprises of three members, all of whom are independent directors as required by the U.S. Exchange Act and applicable Nasdaq rules.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements of Rule 19C.07(3) of the Hong Kong Listing Rules.

Annual General Meeting

Rule 19C.07(4) of the Hong Kong Listing Rules requires a general meeting to be held each year as the Qualifying Issuer's annual general meeting. The Articles currently provide that the Company shall in each year hold a general meeting as its annual general meeting. Accordingly, the Company has convened an annual general meeting for each year during the Track Record Period.

We will amend the Articles at the upcoming general meeting to comply with Rule 19C.07(4) of the Hong Kong Listing Rules (the "**AGM Provision**") to the effect that we must hold an annual general meeting each year.

Prior to the amendment to the Articles and the AGM Provision being adopted, the Company undertakes to hold an annual general meeting within six months after the end of each financial year with effect from Listing to be in compliance with Rule 13.46(2)(b) of the Hong Kong Listing Rules. As advised by the Company's legal adviser as to the laws of Cayman Islands, the Company's undertaking to convene an annual general meeting within the period of six months after the end of each financial year with effect from the Listing pursuant to Rule 13.46(2)(b) does not conflict with or result in a breach of any of the terms or provisions of the Company's existing Memorandum and Articles or any law, public rule or regulation applicable to the Company currently in force in the Cayman Islands.

Requisition of Extraordinary General Meeting by Shareholders

Rule 19C.07(7) of the Hong Kong Listing Rules requires that members holding a minority shareholding in an issuer's total number of issued shares to be able to requisition an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer, while the minimum stake as currently set out in the Articles is not less than one-third of the votes attaching to all issued and outstanding Shares. In addition, the Articles currently provide that quorum for a general meeting of the Company shall be one or more members holding shares which represent, in aggregate, not less than one-third of the total voting power of the outstanding shares of the Company that are entitled to vote at the meeting.

WAIVERS AND EXEMPTIONS

We will amend the Articles at the upcoming general meeting to comply with Rule 19C.07(7) of the Hong Kong Listing Rules (the “**Requisition Provision**”) so that (i) the minimum stake required to convene an extraordinary general meeting and add resolutions to a meeting agenda will be one-tenth of the voting rights, on a one vote per share basis, in the share capital of the Company; and (ii) the quorum for a general meeting of the Company will be lowered from the current one-third of the aggregate voting power of the Company to 10% of the aggregate voting power of the Company.

Prior to the amendment to our Articles, we undertake to convene general meetings at the request of shareholders holding in aggregate not less than 10% of our voting rights, on a one vote per share basis.

Other Proposed Amendments to the Articles

In addition, we will make the following amendments (together with the AGM Provision and the Requisition Provision, the “**Proposed Amendments**”) to the Articles at the upcoming general meeting:

- (i) to include a new definition for “**Founder**”, which shall mean Mr. Charles Chao;
- (ii) to include a new definition for “**Founder’s Affiliate**”, which shall mean:
 - (a) a partnership of which the Founder is a partner and the terms of which shall expressly specify that the voting rights attached to any and all of the shares held by such limited partnership shall be controlled by the Founder;
 - (b) a trust of which the Founder must in substance retain an element of control of the trust; or
 - (c) a private company or other vehicle controlled by the Founder or by a trust referred to in paragraph (b) above;
- (iii) to amend Article 5(c)(ii) of the Articles as follows:
 - (a) to change “Affiliate” to “Founder or a Founder’s Affiliate”, such that upon any transfer of Class B ordinary shares by a holder thereof to any person or entity which is not the Founder or a Founder’s Affiliate, such Class B ordinary shares transferred shall be automatically and immediately converted (by way of being re-designated) into Class A ordinary shares;
 - (b) to add a new condition for automatic conversion from Class B ordinary shares to Class A ordinary shares, such that upon a change of control of any direct or indirect holder of any Class B ordinary share, including, but not limited to, any person other than the Founder or a Founder’s Affiliate gaining “control” over any of the SINA Parent Companies (e.g. by entering into an agreement with the Founder to jointly control the SINA Parent Companies), and even if the Founder or a Founder’s Affiliate remains to have joint “control” of the SINA Parent Companies, all of the Class B ordinary shares held by it shall be automatically and immediately converted (by way of being re-designated) into Class A ordinary shares; and

WAIVERS AND EXEMPTIONS

- (c) to add the definition of "control" which shall mean having (i) the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of, or (ii) the power to exercise or control the exercise of 50% or more of the voting power (through power of attorney, voting proxies, shareholders' agreements or otherwise) at the general meetings or other equivalent decision-making body of, such corporation, partnership or other entity.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the relevant requirements of Rule 19C.07 of the Hong Kong Listing Rules as set out above, subject to the following conditions:

- (i) our Company put forth resolutions at or before the First GM to revise the Articles to incorporate the Proposed Amendments, and in the event that the proposed resolutions are not approved at the First GM, our Company will continue to put forth the proposed resolutions (to the extent not yet passed) at each of the annual general meetings after the First GM, until the proposed resolutions are passed;
- (ii) each of the Founder and SINA Corporation has [provided] an irrevocable undertaking to our Company and the Stock Exchange prior to the date of this document that, for so long as the Proposed Amendments have not been approved at the general meetings, SINA will not sell, dispose of or transfer any shares in the Company immediately after the Listing if, after such sale, disposal or transfer, its voting power in the Company will be less than 60%, and that SINA will be present and vote in favor of the proposed resolutions outlined above in the First GM, including the meeting of the holders of Class B ordinary shares, with a view to ensuring that there may be adequate quorum and votes in favor of such resolutions, and if the proposed resolutions are not approved at the First GM, continue to be present and vote in favor of such proposed resolutions at each subsequent general meeting at which our Company puts forth such proposed resolutions until all proposed resolutions are approved;
- (iii) the Founder will take all necessary steps to ensure that, before the Articles are formally amended to incorporate the Proposed Amendments, the Class B ordinary shares held by SINA Corporation will not be controlled by persons other than the Founder himself or a Founder's Affiliate, and that he will deliver an advanced notice to our Company prior to Listing to the effect that the relevant Class B ordinary shares shall be converted into Class A ordinary shares in the event that any of the Class B ordinary shares are to be transferred to any persons that are not Founder's Affiliates or if the Class B ordinary shares cease to be "controlled" (as defined above under the Proposed Amendments) by the Founder or a Founder's Affiliate; and
- (iv) our Company has [obtained] an undertaking from Alibaba prior to the date of this document that it will be present and vote in favor of the proposed resolutions outlined above at the First GM and the relevant class meeting (if applicable), and if the proposed resolutions are not approved at the First GM and the relevant class meeting, be present and vote in favor of such proposed resolutions at each subsequent general meeting and class meeting at which our Company puts forth such proposed resolutions until all proposed resolutions are approved.

Notwithstanding the above, the Company intends to hold the First GM on December 1, 2021 to put forth the relevant resolutions for revising the Articles. In the case where the the relevant amendments are approved and adopted at the First GM before the Listing, the above-mentioned waiver as well as the voting undertakings will lapse automatically.

WAIVERS AND EXEMPTIONS

PARTICULARS OF ANY COMMISSIONS, DISCOUNTS AND BROKERAGES, ALTERATIONS OF CAPITAL AND AUTHORIZED DEBENTURES

Paragraphs 13 and 26 of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraphs 11 and 14 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance require the listing document to include the particulars of any commissions, discounts, brokerages or other special terms granted within two years immediately preceding the issue of the listing document in connection with the issue or sale of any capital of any member of the group and the particulars of any alterations of capital within two years immediately preceding the issue of the listing document.

Paragraph 25 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires particulars of the authorized debentures of our Company and our subsidiaries to be disclosed in this document.

We have identified seven entities as our Major Subsidiaries. For further details, see the section headed “History and Corporate Structure — Corporate Structure — Major Subsidiaries”. We had approximately 70 subsidiaries (including our consolidated affiliated entities) as of June 30, 2021. We believe that it would be unduly burdensome for us to disclose this information in respect of all of our subsidiaries (including our consolidated affiliated entities) as we would have to incur additional costs and devote additional resources in compiling and verifying the relevant information for such disclosure, which would not be material or meaningful to investors.

The Major Subsidiaries include all of our subsidiaries (including our consolidated affiliated entities) that meet the financial threshold for “significant subsidiaries” under Regulation S-X in the U.S. (*i.e.*, contributing more than 10% of (a) our Group’s total assets or (b) our Group’s total net revenues and income or loss from continuing operations before income taxes (after intercompany eliminations) attributable to the controlling interest to the absolute value of such consolidated income or loss) and are representative of our business (including those that hold major assets, intellectual property rights, proprietary technologies and R&D). The aggregate net income from continuing operations before income taxes of the Major Subsidiaries accounted for 110.8%, 99.8% and 137.3% of the net income from continuing operations before income taxes of our Group for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2021, respectively, as there were other subsidiaries that recorded net loss from continuing operations before income taxes, and the net revenues of the Major Subsidiaries accounted for 98.1%, 92.9% and 95.5% of the total net revenues of our Group for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2021, respectively. There was no other individual non-Major Subsidiaries that contributed more than 10% of the total net revenues and net income from continuing operations before income taxes to our Group simultaneously. The total assets of the Major Subsidiaries represented 69.8%, 65.5% and 71.5% of the total assets of our Group as of December 31, 2019 and 2020 and June 30, 2021, respectively. As such, we have disclosed the particulars of the changes in our share capital and the share capital of the Major Subsidiaries in “Statutory and General Information — Further Information About Us” in Appendix IV, and particulars of the commissions, discounts, brokerage fee and authorized debentures in respect of our Major Subsidiaries are set out in “Statutory and General Information — Other Information — Miscellaneous” in Appendix IV.

WAIVERS AND EXEMPTIONS

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from the requirements under Paragraphs 13 and 26 of Part A of Appendix 1 to the Hong Kong Listing Rules. We have applied for[, and the SFC has granted,] an exemption from strict compliance with the requirements under Paragraphs 11, 14 and 25 of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, to the extent not strictly met by the current disclosure in this document. The SFC [has granted] the above exemption on the conditions that: (i) the particulars of such exemption are set out in this document; and (ii) this document will be issued on or before [November 29], 2021.

DISCLOSURE OF INFORMATION ON SUBSIDIARIES WHOSE PROFITS OR ASSETS MAKE MATERIAL CONTRIBUTIONS TO US

Paragraph 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules and paragraph 29 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance require the listing document to include information in relation to the name, date and country of incorporation, the public or private status and the general nature of the business, the issued capital and the proportion thereof held or intended to be held, of every company the whole of the capital of which or a substantial proportion thereof is held or intended to be held by us, or whose profits or assets make, or will make, a material contribution to the figures in the accountant’s report or the next published accounts.

We believe that it would be unduly burdensome for us to procure this information for the reasons as set out in this section headed “— Particulars of any Commissions, Discounts and Brokerages, Alterations of Capital and Authorized Debentures” above. As such, only the particulars in relation to our Major Subsidiaries are set out in “History and Corporate Structure — Corporate Structure — Major Subsidiaries” and “Statutory and General Information — Further Information About Us” in Appendix IV, which should be sufficient for potential investors to make an informed assessment of our Company in their investment decisions.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements under Paragraph 29(1) of Part A of Appendix 1 to the Hong Kong Listing Rules. We have applied for[, and the SFC has granted,] an exemption from strict compliance with the requirements under Paragraph 29 of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, to the extent not strictly met by the current disclosure in this document. The SFC exemption [was granted] on the conditions that: (i) the particulars of such exemption are set out in this document; and (ii) this document will be issued on or before [November 29], 2021.

DISCLOSURE REQUIREMENT OF OPTIONS

Paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules requires our Company to set out in the listing document particulars of any capital of any member of our group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee.

WAIVERS AND EXEMPTIONS

Paragraph 10 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance further requires our Company to set out in the listing document, among other things, details of the number, description and amount of any of its shares or debentures which any person has, or is entitled to be given, an option to subscribe for, together with the certain particulars of the option, namely the period during which it is exercisable, the price to be paid for shares or debentures subscribed for under it, the consideration given or to be given (if any) and the names and addresses of the persons to whom it was given.

We and our subsidiaries (including our consolidated affiliated entities) may, from time to time, adopt equity incentive plans, including: (a) our 2010 Share Incentive Plan adopted in August 2010 and (b) our 2014 Share Incentive Plan adopted in March 2014 (together the “**Share Incentive Plans**”). The Share Incentive Plans are not subject to Chapter 17 of the Hong Kong Listing Rules pursuant to Rule 19C.11 of the Hong Kong Listing Rules. The Share Incentive Plans allow us and our subsidiaries (including our consolidated affiliated entities) to grant options to employees, directors and consultants.

Details of the Share Incentive Plans are disclosed in “Directors and Senior Management — Compensation — Share Incentive Plans”. The disclosure is substantially the same as those in our 20-F filings and comply with applicable U.S. laws and regulations. The current disclosure in this document is therefore not in strict compliance with the requirements under Paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules and Paragraph 10 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

For the reasons stated above, we believe that strict compliance with the above requirements would be unduly burdensome, unnecessary and/or inappropriate for us, and would not be material or meaningful to Hong Kong investors. As of June 30, 2021, the total number of shares underlying outstanding options and restricted share units granted pursuant to the Share Incentive Plans represent only 2.2% of our Company’s total issued share capital.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements under Paragraph 27 of Part A of Appendix 1 to the Hong Kong Listing Rules to the extent not strictly met by the current disclosure in this document. We have applied for[, and the SFC has granted,] an exemption from strict compliance with the requirements under Paragraph 10 of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, to the extent not strictly met by the current disclosure in this document. The SFC exemption [has granted] on the conditions that: (i) the particulars of such exemption are set out in this document; and (ii) this document will be issued on or before [November 29, 2021].

DISCLOSURE REQUIREMENTS OF THE REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WHOSE EMOLUMENTS WERE HIGHEST

Paragraph 33(2) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include information in respect of directors’ emoluments during the three financial years ended December 31, 2018, 2019 and 2020 and the six months ended June 30, 2021. Paragraph 46(2) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include the aggregate of the remuneration paid and benefits in kind granted to the directors of the issuer in respect of the last completed financial year, and Paragraph 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules requires information in relation to an estimate of the aggregate remuneration and benefits in kind payable to directors in respect of the current financial year to be set out in the listing document.

WAIVERS AND EXEMPTIONS

Paragraph 33(3) of Part A of Appendix 1 to the Hong Kong Listing Rules requires the listing document to include information with respect to the five individuals whose emoluments were highest in the group for the year if one or more individuals whose emoluments were the highest have not been included under Paragraph 33(2) of Part A of Appendix 1 to the Hong Kong Listing Rules.

The aggregate fees, salaries and benefits paid and accrued to our directors and executive officers as a group are disclosed in the section headed “Directors and Senior Management — Compensation”. We confirm that the current disclosure complies with U.S. annual reporting requirements and is in line with our disclosure in our annual reports on Form 20-F.

We believe that additional disclosure required by Paragraphs 33(2), 33(3), 46(2) and 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules would be unduly burdensome and would not provide additional meaningful disclosure for potential Hong Kong investors.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements under Paragraphs 33(2), 33(3), 46(2) and 46(3) of Part A of Appendix 1 to the Hong Kong Listing Rules, to the extent not strictly met by the current disclosure in this document.

DISCLOSURE OF INTERESTS INFORMATION

Part XV of the SFO imposes duties of disclosure of interests in shares. Paragraphs 41(4) and 45 of Part A of Appendix 1 and Practice Note 5 to the Hong Kong Listing Rules require the disclosure of interests information in respect of shareholders’ and directors’ interests in the listing document.

We have applied for[, and the SFC has granted,] a partial exemption from strict compliance with Part XV of the SFO as set out below under the sub-section headed “Disclosure of Interest under Part XV of the SFO”.

The U.S. Exchange Act and the rules and regulations promulgated thereunder require disclosure of interests by shareholders that are broadly equivalent to Part XV of the SFO. Relevant disclosure in respect of the substantial shareholder’s interests can be found in “Major Shareholders”.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with Paragraphs 41(4) and 45 of Part A of Appendix 1 and Practice Note 5 to the Hong Kong Listing Rules on the following conditions:

- (a) the SFC granting us and our shareholders a partial exemption from strict compliance with Part XV of the SFO;
- (b) we will file with the Hong Kong Stock Exchange, as soon as practicable, any declaration of shareholding and securities transactions filed with the SEC; and
- (c) we will disclose in present and future listing documents any shareholding interests as disclosed in an SEC filing and the relationship between our directors, officers, members of committees and their relationship to any controlling shareholders.

WAIVERS AND EXEMPTIONS

[REDACTED]

SUBSCRIPTION FOR SHARES BY EXISTING SHAREHOLDERS

Rule 2.03(2) of the Hong Kong Listing Rules provides that the issue and marketing of securities should be conducted in a fair and orderly manner.

Rule 10.04 of the Hong Kong Listing Rules requires that existing shareholders may only subscribe for or purchase any securities for which listing is sought that are being marketed by or on behalf of a new applicant either in his/her/its own name or through nominees if the conditions in Rule 10.03 of the Hong Kong Listing Rules are fulfilled. Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules states that, without the prior written consent of the Hong Kong Stock Exchange, no allocations will be permitted to be made to directors, existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 of the Hong Kong Listing Rules are fulfilled.

The conditions in Rules 10.03(1) and (2) of the Hong Kong Listing Rules are as follows:

- (i) that no securities are offered to the purchasers on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and
- (ii) that the minimum prescribed percentage of [REDACTED] required by Rule 8.08(1) of the Hong Kong Listing Rules is achieved.

WAIVERS AND EXEMPTIONS

Rule 19.31 of the Hong Kong Listing Rules provides that the requirement under Rule 8.08 of the Hong Kong Listing Rules to maintain a minimum percentage of [REDACTED] does not apply to a secondary listing.

The Hong Kong Stock Exchange’s Guidance Letter HKEX-GL85-16 provides that the Hong Kong Stock Exchange will consider granting a waiver from Rule 10.04 of the Hong Kong Listing Rules and consent, pursuant to Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules, allowing an applicant’s existing shareholders or their close associates to participate in an [REDACTED] if any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Our Company has been listed on the Nasdaq since April 2014 and has a wide and diverse shareholder base. There is a robust level of trade in our Company’s securities, with significant daily trading volume resulting in daily changes to our existing shareholders. As a company listed on the Nasdaq, we are not in a position to prevent any person or entity from acquiring our listed securities prior to the allocation of shares in connection with the [REDACTED]. It would therefore be unduly burdensome for us to seek the prior consent of the Hong Kong Stock Exchange for each of our existing shareholders or their close associates who subscribe for Shares in the [REDACTED].

Since we do not require shareholders’ approval in order to proceed with the [REDACTED], any persons (other than its directors and senior management, SINA Corporation and Ali WB) who may, as a result of dealings, become our shareholders (together, the “**Permitted Existing Shareholders**”) would have no influence over the [REDACTED] and would not be in possession of any non-public inside information and would therefore effectively be in the same position as any of the public investors.

As of June 30, 2021, other than SINA Corporation and Ali WB, we had no shareholder who was not a director and held 10% or more of our issued share capital.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements of Rule 10.04 of and Paragraph 5(2) of Appendix 6 to the Hong Kong Listing Rules in respect of the restriction on Permitted Existing Shareholders to subscribe for or purchase Shares in the [REDACTED], subject to the following conditions:

- (a) each Permitted Existing Shareholder is interested in less than 5% of our issued share capital immediately before the Listing;
- (b) each Permitted Existing Shareholder is neither our director nor member of our senior management;
- (c) the Permitted Existing Shareholders do not have the power to appoint directors or any other special rights in us;
- (d) the Permitted Existing Shareholders do not have influence over the [REDACTED] process and will be treated the same as other applicants and placees in the [REDACTED];
- (e) the Permitted Existing Shareholders and their close associates will be subject to the same book-building and allocation process as other [REDACTED] in the [REDACTED]; and

WAIVERS AND EXEMPTIONS

- (f) no preferential treatment will be given to the Permitted Existing Shareholders and their close associates in the allocation process by virtue of their relationship with our Company. To the best of our knowledge and belief, each of our Company, the Joint Sponsors and the Joint Global Coordinators (based on (i) its discussions with our Company and the Joint Global Coordinators and (ii) the confirmations in the form as set out in Exhibit A to be submitted to the Stock Exchange by our Company and the Joint Global Coordinators) confirms to the Hong Kong Stock Exchange in writing that, to the best of its knowledge and belief, it has no reason to believe that any preferential treatment has been, or will be, given to the Permitted Existing Shareholders or their close associates as a placee in the [REDACTED] by virtue of their relationship with our Company.

We expect to satisfy all the conditions set out in paragraph 4.20 of Guidance Letter HKEX-GL85-16 so that no actual or perceived preference will be given to the Permitted Existing Shareholders due to their existing shareholdings in our Company.

Allocation to the Permitted Existing Shareholders and/or their close associates will not be disclosed in our allotment results announcement (other than to the extent that such Permitted Existing Shareholders or close associates subscribe for shares as [REDACTED]) unless such permitted existing shareholders are interested in 5% or more of our issued share capital after the [REDACTED] as disclosed in any public filings with the SEC, as it would be unduly burdensome for us to disclose such information given that there is no requirement to disclose interests in equity securities under the U.S. Exchange Act unless the beneficial ownership of such person (including directors and officers of the company concerned) reaches more than 5% of equity securities registered under section 12 of the U.S. Exchange Act.

THREE YEAR RESTRICTIONS TO SPIN-OFFS

Rule 19C.11 of the Hong Kong Listing Rules provides that, among other things, paragraphs 1 to 3(b) and 3(d) to 5 of Practice Note 15 to the Hong Kong Listing Rules do not apply to a Qualifying Issuer that has, or is seeking, a secondary listing on the Hong Kong Stock Exchange. This exception is limited to circumstances where the spun-off assets or businesses are not to be [REDACTED] on the Hong Kong Stock Exchange's markets and the approval of shareholders of the Parent is not required.

Paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules provides that the Listing Committee would not normally consider a spin-off application within three years of the date of listing of the Parent, because the original listing of the Parent will have been approved on the basis of the Parent's portfolio of businesses at the time of listing, and the expectation of investors at that time would have been that the Parent would continue to develop those businesses.

Our Company, from time to time, consider different opportunities to bring value to our Shareholders, including spinning off any of our business subsidiaries when they have reached a desirable level of maturity. The exact timing of any potential spin-off would depend on the development of each of the business subsidiaries and market conditions. In some cases, it is possible that a spin-off within three years of the Listing may be appropriate. As of the Latest Practicable Date, we have not identified any target for a potential spin-off and as a result we do not have any information relating to the identity of any spin-off target or any other details of any spin-off; and accordingly, there is no material omission of any information relating to any possible spin-off in this document. Any potential spin-offs by our Company will be subject to compliance with all applicable requirements under the Hong Kong Listing Rules, including Practice Note 15 to the Hong Kong Listing Rules, unless otherwise waived by the Hong Kong Stock Exchange.

WAIVERS AND EXEMPTIONS

No shareholders’ approval with respect to a potential spin-off will be required under our Articles under applicable U.S. regulations and Nasdaq listing rules. Further, as we are a Grandfathered Greater China Issuer and therefore exempt from the requirements under Chapter 14 of the Hong Kong Listing Rules pursuant to Rule 19C.11 of the Hong Kong Listing Rules, no shareholders’ approval will be required under the Hong Kong Listing Rules as well.

The effect of a spin-off to our Shareholders should be the same regardless of whether or not the businesses to be potentially spun-off are to be [REDACTED] on the Hong Kong Stock Exchange (save with respect to any preferential rights to subscribe for shares that are commonly provided in spin-offs on the Hong Kong Stock Exchange). Given the fact that certain spin-offs by Grandfathered Greater China Issuers are allowed within three years after their listing in Hong Kong pursuant to Rule 19C.11 of the Hong Kong Listing Rules, we believe that the three-year restriction on spin-offs on the Hong Kong Stock Exchange should also be waived and shall not apply to a potential spin-off by our Company.

Our Company and any subsidiary in respect of which a potential spin-off is contemplated will be subject to compliance with all other applicable requirements under the Hong Kong Listing Rules, including the remaining requirements of Practice Note 15 to the Hong Kong Listing Rules and the applicable listing eligibility requirements under the Hong Kong Listing Rules, unless otherwise waived by the Hong Kong Stock Exchange.

Under U.S. securities laws and Nasdaq rules, we are not subject to any restrictions similar to the three-year restriction under paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules in relation to the spin-offs of its business subsidiaries, nor is there any requirement for us to disclose any details of its potential spin-off entities when such information is not available because of the absence of any concrete spin-off plan.

Our directors owe fiduciary duties to our Company, including the duty to act in what they consider in good faith to be in the best interests of our Company; as such they will only pursue a potential spin-off if there are clear commercial benefits both to our Company and the entity to be spun off; and the directors will not direct our Company to conduct any spin-off if they believe it will have an adverse impact on the interests of our Shareholders.

We have applied for[, and the Hong Kong Stock Exchange has granted,] a waiver from strict compliance with the requirements in paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules, on the following grounds:

- (i) we will not within three years after the Listing spin off any of our business subsidiaries until we confirm with the Hong Kong Stock Exchange with basis that the potential spin-off would not render our Company, excluding any subsidiary to be spun off, failing to meet the eligibility requirements under Rules 19C.02 and 19C.05 of the Hong Kong Listing Rules based on the financial information of any subsidiary to be spun off at the time of the Listing, and where more than one subsidiary is to be spun off, the assessment will be made on a cumulative basis;
- (ii) we will disclose in this document our intention relating to any potential spin-off within three years after the Listing and the risks relating to the uncertainty and timing of any potential spin-offs. See “Risk Factors — Risks Relating to Our Business — Divestitures of businesses and assets may have a material and adverse effect on our business and financial condition”;

WAIVERS AND EXEMPTIONS

- (iii) any potential spin-offs by our Company will be subject to the requirements of Practice Note 15 to the Hong Kong Listing Rules (other than paragraph 3(b) thereof), including that each of our Company and any business subsidiary to be spun off will satisfy the applicable listing eligibility requirements on a standalone basis; and
- (iv) disclosure of this waiver in this document.

NOT A PUBLIC COMPANY IN HONG KONG UNDER THE TAKEOVERS CODE

Section 4.1 of the Introduction to the Takeovers Code provides that the Takeovers Code applies to "public companies in Hong Kong." The note to Section 4.2 of the Introduction to the Takeovers Code provides that a Grandfathered Greater China Issuer within the meaning of Rule 19C.01 of the Hong Kong Listing Rules with a secondary listing on the Hong Kong Stock Exchange will not normally be regarded as a public company in Hong Kong under Section 4.2 of the Introduction to the Takeovers Code. Where the bulk of trading in the shares of a Grandfathered Greater China Issuer migrates to Hong Kong such that it would be treated as having a dual-primary listing in Hong Kong pursuant to Rule 19C.13 of the Listing Rules, the Takeovers Code will apply to it.

We have applied for[, and the SFC has granted,] a ruling that our Company is not a "public company in Hong Kong" for the purposes of the Takeovers Code.

DISCLOSURE OF INTERESTS UNDER PART XV OF THE SFO

Part XV of the SFO imposes duties of disclosure of interests in the securities of companies whose securities are listed on the Hong Kong Stock Exchange on the relevant company, its substantial shareholders and its directors/chief executives. Under the U.S. Exchange Act, any person (including directors and officers of the company concerned) who acquires beneficial ownership, as determined in accordance with the rules and regulations of the SEC and which includes the power to direct the voting or the disposition of the securities, of more than 5% of a class of equity securities registered under Section 12 of the U.S. Exchange Act must file beneficial owner reports with the SEC, and such person must promptly report any material change in the information provided (including any acquisition or disposition of 1% or more of the class of equity securities concerned), unless exceptions apply. Therefore, compliance with Part XV of the SFO would subject our corporate insiders to a second level of reporting, which would be unduly burdensome to them, would result in additional costs and would not be meaningful, since the statutory disclosure of interest obligations under the U.S. Exchange Act that apply to us and our corporate insiders would provide our investors with sufficient information relating to the shareholding interests of our significant shareholders.

We have applied for[, and the SFC has granted,] a partial exemption from Part XV of the SFO (other than Divisions 5, 11 and 12) on the following conditions:

- (a) the bulk of trading in the Shares is not considered to have migrated to Hong Kong on a permanent basis in accordance with Rule 19C.13 of the Hong Kong Listing Rules;
- (b) the disclosures of interest filed in the SEC are also filed with the Hong Kong Stock Exchange as soon as practicable, which will then publish such disclosure in the same manner as disclosures made under Part XV of the SFO; and
- (c) we will advise the SFC if there is any material change to any of the information which has been provided to the SFC, including any significant changes to the disclosure requirements in the U.S. and any significant changes in the volume of our worldwide share turnover that takes place on the Hong Kong Stock Exchange.