
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 20-F**

(Mark One)

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

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2023

OR

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

OR

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

Date of event requiring this shell company report.

For the transition period from to

Commission file number: 001-36397

WEIBO CORPORATION

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

**8/F, QIHAO Plaza, No. 8 Xinyuan S. Road
Chaoyang District, Beijing 100027
People's Republic of China**

(Address of principal executive offices)

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Beijing 100027, People's Republic of China**

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
American depository shares, each representing one Class A ordinary share	WB	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)
Class A ordinary shares, par value US\$0.00025 per share	9898	The Stock Exchange of Hong Kong Limited

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

None

(Title of Class)

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

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2023, there were 242,610,942 ordinary shares outstanding, par value US\$0.00025 per share, being the sum of 154,788,918 Class A ordinary shares and 87,822,024 Class B ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

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If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Emerging growth company

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

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

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

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

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

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

U.S. GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board

Other

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

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

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INTRODUCTION

Unless otherwise indicated and except where the context otherwise requires, all discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed herein are due to rounding, and references in this annual report on Form 20-F to:

- “we,” “us,” “our company,” or “our” are to Weibo Corporation, a Cayman Islands company, its subsidiaries, and, in the context of describing its operations and consolidated financial information, the VIEs and the VIEs’ direct and indirect subsidiaries;
- “Weibo” are to our social media platform and the products and services that we provide to users, customers and platform partners through that platform;
- “SINA” are to Sina Corporation, our parent company and controlling shareholder;
- “China” or “PRC” are to the People’s Republic of China;
- “ADSs” are to our American depositary shares. Each ADS represents one Class A ordinary share;
- “Class A ordinary shares” are to Class A ordinary shares of the share capital of our Company with a par value of US\$0.00025 each, conferring a holder of a Class A ordinary share one vote per share on any resolution tabled at our Company’s general meeting;
- “Class B ordinary shares” are to Class B ordinary shares of the share capital of our Company with a par value of US\$0.00025 each, conferring weighted voting rights in our Company such that a holder of a Class B ordinary share is entitled to three votes per share on any resolution tabled at our Company’s general meeting;
- “CSRC” are to China Securities Regulatory Commission;
- “DAUs” are to daily active users, which are Weibo users who logged on with a unique Weibo ID and accessed Weibo through our website, mobile website, desktop or mobile applications, SMS or connections via our platform partners’ websites or applications that are integrated with Weibo, on a given day, and “average DAUs” for a month refers to the average of the DAUs for each day during the month. The numbers of our DAUs are calculated using internal company data that has not been independently verified and we treat each account as a separate user for purposes of calculating DAUs, although it is possible that certain individuals or organizations may have set up on more than one account and certain accounts are used by multiple individuals within an organization;
- “feeds” include both posts and reposts;
- “HK\$,” “Hong Kong dollars” or “HK dollars” are to Hong Kong dollars, the lawful currency of Hong Kong;
- “Hong Kong,” “HK” or “Hong Kong S.A.R.” are to the Hong Kong Special Administrative Region of the PRC;
- “Hong Kong Listing Rules” are to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time;
- “Hong Kong Share Registrar” are to Computershare Hong Kong Investor Services Limited;
- “Hong Kong Stock Exchange” are to The Stock Exchange of Hong Kong Limited;
- “Main Board” are to the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange;

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- “MAUs” are to monthly active users, which are Weibo users who logged on with a unique Weibo ID and accessed Weibo through our website, mobile website, desktop or mobile applications, SMS or connections via our platform partners’ websites or applications that are integrated with Weibo, during a given calendar month. The numbers of our MAUs are calculated using internal company data that has not been independently verified, and we treat each account as a separate user for purposes of calculating MAUs, although it is possible that certain individuals or organizations may have set up on more than one account and certain accounts are used by multiple individuals within an organization;
- “SFO” or “Securities and Futures Ordinance” are to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time;
- “shares” or “ordinary shares” are to our Class A and Class B ordinary shares, par value US\$0.00025 per share;
- “top content creators” are to content creators with more than 10,000 followers as of the end of a given month, or 10,000 monthly views on Weibo in a given month, excluding duplicates;
- “VIEs” or “variable interest entities” are to entities including Beijing Weimeng Technology Co., Ltd., or Weimeng, and Beijing Weimeng Chuangke Investment Management Co., Ltd., or Weimeng Chuangke, all of which are domestic PRC companies in which we do not have equity interests but whose financial results have been consolidated into our consolidated financial statements in accordance with U.S. GAAP;
- “U.S. GAAP” are to generally accepted accounting principles in the United States; and
- all references to “RMB” or “renminbi” are to the legal currency of China, and all references to “dollars,” “US\$” and “U.S. dollars” are to the legal currency of the United States. Unless otherwise noted, all translations from RMB to U.S. dollars and from U.S. dollars to RMB in this annual report were made at a rate of RMB7.0999 to US\$1.00, the exchange rate on December 29, 2023 as set forth in the H.10 statistical release published by the Federal Reserve Board.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements that involve risks and uncertainties. All statements other than statements of current or historical facts are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

You can identify these forward-looking statements by words or phrases such as “may,” “could,” “will,” “should,” “would,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “likely to,” “potential,” “continue” or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, but are not limited to, statements about:

- our goals and strategies;
- our future business development, financial conditions and results of operations;
- our continued investments in our businesses;
- our ability to attract and retain users and customers and generate revenue and profit from our customers;
- our ability to retain key personnel and attract new talent;
- competition in social media, social networking, online marketing, and other businesses in which we engage;
- the outcome of ongoing or any future litigations or arbitrations, including those relating to intellectual property rights;
- the growth of social media, internet and mobile users and internet and mobile advertising in China;
- PRC governmental policies relating to media, the internet, internet content providers and online advertising, and the implementation of a corporate structure involving VIEs in China; and
- other factors described under “Item 3. Key Information—D. Risk Factors.”

You should thoroughly read this annual report and the documents that we refer to in this annual report with the understanding that our actual future results may be materially different from and worse than what we expect. Other sections of this annual report include additional factors which could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

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

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

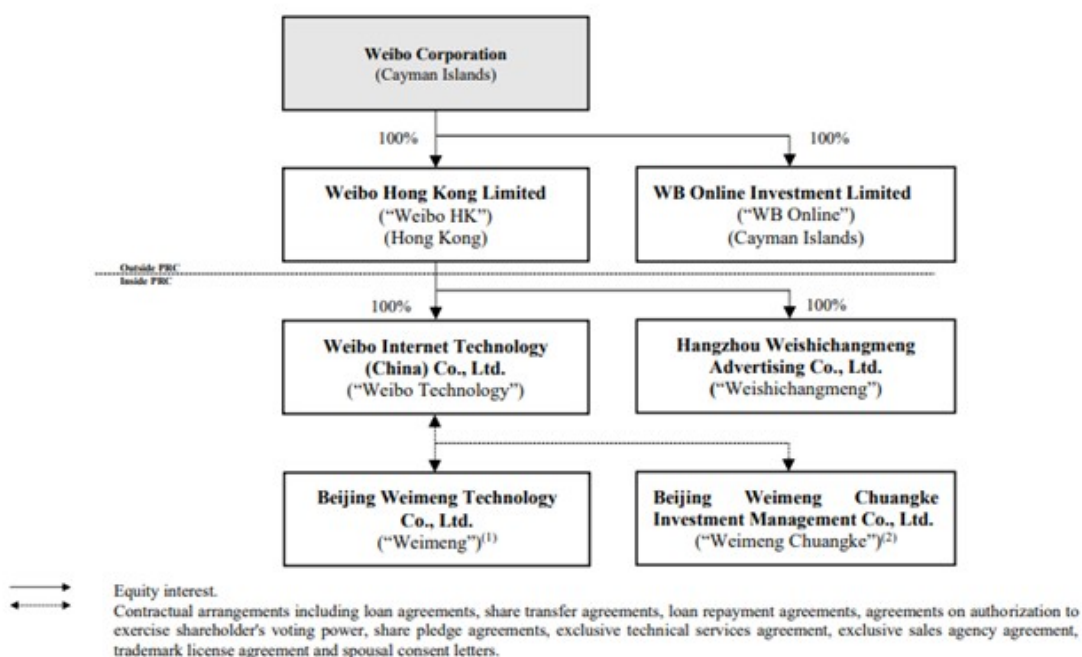
Not applicable.

Item 3. Key Information

Our Holding Company Structure and Contractual Arrangements with the VIEs and Their Respective Individual Shareholders

Weibo Corporation is not an operating company in China, but a Cayman Islands holding company with no equity ownership in the VIEs. We conduct our operations in China through our PRC subsidiaries and the VIEs with which we have maintained contractual arrangements and their subsidiaries in China. PRC laws and regulations impose certain restrictions or prohibitions on foreign ownership of companies that engage in internet and other related businesses, including the provision of internet content and online game operations. Accordingly, we operate these businesses in China through the VIEs, and rely on contractual arrangements among our PRC subsidiaries, the VIEs and their shareholders to control the business operations of the VIEs. Revenues contributed by the VIEs and their subsidiaries accounted for 80.7%, 83.9% and 87.0% of our total revenues for the years of 2021, 2022 and 2023, respectively. As used in this annual report, “we,” “us,” “our company,” or “our” refers to Weibo Corporation, a Cayman Islands company, its subsidiaries, and, in the context of describing its operations and consolidated financial information, the VIEs and the VIEs’ direct and indirect subsidiaries, including, but not limited to, Weimeng, Weimeng Chuangke and their direct and indirect subsidiaries. Investors of our ADSs are not purchasing equity interest in our operating entities in China but instead are purchasing equity interest in a Cayman Islands holding company.

The following diagram illustrates our corporate structure, including our major subsidiaries and the VIEs, as of the date of this annual report:



(1) The shareholders of Weimeng are four PRC employees of us or SINA, namely, Yunli Liu, Wei Wang, Wei Zheng and Zenghui Cao, holding 29.70%, 29.70%, 19.80% and 19.80% of Weimeng's equity interests, respectively, and WangTouTongDa (Beijing) Technology Co., Ltd., a third-party minority stake holder, holding 1% of Weimeng's equity interest. See also "Item 4. Information on the Company—C. Organizational Structure—Minority Investment in Weimeng."

(2) The shareholders of Weimeng Chuangke are two PRC employees of us or SINA, namely, Yunli Liu and Wei Wang, holding 50% and 50% of Weimeng Chuangke's equity interests, respectively.

A series of contractual agreements, including loan agreements, share transfer agreements, loan repayment agreements, agreement on authorization to exercise shareholder's voting power, share pledge agreements, exclusive technical services agreement, exclusive sales agency agreement, trademark license agreement, and spousal consent letters, have been entered into by and among our PRC subsidiaries, the VIEs and their respective shareholders. Terms contained in each set of contractual arrangements with our PRC subsidiaries, the VIEs and their respective shareholders are substantially similar. For more details of these contractual arrangements, see "Item 4. Information on the Company—C. Organizational Structure—Contractual Arrangements with the VIEs and Their Respective Individual Shareholders."

The contractual arrangements may not be as effective as direct ownership in providing us with control over the VIEs. If any of these VIEs or their shareholders fail to perform their respective obligations under the contractual arrangements, we may incur substantial costs to enforce the terms of the arrangements. All of these contractual arrangements are governed by and interpreted in accordance with PRC law, and disputes arising from these contractual arrangements will be resolved through arbitration in China. There remain significant uncertainties regarding the ultimate outcome of arbitration should legal action become necessary. These uncertainties could limit our ability to enforce these contractual arrangements. Furthermore, the shareholders of the VIEs may not act in the best interests of our company or may not perform their obligations under these contracts. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure—We rely on contractual arrangements with the VIEs and their respective shareholders for our operations in China, which may not be as effective in providing operational control as direct ownership" and "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure—Shareholders of the VIEs may have potential conflicts of interest with us, which may affect the performance of the contractual arrangements with the VIEs and their respective shareholders, which may in turn materially and adversely affect our business and financial condition."

Our corporate structure is subject to risks associated with our contractual arrangements with the VIEs. Our contractual arrangements with the VIEs have not been tested in court to date. Investors may never directly hold equity interests in the VIEs. If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC laws and regulations, or if these regulations or their interpretations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. The PRC regulatory authorities could disallow the VIE structure, which would likely result in a material adverse change in our operations, and our ADSs and/or Class A ordinary shares may decline significantly in value or become worthless. Our holding company, our PRC subsidiaries, the VIEs, and investors of our company face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a whole.

There are also substantial uncertainties regarding the interpretation and application of current and future PRC laws, regulations and rules regarding the status of the rights of our Cayman Islands holding company with respect to its contractual arrangements with the VIEs and their respective shareholders. It is uncertain whether any new PRC laws or regulations relating to variable interest entity structures will be adopted or if adopted, what they would provide. If we or any of the VIEs is found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the PRC regulatory authorities would have broad discretion to take action in dealing with such violations or failures. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure—If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC regulations on foreign investment in internet and other related businesses, or if these regulations or their interpretation change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations,” and “—Uncertainties exist with respect to the interpretation and implementation of the PRC Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.”

We face various legal and operational risks and uncertainties associated with being based in or having our operations primarily in China and the complex and evolving PRC laws and regulations. For example, we face risks associated with regulatory approvals on offerings conducted overseas by and foreign investment in China-based issuers, the use of the VIEs, anti-monopoly regulatory actions, and oversight on cybersecurity and data privacy, which may impact our ability to conduct certain businesses, accept foreign investments, or list on or remain listed on United States or other foreign exchanges outside of China. These risks could result in a material adverse change in our operations and the value of our ADSs, significantly limit or completely hinder our ability to offer or continue to offer securities to investors, or cause the value of such securities to significantly decline or become worthless. For a detailed description of risks related to doing business in China, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China.”

PRC government’s significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature may cause the value of such securities to significantly decline or be of little or no value. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The PRC government’s significant oversight and discretion over our business operation could result in a material adverse change in our operations and the value of our listed securities.”

The PRC regulatory and enforcement regime with regard to data security and privacy is evolving rapidly and may be subject to different interpretations or significant changes with very short notice. In the event that any new development requires us to change our business operations relevant to data security, data privacy or cybersecurity in general, we cannot assure you that we can comply with such new requirements in a timely manner or at all. For examples, the PRC Data Security Law and the PRC Personal Information Protection Law released in 2021 posed additional challenges to our cybersecurity and data privacy compliance. The Measures for Cybersecurity Review promulgated in December 2021 and the draft Administrative Measures for Internet Data Security published for public comments in November 2021 imposed potential additional restrictions on China-based overseas-listed companies like us. If the Measures for Cybersecurity Review and the enacted version of the draft Administrative Measures for Internet Data Security mandate clearance of cybersecurity review and other specific actions to be taken by issuers like us, we may fail to complete these additional procedures, which may subject us to government enforcement actions and investigations, fines, penalties, or suspension of our non-compliant operations, and materially and adversely affect our business and results of operations and the price of our ADSs and/or Class A ordinary shares. The Outbound Data Transfer Security Assessment Measures, with effect from September 1, 2022, require a data processor to apply for security assessment with the Cyberspace Administration of China before providing important data or personal information to overseas recipients under certain circumstances and the Personal Information Outbound Transfer Standard Contract Measures, with effect from June 1, 2023, provide that a personal information processor who provides personal information to overseas recipients through execution of standard contract with such overseas recipient shall meet certain criteria, conduct a personal information protection impact assessment before providing any personal information to an overseas recipient, and complete the filing with local cybersecurity authority within ten working days from the effective date of the standard contract. Provisions on Promoting and Regulating Cross-border Data Flows require following types of cross-border data transfers to go through security assessments, (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the outbound transfer of personal information of over one million people or sensitive personal information of over 10,000 people in aggregate since January 1 of the relevant year. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—Privacy concerns relating to our products and services and the use of user information could damage our reputation, deter current and potential users and customers from using Weibo and negatively impact our business.”

On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies, with effect from March 31, 2023, and five supporting guidelines. These measures establish a new regime to regulate overseas offerings and listings by domestic companies. Any securities offerings and listings outside of mainland China by our company, including, but not limited to, follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, either directly or indirectly, will be subject to the filing requirements with CSRC. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The approval of or the filing with the CSRC or other PRC government authorities may be required in connection with our future offshore listings and capital raising activities under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or filing.” We have completed the filing with the CSRC within the period as required under these measures following the completion of the offering of our 1.375% convertible senior notes due 2030, or the 2030 Convertible Notes.

Furthermore, the PRC anti-monopoly regulators have promulgated new anti-monopoly and competition laws and regulations, including PRC Anti-Monopoly Law, with effect from August 1, 2022, four implementing rules for the new Anti-Monopoly Law, with effect from April 15, 2023, the Supreme People’s Court’s Interpretation on Several Issues Concerning the Application of the PRC Anti-Unfair Competition Law, with effect from March 20, 2022, and the new merger control filing thresholds promulgated by the State Council, with effect from January 22, 2024, and strengthened the enforcement under these laws and regulations. There remain uncertainties as to how the laws, regulations and guidelines promulgated in recent years will be implemented and whether these laws, regulations and guidelines will have a material impact on our business, financial condition, results of operations and prospects. We cannot assure you that our business operations comply with these regulations and authorities’ requirements in all respects. If any non-compliance is raised by authorities and determined against us, we may be subject to fines and other penalties. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any failure or perceived failure by us to comply with the Anti-Monopoly Guidelines for Internet Platforms Economy Sector and other PRC anti-monopoly laws and regulations may result in governmental investigations or enforcement actions, litigation or claims against us and could have an adverse effect on our business, financial condition and results of operations.”

These risks could result in a material adverse change in our operations and the value of our ADSs and/or Class A ordinary shares, significantly limit or completely hinder our ability to continue to offer securities to investors, or cause the value of these securities to significantly decline or be worthless. For a detailed description of risks related to doing business in China, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China.”

Risks and uncertainties arising from the legal system in China, including risks and uncertainties regarding the enforcement of laws and quickly evolving rules and regulations in China, could result in a material adverse change in our operations and the value of our ADSs. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.”

Permissions Required from the PRC Authorities for Our Operations

We conduct our business primarily through our PRC subsidiaries, the VIEs and their subsidiaries in China. Our operations in China are governed by PRC laws and regulations. As of the date of this annual report, our PRC VIEs and their direct and indirect subsidiaries have obtained the requisite licenses and permits from the PRC government authorities that are material for the business operations of our holding company, our subsidiaries and the VIEs in China, including the Internet Content Provision License and Online Culture Operating Permit held by Weimeng. However, given the uncertainties of interpretation and implementation of the laws and regulations and the enforcement practice by government authorities, we cannot assure you that we have obtained all the permits or licenses required for conducting our business in China. For example, Weimeng is not qualified to obtain the internet audio/video program transmission license under the current legal regime as it is not a wholly state-owned or state-controlled company and it was not operating prior to the issuance of the Rules for the Administration of Internet Audio and Video Program Services, commonly known as Circular 56. Weimeng plans to apply for an internet audio/video program transmission license when feasible to do so. In addition, an internet publishing permit might be necessary for our provisions of online game related services and the contents generated by our users on our platform. Weimeng has been communicating with the regulator for the application of an internet publishing permit. Furthermore, although most of the games on our website have obtained approval from the National Press and Publication Administration certain games may not be able to obtain such approval due to the narrow interpretation of the scope of “game” adopted by the National Press and Publication Administration in practice. We may be required to obtain additional licenses, permits, filings or approvals for the functions and services of our platform in the future. If we, our subsidiaries or the VIEs do not receive or maintain any necessary permissions or approvals, inadvertently conclude that such permissions or approvals are not required, or if applicable laws, regulations, or interpretations change and we are required to obtain such permissions or approvals in the future, we cannot assure you that we will be able to obtain the necessary permissions or approvals in a timely manner, or at all, and such approvals may be rescinded even if obtained. Any such circumstance could subject us to penalties, including fines, suspension of business and revocation of required licenses, significantly limit or completely hinder our ability to continue to offer securities to investors and cause the value of such securities to significantly decline or be worthless. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—We may be adversely affected by the complexity, uncertainties and changes in PRC licensing and regulation of internet businesses.”

According to the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies issued by the CSRC on February 17, 2023 and the five supporting guidelines, domestic companies in the PRC that directly or indirectly offer or list their securities in an overseas market are required to file with the CSRC. In addition, an overseas listed company must also submit the filing with respect to its follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, within a specific time frame requested under these filing measures. Therefore, we are required to file with the CSRC for our overseas offering of equity and equity linked securities in the future within the applicable scope of these filing measures. For more detailed information, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The approval of or the filing with the CSRC or other PRC government authorities may be required in connection with our future offshore listings and capital raising activities under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or filing.”

In connection with the offering of our 2030 Convertible Notes, we have (i) completed the pre-issuance registration with the NDRC and obtained a certificate evidencing such registration, (ii) filed the requisite information on our 2030 Convertible Notes with the NDRC within the time period as required by the NDRC after the issuance of our 2030 Convertible Notes, and (iii) completed the filing with the CSRC within the time period as required under the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies after the completion of the offering of our 2030 Convertible Notes.

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act, or the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the Public Company Accounting Oversight Board, or the PCAOB for two consecutive years, the SEC will prohibit our shares or ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States. On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, including our auditor.

In April 2022, the SEC conclusively listed us as a Commission-Identified Issuer under the HFCAA following the filing of our annual report on Form 20-F for the year ended December 31, 2021. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we filed this annual report on Form 20-F.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in mainland China and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we continue to use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. There can be no assurance that we would not be identified as a Commission-Identified Issuer for any future fiscal year, and if we were so identified for two consecutive years, we would become subject to the prohibition on trading under the HFCAA. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment.”

Cash and Asset Flows through Our Organization

Weibo Corporation transfers cash to its wholly owned Hong Kong subsidiaries, by making capital contributions or providing loans, and the Hong Kong subsidiaries transfer cash to the subsidiaries in China by making capital contributions or providing loans to them. Because Weibo Corporation and its subsidiaries control the VIEs through contractual arrangements, they are not able to make direct capital contribution to the VIEs and their subsidiaries. However, they may transfer cash to the VIEs by loans or by making payment to the VIEs for inter-group transactions.

Under the currently effective PRC laws and regulations, Weibo Corporation may provide funding to our PRC subsidiaries only through capital contributions or loans, and to the VIEs and the VIEs’ direct and indirect subsidiaries only through loans, subject to satisfaction of applicable government registration and approval requirements. We currently do not have cash management policies in place that dictate how funds are transferred between Weibo Corporation, our subsidiaries, and the consolidated affiliated entities. Rather, the funds can be transferred in accordance with the applicable PRC laws and regulations.

For the years ended December 31, 2021, 2022 and 2023, no assets other than cash were transferred through our organization.

For the years ended December 31, 2021 and 2022, the VIEs received debt financing of US\$157.0 million and US\$232.3 million from WFOEs, respectively. For the year ended December 31, 2023, the VIEs repaid debt financing of US\$255.4 million to WFOEs. For the year ended December 31, 2022, the VIEs received US\$377.0 million from WFOEs as a repayment of cash advances that the VIEs historically provided to the WFOEs when service fees could not be settled in time.

For the years ended December 31, 2021 and 2023, Weibo Corporation loaned an aggregate amount of US\$287.3 million and US\$402.1 million to its subsidiaries, respectively. For the year ended December 31, 2022, Weibo Corporation received net cash of US\$0.2 million from its subsidiaries.

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For the years ended December 31, 2021 and 2022, there were no cash flows between Weibo Hong Kong Limited, the intermediate holding company, and Weibo Technology, the WFOE. For the year ended December 31, 2023, the WFOE loaned an aggregate amount of US\$406.6 million to Weibo Hong Kong Limited. In the fourth quarter of 2023, the WFOE distributed cash dividend of US\$406.1 million (in equivalent of RMB2.97 billion) to Weibo Hong Kong Limited, including withholding tax of US\$20.5 million directly paid to the PRC tax authorities, based on partial of the accumulated net profits of the WFOE related to the years before 2023. The WFOE reinvested the remaining accumulated net profits in its PRC operations for the development and growth of the business. The distribution made by the WFOE to Weibo Hong Kong Limited is subject to a 5% withholding tax under the Enterprise Income Tax Law, due to the tax treaty arrangement between mainland China and Hong Kong.

The VIEs may transfer cash to the relevant WFOE by paying service fees according to the exclusive technical services agreement, exclusive sales agency agreement and trademark license agreement. For the years ended December 31, 2021, 2022 and 2023, the total amount of service fees that VIEs paid to the relevant WFOE under the exclusive technical services agreement, exclusive sales agency agreement and trademark license agreement was US\$780.3 million, US\$1,076.4 million and US\$757.8 million, respectively.

For the years ended December 31, 2021, 2022 and 2023, no dividends or distributions were made to Weibo Corporation by our subsidiaries. Under PRC laws and regulations, our PRC subsidiaries and VIEs are subject to certain restrictions with respect to paying dividends or otherwise transferring any of their net assets to us. Remittance of dividends by a wholly foreign-owned enterprise out of China is also subject to examination by the banks designated by SAFE. The amounts restricted include the paid-up capital and the statutory reserve funds of our PRC subsidiaries and VIEs, totaling US\$480.7 million, US\$566.9 million and US\$567.2 million as of December 31, 2021, 2022 and 2023, respectively. Furthermore, cash transfers from our PRC subsidiaries to entities outside of China are subject to PRC government control of currency conversion. Shortages in the availability of foreign currency may temporarily delay the ability of our PRC subsidiaries and VIEs to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy their foreign currency denominated obligations. For risks relating to the fund flows of our operations in China, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition.”

In May 2023, the board of directors of Weibo Corporation approved a special cash dividend of US\$0.85 per ordinary share and ADS to holders of the ordinary shares and ADSs of Weibo Corporation as of June 26, 2023. For the years ended December 31, 2021, 2022 and 2023, dividends made to Weibo Corporation’s shareholders were nil, nil and US\$200.1 million, respectively. In March 2024, the board of directors of Weibo Corporation approved a special cash dividend of US\$0.82 per ordinary share and ADS to holders of its ordinary shares and ADSs as of the close of business on April 12, 2024. The aggregate amount of the dividend will be approximately US\$200 million, expected to be paid in May 2024. See also “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy.” Under the current laws of the Cayman Islands, Weibo Corporation is not subject to tax on income or capital gains. Payments of dividends to its shareholders are not subject to any Cayman Islands withholding tax. For the Cayman Islands, PRC and U.S. federal income tax considerations applicable to an investment in our ADSs or Class A ordinary shares, see “Item 10. Additional Information—E. Taxation.”

For purposes of illustration, the following discussion reflects the hypothetical taxes that might be required to be paid within China, assuming that: we have taxable earnings in the VIEs and the VIEs’ direct and indirect subsidiaries and we pay a dividend to shareholders of Weibo Corporation:

	<u>Tax calculation ⁽¹⁾</u>
Hypothetical pre-tax earnings ⁽²⁾	100 %
Tax on earnings at statutory rate of 25% ⁽³⁾	(25)%
Net earnings available for distribution	75 %
Withholding tax at standard rate of 10% ⁽⁴⁾	(7.5)%
Net distribution to Parent/Shareholders	67.5 %

Notes:

- (1) For purposes of this example, the tax calculation has been simplified. The hypothetical book pre-tax earnings amount, not considering timing differences, is assumed to equal taxable income in China.

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- (2) Under the terms of VIE agreements, our PRC subsidiaries may charge the VIEs for services provided to VIEs. These service fees shall be recognized as expenses of the VIEs, with a corresponding amount as service income by our PRC subsidiaries and eliminate in consolidation. For income tax purposes, our PRC subsidiaries and VIEs file income tax returns on a separate company basis. The service fees paid are recognized as a tax deduction by the VIEs and as income by our PRC subsidiaries and are tax neutral.
- (3) Certain of our subsidiaries and VIEs qualifies for a 15% preferential income tax rate in China. However, such rate is subject to qualification, is temporary in nature, and may not be available in a future period when distributions are paid. For purposes of this hypothetical example, the table above reflects a maximum tax scenario under which the full statutory rate would be effective.
- (4) The PRC Enterprise Income Tax Law imposes a withholding income tax of 10% on dividends distributed by a company in mainland China to its immediate holding company outside of China. A lower withholding income tax rate of 5% is applied if the immediate holding company is registered in Hong Kong or other jurisdictions that have a tax treaty arrangement with China and is not considered a PRC resident enterprise, subject to a qualification review at the time of the distribution. For purposes of this hypothetical example, the table above assumes a maximum tax scenario under which the full withholding tax would be applied.

The table above has been prepared under the assumption that all profits of the VIEs will be distributed as fees to our PRC subsidiaries under tax neutral contractual arrangements. If, in the future, the accumulated earnings of the VIEs exceed the service fees paid to our PRC subsidiaries (or if the current and contemplated fee structure between the intercompany entities is determined to be non-substantive and disallowed by Chinese tax authorities), the VIEs could make a non-deductible transfer to our PRC subsidiaries for the amounts of the stranded cash in the VIEs. This would result in such transfer being non-deductible expenses for the VIEs but still taxable income for the PRC subsidiaries. Such a transfer and the related tax burdens would reduce our after-tax income to approximately 50.6% of the pre-tax income. Our management believes that there is only a remote possibility that this scenario would happen.

Financial Information Related to the VIEs

The following tables present the condensed consolidating schedule of financial information for Weibo Corporation, its wholly owned subsidiary that is the primary beneficiary of the VIEs for accounting purpose only, namely, Weibo Technology, our other subsidiaries, the VIEs and the VIEs' subsidiaries as of the dates presented.

Condensed Consolidating Statements of Operations

	For the Year Ended December 31, 2023					Consolidated Totals
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and Subsidiaries	Eliminating adjustments	
	(In US\$ thousands)					
Third party revenues	—	123,869	104,292	1,531,675	—	1,759,836
Intercompany revenue ⁽¹⁾	—	—	714,835	—	(714,835)	—
Total revenues	—	123,869	819,127	1,531,675	(714,835)	1,759,836
Intercompany costs and expenses	—	—	—	(714,835)	714,835	—
Other cost and expenses	(105,764)	(107,858)	(357,333)	(715,947)	—	(1,286,902)
Total costs and expenses	(105,764)	(107,858)	(357,333)	(1,430,782)	714,835	(1,286,902)
Share of income (loss) of subsidiaries ⁽²⁾	529,304	504,505	—	—	(1,033,809)	—
Income (loss) of the VIE ⁽³⁾	—	—	25,343	—	(25,343)	—
Income (loss) from non-operations	(80,942)	59,649	73,723	(22,582)	—	29,848
Income (loss) before income tax expenses	342,598	580,165	560,860	78,311	(1,059,152)	502,782
Less: income tax expenses	—	50,862	56,355	38,070	—	145,287
Net income (loss)	342,598	529,303	504,505	40,241	(1,059,152)	357,495
Less: net income (loss) attributable to non-controlling interests and redeemable non-controlling interests	—	(1)	—	2,096	—	2,095
Less: accretion to redeemable non-controlling interests	—	—	—	12,802	—	12,802
Net income (loss) attributable to Weibo's Shareholders	342,598	529,304	504,505	25,343	(1,059,152)	342,598

For the Year Ended December 31, 2022						
Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and Subsidiaries	Eliminating adjustments	Consolidated Totals	
(In US\$ thousands)						
Third party revenues	—	181,689	114,058	1,540,585	—	1,836,332
Intercompany revenue ⁽¹⁾	—	—	745,150	—	(745,150)	—
Total revenues	—	181,689	859,208	1,540,585	(745,150)	1,836,332
Intercompany costs and expenses	—	—	—	(745,150)	745,150	—
Other cost and expenses	(115,870)	(81,511)	(473,352)	(685,131)	—	(1,355,864)
Total costs and expenses	(115,870)	(81,511)	(473,352)	(1,430,281)	745,150	(1,355,864)
Share of income (loss) of subsidiaries ⁽²⁾	305,672	393,327	—	—	(698,999)	—
Income (loss) of the VIE ⁽³⁾	—	—	(18,356)	—	18,356	—
Income (loss) from non-operations	(104,247)	(189,320)	46,054	(104,869)	—	(352,382)
Income (loss) before income tax expenses	85,555	304,185	413,554	5,435	(680,643)	128,086
Less: income tax expenses (benefits)	—	(1,486)	20,227	11,536	—	30,277
Net income (loss)	85,555	305,671	393,327	(6,101)	(680,643)	97,809
Less: net income (loss) attributable to non-controlling interests and redeemable non-controlling interests	—	(1)	—	12,255	—	12,254
Net income (loss) attributable to Weibo's Shareholders	85,555	305,672	393,327	(18,356)	(680,643)	85,555

For the Year Ended December 31, 2021						
Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and Subsidiaries	Eliminating adjustments	Consolidated Totals	
(In US\$ thousands)						
Third party revenues	830	232,857	202,102	1,821,294	—	2,257,083
Intercompany revenue ⁽¹⁾	—	—	1,026,210	—	(1,026,210)	—
Total revenues	830	232,857	1,228,312	1,821,294	(1,026,210)	2,257,083
Intercompany costs and expenses	—	—	—	(1,026,210)	1,026,210	—
Other cost and expenses	(91,572)	(109,613)	(623,559)	(734,927)	—	(1,559,671)
Total costs and expenses	(91,572)	(109,613)	(623,559)	(1,761,137)	1,026,210	(1,559,671)
Share of income (loss) of subsidiaries ⁽²⁾	568,738	548,021	—	—	(1,116,759)	—
Income (loss) of the VIE ⁽³⁾	—	—	(36,406)	—	36,406	—
Income (loss) from non-operations	(49,677)	(79,862)	52,556	(69,711)	—	(146,694)
Income (loss) before income tax expenses	428,319	591,403	620,903	(9,554)	(1,080,353)	550,718
Less: income tax expenses	—	22,621	72,882	43,338	—	138,841
Net income (loss)	428,319	568,782	548,021	(52,892)	(1,080,353)	411,877
Less: net income (loss) attributable to non-controlling interests and redeemable non-controlling interests	—	44	—	(16,486)	—	(16,442)
Net income (loss) attributable to Weibo's shareholders	428,319	568,738	548,021	(36,406)	(1,080,353)	428,319

Condensed Consolidating Statements of Balance Sheets

	As of December 31, 2023					
	Weibo Corporation	Other Subsidiaries	Primary	VIEs and	Eliminating adjustments	Consolidated Totals
			Beneficiary of VIEs*	VIEs' Subsidiaries		
(In US\$ thousands)						
Cash and cash equivalents	223,009	986,234	749,906	625,486	—	2,584,635
Short-term investments	595,256	9,909	—	35,870	—	641,035
Accounts receivable	—	13,637	711	426,420	—	440,768
Prepaid expenses and other current assets	84	123,588	70,652	165,557	—	359,881
Amount due from Group companies ⁽⁴⁾	1,438,558	(275)	2,143,046	—	(3,581,329)	—
Amount due from SINA	384,263	48,940	40,275	12,919	—	486,397
Investment in subsidiaries ⁽²⁾	3,381,059	3,076,279	—	—	(6,457,338)	—
Net assets of the VIEs ⁽³⁾	—	—	(86,751)	—	86,751	—
Property and equipment, net	—	166,125	52,817	1,721	—	220,663
Operating lease assets	—	127,930	19,254	23,082	—	170,266
Intangible assets, net	—	209	—	133,920	—	134,129
Goodwill	—	—	—	166,436	—	166,436
Long-term investments	—	990,722	62,946	266,718	—	1,320,386
Other non-current assets	65,835	109,256	377,976	202,695	—	755,762
Total assets	6,088,064	5,652,554	3,430,832	2,060,824	(9,951,916)	7,280,358
Accounts payable	—	8,764	33,956	118,773	—	161,493
Accrued and other liabilities	37,037	28,795	209,803	380,810	—	656,445
Income taxes payable	—	3,028	59,492	31,987	—	94,507
Deferred revenues	—	3,414	29,519	42,254	—	75,187
Amount due to Group companies ⁽⁴⁾	—	2,187,362	—	1,393,967	(3,581,329)	—
Operating lease liability	—	8,398	19,056	25,791	—	53,245
Deferred tax liability	—	33,692	2,727	29,732	—	66,151
Unsecured senior notes	1,543,020	—	—	—	—	1,543,020
Convertible senior notes	317,625	—	—	—	—	317,625
Long-term loans	791,647	—	—	—	—	791,647
Other non-current liabilities	—	—	—	3,422	—	3,422
Total liabilities	2,689,329	2,273,453	354,553	2,026,736	(3,581,329)	3,762,742
Redeemable non-controlling interests	—	—	—	68,728	—	68,728
Total shareholders' equity	3,398,735	3,379,101	3,076,279	(34,640)	(6,370,587)	3,448,888
Total liabilities, redeemable non-controlling interests and shareholders' equity	6,088,064	5,652,554	3,430,832	2,060,824	(9,951,916)	7,280,358

	As of December 31, 2022					
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(In US\$ thousands)					
Cash and cash equivalents	1,079,259	414,914	539,017	657,578	—	2,690,768
Short-term investments	250,396	939	175,271	53,822	—	480,428
Accounts receivable	—	34,877	483	467,083	—	502,443
Prepaid expenses and other current assets	2,349	152,937	56,700	179,516	—	391,502
Amount due from Group companies ⁽⁴⁾	1,032,725	(1,976)	2,000,049	—	(3,030,798)	—
Amount due from SINA	391,124	45,437	32,648	17,908	—	487,117
Investment in subsidiaries ⁽²⁾	3,029,289	3,066,174	—	—	(6,095,463)	—
Net assets of the VIEs ⁽³⁾	—	—	(96,649)	—	96,649	—
Property and equipment, net	—	180,224	67,688	1,641	—	249,553
Operating lease assets	—	137,228	27,364	25,776	—	190,368
Intangible assets, net	—	216	—	124,856	—	125,072
Goodwill	—	—	—	120,151	—	120,151
Long-term investments	—	602,503	63,704	327,423	—	993,630
Other non-current assets	1,000	55,936	545,986	295,500	—	898,422
Total assets	5,786,142	4,689,409	3,412,261	2,271,254	(9,029,612)	7,129,454
Accounts payable	—	7,244	56,516	97,269	—	161,029
Accrued and other liabilities	34,320	269,108	204,577	405,979	—	913,984
Income taxes payable	—	5,957	24,270	25,055	—	55,282
Deferred revenues	—	3,699	30,817	45,433	—	79,949
Amount due to Group companies ⁽⁴⁾	—	1,354,299	—	1,676,499	(3,030,798)	—
Operating lease liability	—	11,330	27,318	26,756	—	65,404
Deferred tax liability	—	10,440	2,589	28,665	—	41,694
Unsecured senior notes	1,540,717	—	—	—	—	1,540,717
Long-term loans	880,855	—	—	—	—	880,855
Total liabilities	2,455,892	1,662,077	346,087	2,305,656	(3,030,798)	3,738,914
Redeemable non-controlling interests	—	—	—	45,795	—	45,795
Total shareholders' equity	3,330,250	3,027,332	3,066,174	(80,197)	(5,998,814)	3,344,745
Total liabilities, redeemable non-controlling interests and shareholders' equity	5,786,142	4,689,409	3,412,261	2,271,254	(9,029,612)	7,129,454

	As of December 31, 2021					
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(In US\$ thousands)					
Cash and cash equivalents	1,027,431	327,291	885,438	183,543	—	2,423,703
Short-term investments	500,225	100,365	—	110,472	—	711,062
Accounts receivable	—	68,242	4,569	650,278	—	723,089
Prepaid expenses and other current assets	54,980	137,333	97,691	160,722	—	450,726
Amount due from Group companies ⁽⁴⁾	1,054,147	(3,145)	1,607,529	—	(2,658,531)	—
Amount due from SINA	327,178	3,440	127,371	36,211	—	494,200
Investment in subsidiaries ⁽²⁾	3,106,184	3,063,879	—	—	(6,170,063)	—
Net assets of the VIEs ⁽³⁾	—	—	(90,419)	—	90,419	—
Property and equipment, net	—	517	66,067	1,812	—	68,396
Operating lease assets	—	1,586	30,884	28,049	—	60,519
Intangible assets, net	—	—	—	166,930	—	166,930
Goodwill	—	—	—	130,405	—	130,405
Long-term investments	—	698,909	68,820	439,922	—	1,207,651
Other non-current assets	1,000	15,584	714,249	352,008	—	1,082,841
Total assets	6,071,145	4,414,001	3,512,199	2,260,352	(8,738,175)	7,519,522
Accounts payable	—	7,068	61,077	129,498	—	197,643
Accrued and other liabilities	41,935	57,992	240,240	480,866	—	821,033
Income taxes payable	—	19,958	82,907	41,882	—	144,747
Deferred revenues	433	2,240	31,115	57,348	—	91,136
Amount due to Group companies ⁽⁴⁾	—	1,196,289	—	1,462,242	(2,658,531)	—
Operating lease liability	—	1,503	30,436	28,022	—	59,961
Deferred tax liability	—	24,721	2,545	39,637	—	66,903
Convertible debt	896,541	—	—	—	—	896,541
Unsecured senior notes	1,538,415	—	—	—	—	1,538,415
Other non-current liabilities	—	1	—	15,122	—	15,123
Total liabilities	2,477,324	1,309,772	448,320	2,254,617	(2,658,531)	3,831,502
Redeemable non-controlling interests	—	—	—	66,622	—	66,622
Total shareholders' equity	3,593,821	3,104,229	3,063,879	(60,887)	(6,079,644)	3,621,398
Total liabilities, redeemable non-controlling interests and shareholders' equity	6,071,145	4,414,001	3,512,199	2,260,352	(8,738,175)	7,519,522

Condensed Consolidating Statements of Cash Flows

	For the Year Ended December 31, 2023					
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(In US\$ thousands)					
Net cash provided by (used in) operating activities⁽⁵⁾	(84,940)	288,381	715,565	159,891	(406,077)	672,820
Repayment from (loans to) Group companies	(402,093)	—	(151,153)	—	553,246	—
Other investing activities	(395,778)	(499,033)	69,846	88,119	—	(736,846)
Net cash provided by (used in) investing activities	(797,871)	(499,033)	(81,307)	88,119	553,246	(736,846)
Borrowings (repayment) under loan from Group companies	—	808,664	—	(255,418)	(553,246)	—
Cash dividend paid to intra-Group companies	—	—	(406,077)	—	406,077	—
Other financing activities	26,561	—	—	(4,871)	—	21,690
Net cash provided by (used in) financing activities	26,561	808,664	(406,077)	(260,289)	(147,169)	21,690

For the Year Ended December 31, 2022						
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(In US\$ thousands)					
Net cash provided by (used in) operating activities⁽⁵⁾	(35,216)	144,331	591,431	(136,442)	—	564,104
Repayment from (loans to) Group companies	210	—	(232,344)	376,962	(144,828)	—
Other investing activities	239,545	(40,141)	(265,620)	33,202	—	(33,014)
Net cash provided by (used in) investing activities	239,755	(40,141)	(497,964)	410,164	(144,828)	(33,014)
Borrowings (repayment) under loan from Group companies	—	(210)	(376,962)	232,344	144,828	—
Other financing activities	(85,735)	—	—	(5,406)	—	(91,141)
Net cash provided by (used in) financing activities	(85,735)	(210)	(376,962)	226,938	144,828	(91,141)

For the Year Ended December 31, 2021						
	Weibo Corporation	Other Subsidiaries	Primary Beneficiary of VIEs*	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(In US\$ thousands)					
Net cash provided by (used in) operating activities⁽⁵⁾	(29,381)	26,029	481,432	335,940	—	814,020
Loans to Group companies	(287,285)	—	(156,997)	—	444,282	—
Other investing activities	872,207	(227,893)	(484,877)	(583,397)	—	(423,960)
Net cash provided by (used in) investing activities	584,922	(227,893)	(641,874)	(583,397)	444,282	(423,960)
Borrowings under loan from Group companies	—	287,285	—	156,997	(444,282)	—
Other financing activities	189,442	—	—	—	—	189,442
Net cash provided by (used in) financing activities	189,442	287,285	—	156,997	(444,282)	189,442

* Weibo Technology is treated as the primary beneficiary of the VIEs for accounting purposes only.

- (1) It represents the elimination of the intercompany service charge at the consolidation level.
- (2) It represents the elimination of the investment among Weibo Corporation, other subsidiaries and the primary beneficiary of VIEs.
- (3) It represents the elimination of net assets and income (loss) between the primary beneficiary of VIEs and VIEs and VIEs' subsidiaries.
- (4) It represents the elimination of intercompany balances among Weibo Corporation, other subsidiaries, the primary beneficiary of VIEs, and VIEs and VIEs' subsidiaries.
- (5) For the years ended December 31, 2021, 2022 and 2023, cash paid by the VIEs to Weibo Technology for technical service fees were US\$780.3 million, US\$1,076.4 million and US\$757.8 million, respectively.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary of Risk Factors

An investment in our ADSs or Class A ordinary shares involves significant risks. Below is a summary of material risks we face, organized under the headings. All the operational risks associated with being based in and having operations in mainland China as discussed in the risk factors under “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business” also apply to operations in Hong Kong. With respect to the legal risks associated with being based in and having operations in mainland China as discussed in the risk factors under “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure” and “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China,” the laws, regulations and the discretion of mainland China governmental authorities discussed in this annual report are expected to apply to mainland China entities and businesses, rather than entities or businesses in Hong Kong which operate under a different set of laws from mainland China. These risks are discussed more fully in Item 3. Key Information—D. Risk Factors.

Risks Relating to Our Business

- If we fail to grow our active user base, or if user engagement on our platform declines, our business, financial condition and operating results may be materially and adversely affected.
- If our users and platform partners do not continue to contribute content or their contributions are not valuable to other users, we may experience a decline in user traffic and user engagement.
- We rely on our partnership program with channel partners, which mainly include application pre-install partners, programmatic buying partners and application marketplaces, to drive traffic to our platform, and if our partnership program becomes less effective, traffic to our platform could decline and our business and operating results could be adversely affected.
- If we are unable to compete effectively for user traffic or user engagement, our business and operating results may be materially and adversely affected.
- We may not be able to maintain or grow our revenues or our business.
- We generate a substantial majority of our revenues from online advertising and marketing services. If we fail to generate sustainable revenue and profit through our advertising and marketing services, our result of operations could be materially and adversely affected.

Risks Relating to Our Corporate Structure

- We are a Cayman Islands holding company with no equity ownership in the VIEs. We conduct our operations in China through our PRC subsidiaries, the VIEs with which we have maintained contractual arrangements and their subsidiaries in China. Investors thus are not purchasing the right to convert shares into direct equity interest in our operating entities in China but instead are purchasing the right to convert shares into equity interest in a Cayman Islands holding company. If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC laws and regulations, or if these regulations or their interpretations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. If the determinations, changes, or interpretations result in our inability to assert contractual control over the VIEs, our ADSs and/or Class A ordinary shares may decline in value or become worthless. Our holding company, our PRC subsidiaries, the VIEs, and investors of our company face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a whole. For a detailed description of the risks associated with our corporate structure, please refer to risks disclosed under “Risk Factors—Risks Relating to Our Corporate Structure.”

Risks Relating to Doing Business in China

- The PRC government’s significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature may cause the value of such securities to significantly decline or become worthless. For more details, see “Risk Factors—Risks Relating to Doing Business in China—The PRC government’s significant oversight and discretion over our business operation could result in a material adverse change in our operations and the value of our listed securities.”
- Risks and uncertainties arising from the legal system in China, including risks and uncertainties regarding the enforcement of laws and quickly evolving rules and regulations in China, could result in a material adverse change in our operations and the value of our ADSs and Class A ordinary shares. For more details, see “Risk Factors—Risks Relating to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.”
- Regulation and censorship of information disseminated over the internet in China may adversely affect our business and subject us to liability for information displayed on Weibo. For more detailed information, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Regulation and censorship of information disseminated over the internet in China may adversely affect our business and subject us to liability for information displayed on Weibo.”
- Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors with the benefits of such inspections. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors with the benefits of such inspections” and “—Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment.”
- The approval of or the filing with the CSRC or other PRC government authorities may be required in connection with our future offshore listings and capital raising activities under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or filing. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The approval of or the filing with the CSRC or other PRC government authorities may be required in connection with our future offshore listings and capital raising activities under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or filing.”

Risks Relating to Our ADRs and Class A Ordinary Shares

- The trading prices for our listed securities have been and are likely to continue to be, volatile, regardless of our operating performance, which could result in substantial losses to our investors.
- We adopt different practices as to certain matters as compared with many other companies listed on the Hong Kong Stock Exchange.
- Substantial future sales or perceived potential sales of our Class A ordinary shares, ADSs, or other equity or equity-linked securities in the public market could cause the price of our Class A ordinary shares and/or ADSs to decline significantly.

Risks Relating to Our Business

If we fail to grow our active user base, or if user engagement on our platform declines, our business, financial condition and operating results may be materially and adversely affected.

The growth of our active user base and the level of user engagement are critical to our business. We had 598 million MAUs and 257 million average DAUs in December 2023. Our business has been and will continue to be significantly affected by our success in growing and retaining massive active users and increasing their overall level of engagement on our platform, including their engagement with promoted feeds, other advertising and marketing products and value-added services on our platform. As the size of our user base increases to an even larger scale and as we achieve higher market penetration in China's internet population, we have experienced, and expect to continue to experience, fluctuations and declines in our user growth rate. Due to the size and scale we have achieved, our user base may decrease, not continue to grow as quickly or at all. Our success will become increasingly dependent on our ability to retain existing users and enhance user activities and stickiness on the platform. If people do not perceive content and other products and services on our platform to be interesting and useful, we may not be able to retain and attract users or increase their engagement. A number of user-oriented websites and mobile applications that achieved early popularity have since seen their user bases or levels of engagement decline, in some cases precipitously. There is no guarantee that we will not experience a similar erosion of our active user base or engagement level. A number of factors could potentially negatively affect user growth and engagement, including if:

- we are unable to retain existing users and attract new users to our platform, or achieve greater penetration into lower tier cities in China;
- there is a decrease in the perceived quality or reliability of the content generated by our users;
- a large number of influencers, such as celebrities, key opinion leaders, and other public figures, and platform partners, such as media outlets and organizations with media rights, switch to alternative platforms or use other products and services more frequently;
- we are unable to manage and prioritize information to ensure users are presented with content that is appropriate, interesting, useful and relevant;
- we fail to introduce new and improved products or services or we introduce new or improved products or services that are not well received by users;
- technical or other problems prevent us from delivering our products or services in a rapid and reliable manner or otherwise adversely affect the user experience;
- users believe that their experience is diminished as a result of the decisions we make with respect to the frequency, relevance, prominence, format and quality of the advertisements displayed on our platform;
- we are unable to combat spam or other hostile or inappropriate usage on our platform;
- there are user concerns related to privacy and communication, safety, security or other factors;
- we fail to provide adequate customer service to our users;
- users engage with other platforms or activities instead of ours;
- there are adverse changes in our products or services that are mandated by, or that we elect to make to address, legislation, regulations or government policies; or
- we fail to maintain our brand image or our reputation is damaged.

We have undertaken various initiatives to stimulate the growth of our users and user engagement. For instance, in addition to the microblogging service with which Weibo originally started, we have added functionalities such as Trends, Search, Recommendation Feed and Review, and we have also enriched content formats from text and photo to short video and live streaming, which we believe have helped broaden our appeal and generate more user traffic and engagement. However, there can be no assurance that our strategies will continue to be effective. If we are unable to increase our user base and user engagement, our platform could be less attractive to potential new and existing users and customers, which would have a material and adverse impact on our business, financial condition and operating results.

If our users and platform partners do not continue to contribute content or their contributions are not valuable to other users, we may experience a decline in user traffic and user engagement.

Our success depends on our ability to provide users with interesting and useful content, which in turn depends on the content contributed by our users and platform partners. We believe that one of our competitive advantages is the quality, quantity and open nature of the content on Weibo, and that access to rich content is one of the main reasons users visit Weibo. We seek to foster a broader and more engaged user community, and we encourage influencers, such as celebrities, key opinion leaders and other public figures, and platform partners, such as multi-channel networks, media outlets and organizations with media rights, to use our platform to express their views and share interesting, and high quality content.

Influencers contribute a large proportion of the most popular content on our platform. We provide these content creators with the opportunity to monetize their social assets on Weibo through advertising, e-commerce, paid-subscription, tipping and other means. If content creators do not see significant value from their social marketing activities on Weibo and find monetization on Weibo inadequate, we may have to subsidize them through direct content cost payout, which may have an adverse and material impact on our business and operating results. Alternatively, content creators may choose to switch to other platforms and contribute less or no content to Weibo, which may cause our user base and user engagement to decline and our customers view our products and services less attractive for advertising and marketing purposes and consequently reduce their advertising spending on our platform.

If users and platform partners do not continue to contribute content to Weibo due to policy changes, their use of alternative communication channels or any other reasons, and we are unable to provide users with interesting, useful and timely content, our user base and user engagement may decline. If we experience a decline in the number of users or the level of user engagement, customers may not view our products and services as attractive for their advertising and marketing expenditures and may reduce their spending with us, which would materially harm our business and operating results.

We rely on our partnership program with channel partners, which mainly include application pre-install partners, programmatic buying partners and application marketplaces, to drive traffic to our platform, and if our partnership program becomes less effective, traffic to our platform could decline and our business and operating results could be adversely affected.

We work with application (app) pre-install partners, such as key domestic handset manufacturers for user acquisition and activation. Due to intense competition in the marketplace, app pre-install partners may raise prices to a point where it becomes cost prohibitive for us to rely on them for Weibo user activation, or they may decide to discontinue their services to us altogether. The partnership also highly depends on the total amount of handset shipment and sales of our partners, which may fluctuate or slow down compared with prior years. The growth of Weibo's user base is impacted by the growth of new users from Weibo app, and pre-installation of Weibo app on new smartphones is an important source of new Weibo users. A continuing slowdown of new smartphone shipment in China may adversely impact the growth rate of our new users. If this trend continues, our business and operating results may be materially and adversely affected.

We also work with programmatic buying partners, such as top applications for traffic direction and user activation. Due to the real time bidding nature of programmatic buying, the prices for inventories on top applications may fluctuate or surge to a point where it becomes less cost effective for us to invest in the channel. In addition, inaccurate user targeting and the possible high churn rate observed during the traffic direction step may also limit the overall effectiveness of the partnership.

In addition, we work with application marketplaces, including app stores of key domestic handset manufacturers as well as other major application marketplaces, to drive downloads of our mobile applications. In the future, Google (Android), Apple or other operators of application marketplaces may make changes to their marketplaces and make access to our products and services more difficult.

If we are unable to compete effectively for user traffic or user engagement, our business and operating results may be materially and adversely affected.

Competition for user traffic and user engagement is intense and we face strong competition in our business. It is possible that a new product could gain rapid scale through harnessing a new technology (such as generative AI), or a new or existing distribution channel, creating a new or different approach to connecting people or some other means. Major Chinese internet companies, such as Tencent and Bytedance, compete directly with us for user traffic and user engagement, content, talent and marketing resources. As a social media featuring social networking services and messenger features, we are subject to intense competition from providers of similar services as well as potentially new types of online services. These services include (i) messengers and other social apps and sites, such as Weixin/WeChat and QQ Mobile; (ii) multimedia apps (such as photo, video and live streaming), such as Douyin/TikTok, Kuaishou, Bilibili, Xiaohongshu, iQiyi, Tencent Video, Youku and Xigua Video; and (iii) news apps and sites operated by other major internet companies, such as Tencent, Bytedance and NetEase. In addition, as a media platform in nature, we also compete with traditional media companies for audiences and content.

We offer social commerce solutions to our customers that enable them to conduct e-commerce on our platform. Consequently, our offerings compete with e-commerce companies and online verticals that enable merchants to conduct e-commerce, including location-based services and online-to-offline services. We offer games on our platform and compete with both offline and online games for the time and money of game players. In addition to direct competition, we face indirect competition from companies that sponsor or maintain high traffic volume websites or provide an initial point of entry for internet users, including, but not limited to, providers of search services, web browser and navigation pages. We may also face competition from global social media, social networking services and messengers, such as Facebook, Instagram, X (formerly known as Twitter,) YouTube, TikTok, WhatsApp, Facebook Messenger, Snapchat, Pinterest, Line and Kakao Talk. Some of our competitors may have substantially more cash, traffic, technical and other resources than we do. We may be unable to compete successfully against these competitors or new market entrants, which may adversely affect our business and financial performance.

We believe that our ability to compete effectively for user traffic and user engagement depends upon many factors both within and beyond our control, including:

- the popularity, usefulness, ease of use, performance and reliability of our products and services compared to those of our competitors;
- the amount, quality and timeliness of content aggregated on our platform;
- our ability to enable celebrities, key opinion leaders, media outlets and other content creators to quickly and efficiently build a fan base and monetize their social assets;
- our ability, and the ability of our competitors, to develop new products and services and enhancements to existing products and services to keep up with user preferences and demands;
- the frequency, relevance and relative prominence of the advertisements that we displayed or our competitors;
- our ability to establish and maintain relationships with platform partners;
- our ability to provide effective customer service and support;
- changes mandated by, or that we elect to make to address, legislation, regulations or government policies, some of which may have a disproportionate effect on us;
- acquisitions or consolidation within our industry, which may result in more formidable competitors; and
- our reputation and brand strength relative to our competitors.

We may not be able to maintain or grow our revenues or our business.

Despite the solid and healthy growth of our revenues and business since our IPO, our revenues and business were adversely impacted by the outbreaks of COVID-19 from 2020 through 2022 and its severe and negative impact on the Chinese and the global economy, as well as the overall depreciation of RMB against the U.S. dollars in recent years.

Our revenue growth also depends on our ability to continue to grow our core businesses, newly developed businesses, as well as businesses we have acquired or which we consolidated. We are exploring and will continue to explore in the future new business initiatives, including in industries and markets in which we have limited or no experience, as well as new business models, that may be untested. Developing new businesses, initiatives and models requires significant investments of time and resources, and may present new and difficult technological, operational and compliance challenges. Many of these challenges may be specific to business areas with which we do not have sufficient experience. We may encounter difficulties or setbacks in the execution of various growth strategies and these growth strategies may not generate the returns we expect within the timeframe we anticipate, or at all.

We have experienced declines in revenues and may continue to experience fluctuations or declines in revenues and the overall or segment revenue growth, for other reasons, including increasing competition and slowing growth of China's smartphone market, disruptions to China's economy or the global economy from pandemics, natural disasters or other events, as well as changes in the geopolitical landscape, government policies or general economic conditions. As our revenues has reached a higher base level, our revenue growth rate may slow or our revenues may further decline in the future. Furthermore, due to the size and scale we have achieved, our user base may decrease, not continue to grow as quickly or at all.

We generate a substantial majority of our revenues from online advertising and marketing services. If we fail to generate sustainable revenue and profit through our advertising and marketing services, our result of operations could be materially and adversely affected.

We started to generate revenues in 2012 through advertising and marketing services, and to a less extent also through value-added services. Ever since then, advertising and marketing services have been contributing a substantial majority of our total revenues, accounting for 88% of our revenues in 2021, 87% for 2022, and 87% of our revenues in 2023. Therefore, any failure to continue generating sustainable revenue and profit through our advertising and marketing services could materially harm our business.

Compared with traditional advertising and marketing solutions, online advertising and marketing services are evolving rapidly and sometimes considered experimental. In addition, we, as well as the whole industry, are endeavoring to develop novel forms of advertising and marketing services. As a result, we cannot guarantee that the advertising and marketing strategies we have adopted can generate sustainable revenues and profit. Particularly, as is common in the industry, our advertising and marketing customers do not have long-term commitments with us. In addition, some potential new customers may view our advertising and marketing services as unproven, and we may need to devote additional time and resources to convince them. Customers will not continue to do business with us or may only be willing to advertise with us at reduced prices if we do not deliver advertising and marketing services in an effective manner, or if they do not believe that their investment in advertising and marketing with us will generate a competitive return relative to alternative advertising platforms.

Our ability to add new customers and increase spending of existing customers can be particularly affected by our ability to provide timely and reliable measurement analysis of customers' advertising campaigns on Weibo, as some customers rely on advertisement measurement to evaluate advertising effectiveness. We are working with third-party measurement firms to provide these data services to our customers but the online advertisement measurement market in China is nascent. We cannot assure you that our measurement partners will be able to provide measurement to the satisfaction of our customers. If our customers are unable to obtain measurement results on their marketing campaigns on Weibo to their satisfaction, our customers may be less willing to maintain or expand their advertising spending on our platform, and our financial conditions, results of operations and prospects may be materially and adversely affected.

We also need to adapt our advertising and marketing service offerings to the way users consume contents on our platforms. Users' preferences on content format are also evolving. Online content in video format has become increasingly prevalent in recent years. If we are unable to adapt our products and services for the video environment and develop products and services to generate video advertising revenues, especially for the mobile environment, our results of operations and prospects may be materially and adversely affected.

Advertisements shown on our platform may subject us to penalties and other administrative actions.

Under PRC advertising laws and regulations, we are obligated to monitor the advertising content shown on our platform to ensure that such content is true and accurate and in compliance with applicable PRC laws and regulations. PRC advertising laws and regulations impose prohibitions and restrictions on certain types of advertisements. For instance, advertisements for certain products, such as tobacco, are not allowed to be publicly posted, and advertisements for other products and services, such as alcohol, medical treatment, pharmaceuticals or medical devices, healthcare food, real estate and financial products, are subject to certain restrictions on content and other requirements. In addition, where a review by the governmental authorities is required before certain types of advertisements can be posted, such as advertisements for pharmaceuticals and medical devices, we are obligated to confirm that such review has been performed and approval has been obtained.

The Chinese government may from time to time promulgate new advertising laws and regulations, including possible additional restrictions on online advertising services, and these restrictions may relate to, among other attributes, the content, placement and appearance of advertisements. Pursuant to the Measures for the Administration of Internet Advertising issued by the State Administration for Market Regulation on February 25, 2023, which became effective on May 1, 2023, internet platform operators are required to prevent and stop illegal advertisements, and establish compliant and reporting mechanisms. Those who violate these measures may face fines, confiscation of illegal profits, business operation suspension, and revocation of licenses. For details, see “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Advertisements.”

In addition, recent activities and technology trends in advertising, such as links in comments or posts, and the proliferation of short video and live streaming platforms, with paid promotions that are frequently not marked as advertising, have made advertising content monitoring more challenging. Moreover, technologies and tools attempting to circumvent, evade or deceive our advertisement content monitoring system are evolving, which makes it more complicated for us to monitor and review the advertisements on our platform. When we discover advertisements that violate laws and regulations, we will timely take corresponding measures. Although we have made significant efforts to ensure that the advertisements shown on our platform are in full compliance with currently effective and applicable PRC laws and regulations, we cannot ensure that we will be in compliance at all times with the requirements under any new laws and regulations such as the Measures for the Administration of Internet Advertising. Failure to comply with these obligations may subject us to fines and other administrative penalties.

If advertisements shown on our platform are in violation of PRC advertising laws and regulations, we may be subject to penalties, including fines, confiscation of advertising income, orders to cease dissemination of the advertisements and orders to publish corrective information. In case of serious violation, the PRC governmental authorities may revoke our business licenses. Our PRC consolidated affiliated entities have not received penalty in 2021, 2022 and 2023 for advertisements shown on our platform. However, there can be no assurance that there will not be any penalties in the future, which may have a material and adverse effect on our business, financial condition, results of operations and prospects, brand and reputation.

If we are unable to compete effectively for advertising and marketing spending, our business and operating results may be materially and adversely affected.

In addition to intense competition for users and user engagement, we also face significant competition for advertising and marketing spending. A substantial majority of our revenues are currently generated through advertising and marketing services. We compete against online and mobile businesses that offer such services, mainly including Tencent, Bytedance, Baidu, Kuaishou, Xiaohongshu, Bilibili and iQiyi. We also compete with internet companies that offer online-to-offline (O2O) service, purchase solutions and other performance-based advertising and marketing services, and digital media tailored to specific vertical, such as Meituan and Autohome. We also compete against traditional media outlets, such as television, radio, print and other offline advertising network, for advertising and marketing budgets.

In order to grow our revenues and improve our operating results, we must increase our market share of advertising and marketing spending relative to our competitors, many of which are larger companies that offer more traditional and widely accepted advertising products. In addition, some of our larger competitors have substantially broader product or service offerings and leverage their relationships based on other products or services to gain additional share of advertising and marketing budgets.

We believe that our ability to compete effectively for advertising and marketing spending depends upon many factors both within and beyond our control, including:

- the size, composition and activeness of our user base relative to those of our competitors;

- the breadth, innovation and effectiveness of our product and service offerings;
- the timing and market acceptance of our advertising and marketing products and services, including breadth, quality and variety of our advertisement formats and features and those of our competitors;
- the effectiveness of our advertisement targeting capabilities, and those of our competitors;
- the volume, pricing and return on investment of our products and services relative to those of our competitors;
- the reach, engagement and effectiveness of our advertising and marketing products and services relative to those of our competitors;
- the availability, accuracy and utility of analytics and measurement solutions that we or our partners offered relative to those of our competitors;
- our ability to attract, retain and motivate talented employees;
- the effectiveness of our performance-based advertisements and real-time bidding system relative to those of our competitors;
- our sales and marketing efforts, and those of our competitors; and
- our reputation and the strength of our brand relative to our competitors.

Significant acquisitions and consolidation by and among our actual and potential competitors may present heightened competitive challenges for our business. Acquisitions of our platform partners by our competitors could result in reduced content and functionality of our products and services. Consolidation may also enable our larger competitors to offer bundled or integrated products that feature alternatives to our platform. Reduced content and functionality of our products and services, or our competitors' ability to offer bundled or integrated products that compete directly with us, may cause our user base and user engagement to decline and customers to reduce their spending with us. If we are not able to compete effectively for advertising and marketing spending, our business and operating results may be materially and adversely affected.

Our operating history may not be the indicator of our future prospects.

The market for social media is still evolving and may not develop as expected. People who are not our users, customers or platform partners may not understand the value of our products and services and new users, customers or platform partners may initially find our products and services confusing. There may be a perception that our products and services are only useful to users who post, or to influential users with large audiences. Convincing potential new users, customers and platform partners of the value of our products and services is critical to increasing the number of our users, customers and platform partners and to the success of our business. If microblogging, social media, online media or social product, in general, declines in popularity among Chinese internet users, we may be unable to grow our user base or maintain or increase user engagement.

We launched Weibo in August 2009 and began to generate revenues in 2012. Given the rapidly evolving markets in which we compete, our historical operating results may not be useful to you in predicting our future operating results. You should consider our business and prospects in light of the risks and challenges we encounter or may encounter in this developing and rapidly evolving market. These risks and challenges include our ability to, among other things:

- increase the number of our users and the level of user engagement;
- develop a reliable, scalable, secure, high-performance technology infrastructure that can efficiently handle increased usage;
- convince customers of the benefits and effectiveness of our advertising and marketing services;
- refine our interest-based recommendation engine to enable more relevant content recommendation and effective audience targeting;

- increase demand for value-added services, such as membership, live streaming, and game-related services;
- develop and deploy new features, products and services for our users, customers and platform partners, including video functionalities and interest-based information feeds;
- successfully compete with other companies, some of which have substantially greater resources and market power than us, that are currently in, or may in the future enter, our industry, or duplicate the features of our products and services;
- attract, retain and motivate talented employees;
- process, store, protect and use personal data in compliance with governmental regulations, contractual obligations and other obligations related to privacy and security; and
- defend ourselves against litigation, regulatory, intellectual property, privacy or other claims.

If we fail to educate potential users, customers and platform partners about the value of our products and services, if the market for our platform does not develop as we expect or if we fail to address the needs of this market, our business will be harmed. Failure to adequately address these or other risks and challenges could harm our business and cause our operating results to suffer.

Alibaba is a significant customer and an important strategic partner of ours. If we fail to maintain our collaboration with Alibaba, our results of operations and growth prospect may be adversely and materially affected.

Alibaba is an important strategic partner and a significant customer of ours since our IPO in 2014. Alibaba is also a major shareholder of our company. Although revenue contribution by Alibaba as an advertiser has declined as a percentage of our total revenues in recent years, as a result of the rapid growth of our business scale as well as our strategy to diversify revenue sources, Alibaba remains a significant customer, as we continue to serve as an important marketing partner for Alibaba and we continue to jointly develop innovative marketing solutions for both of our customers and explore social e-commerce opportunities for their merchants. If we are unable to either maintain strong cooperation with Alibaba or find other customers that can bring in similar amount of revenues to offset the possible decline of revenue from Alibaba or the revenue associated with Alibaba's ecosystem, our results of operations and growth prospects may be adversely and materially affected.

Our future performance depends in part on support from our platform partners, particularly copyright content providers and multi-channel networks.

Platform partners are an important source of high-quality content for our platform. We believe user engagement with our products and services depends in part on the quality of applications and content generated by our platform partners, particularly copyright content providers and the multi-channel networks. Copyright content providers have traditionally been an important source of premium content on our platform. Meanwhile, as video content has become an important part of content ecosystem, the role of multi-channel networks as talent agencies for professional content creators has become increasingly important. We have built a large network of multi-channel networks in different domains, such as video and e-commerce, and we rely on these platform partners to incubate and grow content creators so that they share more quality content on Weibo. If we are unable to enjoy continued collaboration with copyright content providers and expand our network of multi-channel networks and incentivize them to share more content, our content offerings may not be as robust and competitive and our user base and user engagement may be adversely and materially affected.

We also work closely with third-party developers to build Weibo-integrated applications to enhance Weibo's functionalities. Such existing and prospective developers may not be successful in building, growing, or monetizing mobile and/or web applications that create, maintain and enhance user engagement. Additionally, developers may choose to build on other platforms rather than integrate with Weibo. We are continually seeking to balance the distribution objectives of our developers with our desire to provide an optimal user experience, and we may not be successful in achieving a balance that continues to attract and retain such developers. If we are not successful in our efforts to continue to grow the number of developers that choose to build products that integrate with Weibo or if we are unable to continue to build and maintain good relationships with such developers, our user growth and user engagement and our financial results may be adversely and materially affected.

Our new products, services and initiatives and changes to existing products, services and initiatives could fail to attract users and customers or generate revenues.

Our ability to increase the size and engagement of our user base, attract customers and generate revenues will depend in part on our ability to successfully launch new products and services. We may introduce significant changes to our existing products and services or develop and introduce new products and services, including technologies with which we have little or no prior development or operating experience. If new or enhanced products or services fail to engage users, customers and platform partners, we may fail to attract or retain users or to generate sufficient revenues to justify our investments, and our business and operating results could be adversely affected. In addition, we may launch strategic initiatives that do not directly generate revenues but which we believe will enhance our attractiveness to users, customers and platform partners. We may not be successful in future efforts to generate revenues from our new products or services. If our strategic initiatives do not enhance our ability to monetize our existing products and services or enable us to develop new approaches to monetization, we may not be able to maintain or grow our revenues or recover any associated development costs and our operating results may be adversely affected.

If we fail to effectively manage our growth, our business and operating results could be harmed.

We operate our business in a rapidly evolving industry and highly competitive market, which will continue to place significant demands on our management, operational and financial resources to sustainably grow our business. We may encounter difficulties as we establish and expand our operations, product development, sales and marketing, and general and administrative capabilities. We face significant competition for talented employees from other high-growth companies, which include both publicly traded and privately held companies, and we may not be able to hire new employees quickly enough to meet our needs. To attract highly skilled personnel, we have had to offer, and believe we will need to continue to offer, competitive compensation packages. As we continue to grow, we are subject to the risks of over-hiring, over-compensating our employees and over-expanding our operating infrastructure, and to the challenges of integrating, developing and motivating a growing employee base. In addition, we may not be able to innovate or execute as quickly as a smaller and more efficient organization. If we fail to effectively manage our hiring needs and successfully integrate our new hires, our efficiency and ability to meet our forecasts and our employee morale, productivity and retention could suffer, and our business and operating results could be adversely affected.

As we strive to broaden our user base, increase user engagement, and develop new features and products, we often have to proactively devote significant resources to accommodate future growth and to meet market demand. If market condition changes or we misjudged future demand, however, we may incur high costs and expenses relative to our return, which could negatively affect our operating results. In addition, copyright content is costly and the competition for it is fierce. Mismanagement of copyright content purchase and usage, such as focus on content that turn out to be less popular or loss of valuable copyright content to competitors, may lead to a disproportional increase in expenses and adversely affect our business.

Continued growth could also strain our ability to maintain reliable service levels for our users and customers, develop and improve our operational, financial, legal and management controls, and enhance our reporting systems and procedures. Our expenses may grow faster than our revenues, and our expenses may be greater than what we anticipate. Managing our growth will require significant expenditures and allocation of valuable management resources. If we fail to achieve the necessary level of efficiency in our organization as it grows, our business, operating results and financial condition could be harmed.

Our operating results may fluctuate from quarter to quarter, which makes it difficult to predict.

Our quarterly operating results have fluctuated in the past and will fluctuate in the future. As a result, our past quarterly operating results are not necessarily indicators of future performance. Our operating results in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including:

- our ability to grow our user base and user engagement;
- fluctuations in spending by our advertising and marketing customers, including as a result of seasonality, major events and extraordinary news events, pandemics or other factors;
- our ability to attract and retain advertising and marketing customers;
- the occurrence of planned or unplanned significant events, including events that may cause substantial stock-based compensation or other charges;

- the development and introduction of new products or services or changes in features of existing products or services;
- the impact of competitors or competitive products and services;
- the pricing of our products and services;
- our ability to maintain or increase revenues;
- our ability to maintain or improve gross margins, operating margins and net margins;
- increases in our costs and expenses that we may incur to grow and expand our operations and to remain competitive;
- system failure or outages, which could prevent us from displaying advertisements for any period of time;
- changes in U.S. GAAP and the related policies, guidance or interpretations;
- changes in the legal or regulatory environment or proceedings, including with respect to security, privacy or enforcement by government regulators, including fines, orders or consent decrees; and
- changes in Chinese or global business or macroeconomic conditions.

Given the rapidly evolving market in which we compete, our historical operating results may not be useful to you in predicting our future operating results. Our rapid growth makes it difficult for us to identify recurring seasonal trends in our business. The advertising industry in China experiences seasonality. Historically, advertising spending tends to be the lowest in the first quarter of each calendar year due to long holidays around the Lunar New Year, and we believe that this seasonality affects our quarterly results. In addition, economic concerns continue to create uncertainty and unpredictability and add risk to our future outlook. An economic downturn in China or globally could cause our advertising and marketing customers to reduce their advertising budgets, and result in other adverse effects that could harm our operating results. Other factors that may cause our operating results to fluctuate include popular sports events, such as the FIFA World Cup and the Olympic Games. Any rapid growth or seasonal trends that we experienced in the past may not apply to, or be indicative of, our future operating results.

Spam could diminish the user experience on our platform, which could damage our reputation and deter our current and potential users from using our products and services.

“Spam” on Weibo refers to a range of abusive activities that are prohibited by our terms of service and is generally defined as unsolicited actions that negatively impact other users with the general goal of drawing user attention to a given account, site, product or idea. This includes posting large numbers of unsolicited mentions of a user, duplicate feeds, misleading links (e.g., to malware or click-jacking pages) or other false or misleading content, and aggressively following and un-following accounts, sending unsolicited invitations, reposting feeds and favoring feeds to inappropriately attract attention. Our terms of service also prohibit the creation of serial or bulk accounts, both manually or using automation, for disruptive or abusive purposes, such as to post spam or to artificially inflate the popularity of users seeking to promote themselves on Weibo. Although we continue to invest resources in reducing spam on Weibo, we expect spammers to continue to seek ways to act inappropriately on our platform. In addition, we expect that increases in the number of users on our platform will result in increased efforts by spammers to misuse our platform. We continually combat spam, including by suspending or terminating accounts we believe to be spammers and launching algorithmic changes focused on curbing abusive activities. Our actions to combat spam require the diversion of significant time and focus of our engineering team from improving our products and services. If we are unable to effectively manage and reduce spam on Weibo, our reputation for delivering relevant content could be damaged, user engagement could decline and our operational costs could increase.

We are subject to changing laws and regulations regarding regulatory matters, corporate governance and public disclosure that have increased both our costs and the risk of non-compliance.

We are subject to rules and regulations by various governing bodies, including, for example, the U.S. Securities and Exchange Commission, which is charged with the protection of investors and the oversight of companies whose securities are publicly traded, the Securities and Futures Commission of Hong Kong, which is in charge of regulating Hong Kong's securities and futures markets, and the various regulatory authorities in China and the Cayman Islands, and to new and evolving regulatory measures under applicable law. Our efforts to comply with new and changing laws and regulations have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

On December 29, 2023, the Standing Committee of the National People's Congress promulgated the Amended PRC Company Law, effective July 1, 2024, which will affect many critical aspects of corporate establishment, operations and governance of the corporate entities in China. Shareholders of a PRC company must fully pay in their subscribed registered capital within five years from the date of establishment of this company, and companies established before July 1, 2024 shall gradually adjust their capital contribution to meet this new requirement. This law also imposes greater personal liability for directors, supervisors and management. Violation of the PRC Company Law could subject us to sanctions and penalties, including fines, orders to correct and public announcements of violations. Uncertainties exist with respect to the interpretation and implementation of the PRC Company Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.

Privacy concerns relating to our products and services and the use of user information could damage our reputation, deter current and potential users and customers from using Weibo and negatively impact our business.

We collect personal data from our users in order to better understand our users and their needs and to help our customers target specific demographic groups. Concerns about the collection, use, disclosure or security of personal information or other privacy-related matters, even if unfounded, could damage our reputation, cause us to lose users and customers and adversely affect our operating results. While we strive to comply with applicable data protection laws and regulations, as well as our own posted privacy policies and other obligations we may have with respect to privacy and data protection, the failure or perceived failure to comply may result, and in some cases has resulted, in inquiries and other proceedings or actions against us by government agencies or others, as well as negative publicity and damage to our reputation and brand, each of which could cause us to lose users and customers, which could have an adverse effect on our business.

Any systems failure or compromise of our security that results in the unauthorized access to or release of our users' or customers' data could significantly limit the adoption of our products and services, as well as harm our reputation and brand and, therefore, our business. We strictly limit third-party developers' access to user privacy and user data, and we expend significant resources on technology and product development to protect against leakage of user information and other security breaches. Nonetheless, given its great commercial value, our user data may still be misused by third parties, which could expose us to legal and regulatory risks and seriously harm our business.

The PRC regulatory and enforcement regime with regard to data security and data protection is evolving. The PRC Civil Code, the PRC Cyber Security Law, the PRC Personal Information Protection Law, and the PRC Data Security Law protect individual privacy and personal data security in general by requiring internet service providers to collect data in accordance with the laws and in proper manner, and obtain consents from internet users prior to the collection, use or disclosure of internet users' personal data. In addition, the Outbound Data Transfer Security Assessment Measures requires a data processor to apply for security assessment with the Cyberspace Administration of China before providing important data or personal information to overseas recipients under certain circumstances. The Personal Information Outbound Transfer Standard Contract Measures provide that the personal information processor who provides personal information to overseas recipients through execution of standard contract with such overseas recipient shall meet certain criteria, conduct a personal information protection impact assessment before providing any personal information to an overseas recipient, and complete the filing with local cybersecurity authority within ten working days from the effective date of the standard contract. Provisions on Promoting and Regulating Cross-border Data Flows require following types of cross-border data transfers to go through security assessments, (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the outbound transfer of personal information of over one million people or sensitive personal information of over 10,000 people in aggregate since January 1 of the relevant year. See "Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Internet Security." In addition, the PRC Cyber Security Law sets high requirements for the operational security of facilities deemed to be part of China's "critical information infrastructure." See "—Risks Relating to Doing Business in China—Substantial uncertainties exist with respect to the interpretation and implementation of cybersecurity related regulations and cybersecurity review as well as any impact these may have on our business operations."

If privacy concerns or regulatory restrictions prevent us from selling demographically targeted advertising, we may become less attractive to our customers. In Hong Kong, however, the Personal Data (Privacy) Ordinance provides that an internet company may not collect information about its users, analyze the information for a profile of the user's interests and sell or transmit the profiles to third parties for direct marketing purposes without the user's consent. In the European Union, the General Data Protection Regulation, which came into effect on May 25, 2018, present increased challenges and risks in relation to policies and procedures relating to data collection, storage, transfer, disclosure, protection and privacy, and will impose significant penalties for non-compliance, including for example, penalties calculated as a percentage of global revenue. The potential risks associated with non-compliance therewith are difficult to predict. Other jurisdictions may have similar prohibitions. Although less than 1% of our revenues in 2023 are generated in Hong Kong, the European Union, and other jurisdictions with similar prohibitions, we hope to attract more users in these jurisdictions and if we are unable to construct demographic profiles of internet users because they refuse to give consent, we will be less attractive to customers and our business could suffer.

In addition to the possibility of fines, enforcement actions can result in orders requiring us to change our practices, which could have an adverse effect on our business and operating results.

Since January 2019, in order to better implement the PRC Cyber Security Law and the PRC Law for the Protection of Consumer Rights and Interests, PRC government departments launched several nationwide special rectification programs on the illegal collection and use of personal information by mobile apps each year. Weibo has examined its operation and rectified, and submitted the compliance reports as required under the Special Rectification Program of each year from 2019 to 2021. In September 2023, Beijing Communications Administration launched the cyber and data security inspection in telecom and internet industry and conducted an onsite inspection. We have completed the rectification and submitted the compliance report to the regulatory authority.

New laws or regulations concerning data protection and cross border data transfer, or the interpretation and application of existing laws or regulations, which is often uncertain and in flux, may be inconsistent with our practices. Complying with new laws, regulations and orders from competent governmental authorities could cause us to incur substantial costs or require us to change our business practices in a manner materially adverse to our business.

If our security measures are breached, or if our products and services are subject to attacks that degrade or deny the ability of users to access our products and services, our products and services may be perceived as not being secure, users and customers may curtail or stop using our products and services and our business and operating results may be harmed.

Our products and services involve the storage and transmission of users' and customers' information, and security breaches expose us to a risk of loss of this information, litigation and potential liability. We experience cyber-attacks of varying degrees on a regular basis, including hacking into our user accounts and redirecting our user traffic to other websites, and we have been able to rectify attacks without significant impact to our operations in the past. Functions that facilitate interactivity with other websites, such as Weibo Connect, which among other things allows users to log in to partner websites using their Weibo identities, could increase the scope of access of hackers to user accounts.

Our security measures may also be breached due to employee error, malfeasance or otherwise. Additionally, outside parties may attempt to fraudulently induce employees, users or customers to disclose sensitive information in order to gain access to our data or our users' or customers' data or accounts, or may otherwise obtain access to such data or accounts.

Since our users and customers may use their Weibo accounts to establish and maintain online identities, unauthorized communications from Weibo accounts that have been compromised may damage their reputations and brands as well as ours. Any such breach or unauthorized access could result in significant legal and financial exposure, damage to our reputation and a loss of confidence in the security of our products and services that could have an adverse effect on our business and operating results. Because the techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of our security occurs, the market perception of the effectiveness of our security measures could be harmed, we could lose users and customers and we may be exposed to significant legal and financial risks, including legal claims and regulatory fines and penalties. Any of these actions could have a material and adverse effect on our business, reputation and operating results.

We rely on assumptions and estimates to calculate certain key operating metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

Our key operating metrics, including, but not limited to, the numbers of daily and monthly active users of Weibo, average spending per advertiser and number of advertisement customers, are calculated using internal company data that has not been independently verified. While these numbers are based on what we believe to be reasonable calculations for the applicable periods of measurement, there are inherent challenges in measuring usage and user engagement across our large user base. For example, there are a number of false or spam accounts in existence on Weibo. Although we continually combat spam by suspending or terminating these accounts, our active user number may include a number of false or spam accounts and therefore may not accurately represent the actual number of active accounts. We are also unable to estimate the number or percentage of spam accounts included in the numbers of daily and monthly active users of Weibo. We treat each account as a separate user for purposes of calculating our active users, because it may not always be possible to identify people and organizations that have set up more than one account. Additionally, some accounts used by organizations are used by many people within the organization. Accordingly, the calculations of our active users may not accurately reflect the actual number of people or organizations using Weibo. From time to time, we disable certain user accounts, make product changes, or take other actions to reduce the number of duplicate or false accounts among our users, which may also reduce the numbers of daily and monthly active users of Weibo in a particular period.

We regularly review and may adjust our processes for calculating our internal metrics to improve their accuracy. Our measures of user growth and user engagement may differ from estimates published by third parties or from similarly titled metrics used by our competitors due to differences in methodology. If customers, platform partners or investors do not perceive our user metrics to be accurate representations of our user base or user engagement, or if we discover material inaccuracies in our user metrics, our reputation may be harmed and customers and platform partners may be less willing to allocate their spending or resources to Weibo, which could negatively affect our business and operating results.

Our business is highly sensitive to the strength of our brand and market influence, and we may not be able to maintain current or attract new users, customers and platform partners for our products and services if we do not continue to increase the strength of our brand and develop new brands successfully in the marketplace.

Our operational and financial performance is highly dependent on the strength of our brand and market influence. Such dependency will increase further as the number of internet and mobile users as well as the number of market entrants in China grows. In order to retain existing and attract new internet users, customers and platform partners, we may need to substantially increase our expenditures to create and maintain brand awareness and brand loyalty.

In addition, we receive a high degree of media coverage in Chinese communities around the world. Negative coverage in the media of our company, including about our product quality and reliability, changes to our products and services, privacy and security practices, litigation, regulatory activity, the actions of our users, the experience of our users, platform partners and advertisers with our products and services, alleged misconduct by our employees or business partners, unethical business practices, or rumors relating to our business, management and employees, our shareholders and affiliates, our competitors and peers, even if inaccurate, could threaten our reputation and the perception of our brands. We cannot assure you that we will be able to defuse negative press coverage about our company to the satisfaction of our investors, users, customers and platform partners. If we are unable to defuse negative press coverage about our company, our brand may suffer in the marketplace, our operational and financial performance may be negatively impacted and the price of our Class A ordinary shares and/or ADSs may decline.

User misconduct and inappropriate content may adversely impact our brand image, business and results of operations, and we may be held liable for information or content displayed on, retrieved from or linked to our app or website or distributed to our users.

Our platform enables users to discover, create, and distribute content and interact with others on our platform in real time. As it is difficult to control user behavior in real time, our platform may be misused by individuals or groups of individuals who engage in immoral, inappropriate, disrespectful, fraudulent or illegal activities. While we have developed technologies and a series of measures to detect inappropriate content and activities, we cannot guarantee that we will be able to fully prevent inappropriate content from being posted on our platform or inappropriate activities from being carried out on our platform. Moreover, as we have limited control over the offline behavior of our users, to the extent that such behavior is associated with our platform, our ability to protect our brand image and reputation may be limited. Our business and the public perception of our brand may be materially and adversely affected by misconduct conducted on or linked to our platform. It is possible that our users may engage in conversations or activities on our platform that may be deemed illegal under applicable laws and regulations. We may be subject to fines or other disciplinary actions, including suspension of certain services, if we are deemed to not have taken actions to stop user misconduct or the display of inappropriate or illegal content posted by third parties on our platform or distributed to our users. If any of our users suffers or alleges to have suffered physical, financial or emotional harm arising from any contact initiated on our platform, we may face civil lawsuits or other proceedings initiated by the affected user, or governmental or regulatory actions. Defending such actions could be costly and involve significant time and attention of our management and other resources, which could materially and adversely affect our business, financial condition, results of operations and prospects. There can be no assurance that we can detect all illegal or inappropriate content displayed on, retrieved from or linked to our platform. If we are held liable for any of the aforementioned incidents in the future, our business, financial condition and results of operations may be materially and adversely affected.

Misconduct, error and failure to follow laws, regulations and our corporate governance policies by our employees may adversely impact our brand image, reputation, business and results of operations, and we may be held liable for these inappropriate activities.

Misconduct, including illegal, fraudulent or collusive activities, unauthorized business conducts and behavior, misuse of corporate authorization, or errors by our employees or their failure to perform their duties could subject us to legal liability and negative publicity. Our employees may conduct fraudulent activities to bypass our internal systems and to complete shadow transactions and/or transactions outside our official or authorized procedures. They may conduct activities in violation of law against unfair competition, which may expose us to unfair competition allegations and risks or conduct activities that may damage our reputation, corporate culture or internal working environment. We have experienced such incidents in the past and may continue to experience or be subject to incidents of similar nature in the future. We terminated employment with the involved employees for serious misconducts and recovered our losses from those employees in certain cases. While we have been strengthening our code of conduct and related internal policies, including updating our employees' code of conduct and anti-bribery policy, we cannot assure you that such incidents will not occur in the future. It is not always possible to identify and deter such misconduct, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to prevent such misconduct. Such misconduct could damage our brand and reputation, which could adversely affect our business and results of operations.

If our goodwill or intangible assets become impaired, we may be required to record a significant charge to earnings.

We review our goodwill and intangible assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable, such as a decline in stock price and market capitalization. We test goodwill for impairment at least once a year. If such goodwill or intangible assets are deemed to be impaired, an impairment loss equal to the amount by which the carrying amount exceeds the fair value of the assets would be recognized. We may be required to record a significant charge in our financial statements during the period in which any impairment of goodwill or intangible assets is determined, which would negatively affect our results of operations. Impairment provision for goodwill and intangible assets recorded in 2021, 2022 and 2023 was nil, US\$10.2 million and nil, respectively.

As of December 31, 2023, the total amount of our goodwill and intangible assets was US\$300.6 million. A substantial portion of the goodwill and intangible assets arose from the acquisitions of Shanghai Jiamian Information Technology Co., Ltd. in 2020, the indirect acquisition of Shanghai Benqu Network Technology Co., Ltd., the developer of Wuta beauty camera app, in 2021, as well as the acquisitions of Xi'an Yunrui Network Technology Co., Ltd., the operator of an online interactive entertainment application "Werewolf," in 2023. Therefore, we may have to reassess and even record impairment loss if the respective industry prospects deteriorate.

New technologies could block our advertisements. Users of personal computers and mobile devices may enable technical measures that could hinder our traffic growth and limit our monetization opportunities.

Technologies have been developed that can disable the display of our advertisements and that provide tools to users to opt out of our advertising products. Most of our revenues are derived from fees paid to us by customers in connection with the display of advertisements to our users. Technologies and tools for personal computers and mobile devices, such as operating systems, internet browsers, anti-virus software and other applications, as well as mobile application stores could set up technical measures to divert user traffic, require a fee for the download of our products or block our products and services altogether, which could adversely affect our overall traffic and ability to monetize our products and services.

Our business and growth could suffer if we are unable to hire and retain key personnel.

We depend on the continued contributions of our senior management and other key employees, many of whom are difficult to replace. The loss of the services of any of our executive officers or other key employees could harm our business. Competition for qualified talent in China is intense. Our future success is dependent on our ability to attract a significant number of qualified employees and retain existing key employees. If we are unable to do so, our business and growth may be materially and adversely affected and the trading price of our Class A ordinary shares and/or ADSs could suffer. Our need to significantly increase the number of our qualified employees and retain key employees may cause us to materially increase compensation-related costs, including stock-based compensation.

We have incurred and expect to continue to incur substantial stock-based compensation expenses.

We have adopted share incentive plans in August 2010, March 2014 and March 2023. See “Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plans” for a detailed discussion. For the years ended December 31, 2021, 2022 and 2023, we recorded US\$88.0 million, US\$111.7 million and US\$101.1 million, respectively, in stock-based compensation expenses. We will continue to grant stock-based compensation in the future in order to attract and retain key personnel and employees. Consequently, our stock-based compensation expenses may be recurring and even significantly increase in absolute amount, which may have a material adverse effect on our results of operations.

Future investments in and acquisitions of complementary assets, technologies and businesses may fail and may result in equity or earnings dilution.

We have in the past and may continue to invest in or acquire assets, technologies and businesses that are complementary to our existing business. For example, on March 1, 2023, Weibo Holding (Singapore) Pte. Ltd., our wholly owned subsidiary, entered into a share purchase agreement with ShowWorld Holding Limited, an indirect subsidiary of SINA, pursuant to which Weibo Holding (Singapore) Pte. Ltd. purchased all equity interests in ShowWorld HongKong Limited, a wholly owned subsidiary of ShowWorld Holding Limited and an entity holding 332,615,750 shares of INMYSHOW Digital Technology (Group) Co., Ltd. for an aggregate consideration of approximately RMB2.16 billion in cash, payable in U.S. dollars. INMYSHOW Digital Technology (Group) Co., Ltd. is a Shanghai Stock Exchange-listed company (SSE: 600556). We beneficially owned 480,342,364 shares of INMYSHOW Digital Technology (Group) Co., Ltd., representing approximately 26.57% of its total issued shares, immediately following the consummation of this transaction and taking into account our existing shareholding.

Our investments or acquisitions may not yield the results we expect. In addition, investments and acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, significant amortization expenses related to intangible assets and exposure to potential unknown liabilities of the acquired business. Moreover, the cost of identifying and consummating investments and acquisitions, and integrating the acquired businesses into ours, may be significant, and the integration of acquired businesses may be disruptive to our existing business operations. In addition, we may have to obtain approval from the PRC governmental authorities for the investments and acquisitions and comply with any applicable PRC rules and regulations, which may be costly. Our investments and acquisitions may also be subject to merger control review and antitrust investigations under the PRC Anti-Monopoly Law, the Provisions on the Review of Concentrations of Undertakings and other PRC anti-monopoly laws, regulations and guidance. In the event that our investments and acquisitions are not successful, our financial condition and results of operations may be materially and adversely affected.

Our financial results could be adversely affected by our long-term investments.

We periodically review our investments in publicly traded companies, privately held companies, and limited partnerships for impairment. If we conclude that any of these investments is impaired, we will write down the asset to its fair value and take a corresponding charge to our consolidated statements of comprehensive income. For the fiscal years ended December 31, 2021, 2022 and 2023, we recognized impairment charges of US\$106.8 million, US\$63.5 million and US\$25.7 million, respectively, on the carrying value of our investments. We may continue to incur impairment charges in the future, which could depress our profitability or subject us to incur a net loss.

As of December 31, 2023, our investments included US\$814.8 million in private companies, which may not have the resources nor level of controls in place like public companies to timely and accurately provide updates about their companies to us. Furthermore, many of our investments are at an early, pre-revenue stage of development, and their impairment may be difficult to assess as market information on internet-related startups is not readily available. After our adoption of ASU 2016-01 “Classification and Measurement of Financial Instruments” starting January 1, 2018, we measure long-term investments other than equity method investments at fair value through earnings. Our investments other than equity method are subject to a wide variety of market related risks that could substantially reduce or increase the fair value of our holdings. For example, identification of observable price change in orderly transaction for those investments without readily determinable fair value may result in our recognition of gain or loss on such investments.

Determination of estimated fair value of these investments require complex and subjective judgments due to their limited financial and operating history, unique business risks and limited public information. Consequently, we may not receive information about our investments on a timely basis to properly account for them. We recognized a net gain of US\$10.9 million for these investments in 2023 as a result of fair value changes. We are unable to control these factors and an impairment charge that we recognized, especially untimely recorded, may adversely impact our financial results and share price.

If we were deemed an investment company under the Investment Company Act of 1940, applicable restrictions could have a material adverse effect on our business and the price of our ADSs and Class A ordinary shares.

We are not an “investment company” and do not intend to become registered as an “investment company” under the Investment Company Act of 1940, or the Investment Company Act. Generally, a company is an “investment company” if it is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities or owns or proposes to own investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis, unless an exception, exemption or safe harbor applies. We do not hold ourselves out as being primarily engaged, or proposing to engage primarily, in the business of investing, reinvesting or trading in securities. Rather, we are primarily engaged in the business of operating a social media platform in China for people to create, discover and distribute content. As of December 31, 2023, our investment securities represented less than 40% of the value of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis calculated in accordance with Section 3(a)(1)(C) of the Investment Company Act. We intend to continue to conduct our operations so that we will not be deemed an investment company.

If, at any time, we become or are determined to be primarily engaged in the business of investing, reinvesting or trading in securities, we could become subject to regulation under the Investment Company Act. If we were to become subject to the Investment Company Act, any violation of the Investment Company Act could subject us to material adverse consequences, including potentially significant regulatory penalties and the possibility that certain of our contracts would be deemed unenforceable. Additionally, as a foreign private issuer, we would not be eligible to register under the Investment Company Act. Accordingly, we would either have to obtain exemptive relief from the SEC, modify our contractual rights or dispose of investments in order to fall outside the definition of an investment company, each of which may have a material adverse effect on our company. Additionally, we may have to forego potential future acquisitions of interests in companies that may be deemed to be investment securities within the meaning of the Investment Company Act. Finally, failure to avoid being deemed an investment company under the Investment Company Act could also make us unable to comply with our reporting obligations as a public company in the United States and lead to our being delisted from The Nasdaq Stock Market LLC, which would have a material adverse effect on the liquidity and value of our ADSs and ordinary shares.

If we cannot obtain sufficient cash when we need it, we may not be able to meet our payment obligations under our outstanding and future debt obligations.

As of December 31, 2023, the outstanding principal amount of our 3.50% senior notes due 2024, which were issued in July 2019, or the 2024 Senior Notes, 3.375% senior notes due 2030, which were issued in July 2020, or the 2030 Senior Notes, and our 1.375% convertible senior notes due 2030, which were issued in December 2023, or the 2030 Convertible Notes were US\$800 million, US\$750 million and US\$330 million, respectively.

In August 2022, we signed a five-year US\$1.2 billion term and revolving facilities agreement with a group of 23 arrangers. The facilities consist of a US\$900 million five-year bullet maturity term loan and a US\$300 million five-year revolving facility. Each loan bears a floating rate of interest per annum benchmarked against secured overnight financing rate (SOFR) plus 1.28%. We refer to these together as the 2027 Loans. We have fully withdrawn the US\$900 million bullet maturity term loan and partially withdrawn US\$5 million under the revolving facility as of December 31, 2023, and repaid US\$100 million bullet maturity term loan in the fourth quarter of 2023. The proceeds from the facilities were used for refinancing of the indebtedness existing then, general corporate purposes and payment of transaction related fees and expenses.

Holders of our 2030 Convertible Notes have the right to require us to repurchase their notes on December 6, 2027. In addition, our 2030 Convertible Notes contain provisions concerning the holders' right to require us to repurchase their notes upon the occurrence of a fundamental change (as defined in the terms of such notes), as well as provisions regarding our ability to redeem the existing notes in case of certain changes in tax law. The indenture for our 2030 Convertible Notes defines a "fundamental change" to include, among other things, our ADSs ceasing to be listed for trading on any of the New York Stock Exchange, The Nasdaq Global Market or The Nasdaq Global Select Market. For example, our ADSs may be prohibited from being traded in the United States under the HFCAA in the future due to regulatory reasons and our ADSs may cease to be listed as a result, which in turn may trigger a fundamental change. See "—Our ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

In the event SINA defaults under the facility agreement governing SINA's loan and the security agent enforces its rights and remedies against the pledge of SINA's Class B ordinary shares, SINA will no longer be a controlling shareholder of our company. As a result, the Class B ordinary shares previously held by SINA will be converted to Class A ordinary shares which do not have weighted voting rights. If any person or group (other than the Permitted Holders) subsequently becomes the direct or indirect "beneficial owner" of the ordinary shares of our company (including Class A ordinary shares held in the form of ADSs) representing more than 50% of the voting power of all outstanding classes of our company's common equity, a fundamental change may occur. For further discussions of SINA's loan and its implications on our company, see "—SINA has pledged all of the Class B ordinary shares held by it in our company to secure a syndicate loan, and if SINA defaults on the underlying loan, we could experience a change in control."

Upon the occurrence of a fundamental change, holders of our 2030 Convertible Notes will have the right, at their option, to require us to repurchase all of their 2030 Convertible Notes or any portion of the principal amount at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest, if any. In the event of a fundamental change, we may also be required to issue additional ADSs upon conversion of our 2030 Convertible Notes.

Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations, generate sufficient cash flows, raise additional capital and the other factors discussed in this section. There can be no assurance that we will be able to manage any of these risks successfully. If we are unable to obtain funding in a timely manner or on commercially acceptable terms, we may not be able to meet our payment obligations under our debt obligations. If we fail to pay interest on the notes, we will be in default under the indenture governing the notes, which in turn may constitute a default under existing and future agreements governing our indebtedness.

We are a holding company, and we rely principally on dividends and other distributions from our PRC subsidiaries for our cash needs, including the funds necessary to help us meet our payment obligations under the notes and our other obligations. Our subsidiaries are distinct legal entities and do not have any obligation, legal or otherwise, to provide us with distributions or advances. Furthermore, under PRC laws and regulations, our PRC subsidiaries and VIEs are subject to certain restrictions with respect to paying dividends or otherwise transferring any of their net assets to us. Remittance of dividends by a wholly foreign-owned enterprise out of China is also subject to examination by the banks designated by SAFE. For risks relating to the fund flows of our operations in China, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition."

We may need additional capital, and financing may not be available on terms acceptable to us, or at all.

We may incur additional indebtedness in the future. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. Our current and future debt obligations require us to dedicate a portion of our cash flow to principal and interest payments and may limit our ability to engage in other transactions. We may require additional capital and cash resources to support our business growth or to respond to business opportunities, challenges, business development or unforeseen circumstances. Our ability to obtain additional capital, if and when required, will depend on our business plans, investor demand, our operating performance, the condition of the capital markets, and other factors beyond our control, such as economic, political and other conditions in the PRC and elsewhere, and our indebtedness may limit our ability to borrow additional funds. We may have difficulty incurring new debt on terms that we would consider to be commercially reasonable. In addition, we may also need to refinance a portion or all of our outstanding debt as it matures. There is a risk that we may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. We may seek to issue equity or equity linked securities or obtain debt financing in the future, and the issuance and sale of additional equity would result in further dilution to our shareholders.

If we cannot remain in compliance with certain covenants in our term and revolving facilities agreement governing our 2027 Loans before maturity, certain financial restrictions may be imposed on us.

The facilities agreement governing our 2027 Loans contains certain financial covenants over the ratio of our consolidated net debt to consolidated EBITDA and the ratio of our consolidated EBITDA to consolidated interest expenses. As of December 31, 2023, we were in compliance of these covenants. Our ability to comply with financial or other restrictive covenants under the facilities agreement governing our 2027 Loans may be affected by factors beyond our control, including prevailing economic, financial and industry conditions. In the event that we fail to comply with any of these covenants, we may be required to negotiate a waiver if we want to avoid technical default. We cannot assure you that we would be able to obtain such waiver in a timely manner, on acceptable terms or at all. If we were not able to obtain the waiver, we would be in default of the facilities agreement governing our 2027 Loans, and the counterparties could elect to declare the loan, together with accrued and unpaid interest and other fees, if any, immediately due and payable. If the 2027 Loans were to be accelerated, even though we believe that our assets would be sufficient to repay our loans in full, our business and liquidity could be materially and adversely impacted. In addition, such waiver, even if granted, may lead to increased costs, increased interest rates, additional restrictive covenants and other available counterparty protections that would be applicable to us under the credit facilities, which could adversely affect our business, financial condition, results of operations and our ability to obtain additional capital resources.

Many of our products and services contain open source software, and we license some of our software through open source projects, which may pose particular risks to our proprietary software, products, and services in a manner that could have a negative effect on our business.

We use open source software in our products and services and will use open source software in the future. In addition, from time to time, we contribute software source code to open source projects under open source licenses or release internal software projects under open source licenses, and anticipate doing so in the future. The terms of many open source licenses to which we are subject have not been interpreted by domestic or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide or distribute our products or services. Additionally, we may from time to time face claims from third parties claiming ownership of, or demanding release of, the open source software or derivative works that we developed using such software, which could include our proprietary source code, or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require us to make our software source code freely available, purchase a costly license or cease offering the implicated products or services unless and until we can re-engineer them to avoid infringement. This re-engineering process could require significant additional research and development resources, and we may not be able to complete it successfully. In addition to risks related to license requirements, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software. Additionally, because any software source code we contribute to open source projects is publicly available, our ability to protect our intellectual property rights with respect to such software source code may be limited or lost entirely, and we are unable to prevent our competitors or others from using such contributed software source code. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a negative effect on our business, financial condition and operating results.

We may not be able to adequately protect our intellectual property, which could cause us to be less competitive.

We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property, seek court declarations that they do not infringe upon our intellectual property rights, or allege that certain of our products and services, or user content, infringe their intellectual property rights. Monitoring unauthorized use of our intellectual property is difficult and costly, and we cannot be certain that the steps we have taken will prevent misappropriation of our intellectual property. From time to time, we may have to resort to litigation to enforce or defend our intellectual property rights, which could result in substantial costs and diversion of our resources.

We may be subject to intellectual property infringement claims or other allegations by third parties, which may materially and adversely affect our business, financial condition and prospects.

Companies in the internet, technology and media industries are frequently involved in litigation based on allegations of infringement of intellectual property rights, unfair competition, invasion of privacy, infringement of trade secrets, defamation, and other violations of other parties' rights. In addition, various "non-practicing entities" that own patents and other intellectual property rights often attempt to aggressively assert their rights in order to extract value from technology companies. The validity, enforceability and scope of protection of intellectual property rights in internet-related industries, particularly in China, are uncertain and still evolving. As we face increasing competition and as litigation becomes more common in resolving commercial disputes, we, including, but not limited to, our PRC subsidiaries, VIEs, directors and officers, face a higher risk of being the subject of intellectual property infringement claims in and outside of China. Furthermore, from time to time we may introduce or acquire new products or services, including in areas where we historically have not competed, which could increase our exposure to patent and other intellectual property claims from competitors and non-practicing entities.

We allow users to upload written materials, images, pictures and other content on our platform and download, share, link to and otherwise access games and applications (some of which are developed by third parties) as well as audio, video and other content either on our platform or from other websites through our platform. We have procedures designed to reduce the likelihood that content might be used without proper licenses or third-party consents. However, these procedures may not be effective in preventing the unauthorized posting of copyrighted content. We have been and we may continue to receive notice from copyright holders and other parties alleging that user content, or certain of our products and services, infringe their intellectual property rights, and may be involved in legal actions arising from these allegations. Any such legal proceedings, whether or not successful, could harm our reputation. If a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations. As a public company listed in the U.S., we and our directors and officers have also been, and may continue to be, involved in claims or lawsuits in the U.S. or other jurisdictions relating to alleged IP infringement or misappropriation. If any of these claims is successfully made against us, we may be required to (i) pay substantial statutory or other damages and fines, (ii) remove relevant content from our platform, or (iii) enter into royalty or license agreements which may not be available on commercially reasonable terms or at all.

We anticipate that we will continue to be subject to legal, regulatory and/or administrative proceedings in the future incidental to our ordinary course of business. There can be no assurance that we will be able to prevail in our defense or reverse any unfavorable judgment, ruling or decision against us. In addition, we may decide to enter into settlements that may adversely affect our results of operations and financial condition.

With respect to games and applications available on our platform, we have procedures designed to reduce the likelihood of infringement. However, such procedures might not be effective in preventing games and applications, particularly those developed by third parties, from infringing upon other parties' rights. We may face liability for copyright or trademark infringement, defamation, unfair competition, libel, negligence, and other claims based on the nature and content of the materials that are delivered, shared or otherwise accessed through our platform.

Defending intellectual property litigation is costly and can impose a significant burden on our management and employees, and there can be no assurances that favorable final outcomes will be obtained in all cases. Such claims, even if they do not result in liability, may harm our reputation. Any resulting liability or expenses, or changes required to our platform to reduce the risk of future liability, may have a material adverse effect on our business, financial condition and prospects.

User growth and engagement depend upon effective interoperation with operating systems, networks, devices, web browsers and standards that we do not control.

We make our products and services available across a variety of operating systems and through websites. We are dependent on the interoperability of our products and services with popular devices, desktop and mobile operating systems and web browsers that we do not control, such as Windows, Mac OS, Android, iOS, and others. Any changes in such systems, devices or web browsers that degrade the functionality of our products and services or give preferential treatment to competitive products or services could adversely affect usage of our products and services. Further, if the number of platforms for which we develop our products increases, it will result in an increase in our costs and expenses. In order to deliver high quality products and services, it is important that our products and services work well with a range of operating systems, networks, devices, web browsers and standards that we do not control. In addition, because a majority of our users access our products and services through mobile devices, we are particularly dependent on the interoperability of our products and services with mobile devices and operating systems. We may not be successful in developing relationships with key participants in the mobile industry or in developing products or services that operate effectively with these operating systems, networks, devices, web browsers and standards. In the event that it is difficult for our users to access and use our products and services, particularly on their mobile devices, our user growth and user engagement could be harmed, and our business and operating results could be adversely affected.

Our operations depend on the performance of the internet infrastructure and fixed telecommunications networks in China.

Almost all access to the internet in China is maintained through state-owned telecommunication operators under the administrative control and regulatory supervision of the Ministry of Industry and Information Technology. Moreover, we primarily rely on a limited number of telecommunication service providers to provide us with data communications capacity through local telecommunications lines and internet data centers to host our servers. We have limited access to alternative networks or services in the event of disruptions, failures or other problems with China's internet infrastructure or the fixed telecommunications networks provided by telecommunication service providers. Web traffic in China has experienced significant growth during the past few years. Effective bandwidth and server storage at internet data centers in large cities such as Beijing are scarce. With the expansion of our business, we may be required to upgrade our technology and infrastructure to keep up with the increasing traffic on our platform. We had not experienced material disruptions to our business operations as a result of service capacity constraints for the years ended December 31, 2021, 2022 and 2023. However, we cannot assure you that the internet infrastructure and the fixed telecommunications networks in China will be able to support the demands associated with the continued growth in internet usage. If we are unable to increase our online content and service delivering capacity accordingly, we may not be able to continually grow our traffic, and the adoption of our products and services may be hindered, which could adversely impact our business and our share price.

In addition, we have no control over the costs of the services provided by telecommunication service providers. If the prices we pay for telecommunications and internet services rise significantly, our results of operations may be materially and adversely affected. Furthermore, if internet access fees or other charges to internet users increase, particularly as content shifts toward video, some users may be prevented from accessing the internet and thus cause the growth of internet users to decelerate. Such deceleration may adversely affect our ability to continue to expand our user base and increase our attractiveness to online customers.

Our business and operating results may be harmed by service disruptions, or by our failure to timely and effectively scale and adapt our existing technology and infrastructure.

One of the reasons people come to Weibo is for real-time information. We have experienced, and may in the future experience, service disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, hardware failure, capacity constraints due to an overwhelming number of people accessing our products and services simultaneously, computer viruses and denial of service, fraud and security attacks. Any disruption or failure in our infrastructure could hinder our ability to handle existing or increased traffic on our platform or cause us to lose content stored on our platform, which could significantly harm our business and our ability to retain existing users and attract new users.

As the number of our users increases and our users generate more content, including photos and videos on our platform, we may be required to expand and adapt our technology and infrastructure to continue to reliably store and analyze this content. It may become increasingly difficult to maintain and improve the performance of our products and services, especially during peak usage times, as our products and services become more complex and our user traffic increases. In addition, because we lease our data center facilities, we cannot be assured that we will be able to expand our data center infrastructure to meet user demand in a timely manner, or on favorable economic terms, or at all. We rely on SINA, our controlling shareholder, and third-party vendors to provide infrastructure services. We cannot assure you that their infrastructure will operate without interruptions and that we can maintain a relationship with these parties on favorable economic terms. If our users are unable to access Weibo or we are not able to make information available rapidly on Weibo, or at all, users may become frustrated and seek other channels to obtain the information, and may not return to Weibo or use Weibo as often in the future, or at all. This would negatively impact our ability to attract users and customers and maintain the level of engagement of our users.

We prioritize product innovation and user experience over short-term operating results, which may harm our revenues and operating results.

We encourage employees to quickly develop and help us launch new and innovative features. We focus on improving the user experience for our products and services and on developing new and improved products and services for the customers on our platform. We prioritize innovation and the experience for users and customers on Weibo over short-term operating results. We frequently make product and service decisions that may reduce our short-term operating results if we believe that the decisions are consistent with our goals to improve the user experience and performance for customers, which we believe will improve our operating results over the long term. These decisions may not be consistent with the short-term expectations of investors and may not produce the long-term benefits that we expect, in which case our user growth and user engagement, our relationships with customers and our business and operating results could be adversely and materially harmed. In addition, our focus on the user experience may negatively impact our relationships with our existing or prospective customers. This could result in a loss of customers and platform partners, which could adversely and materially harm our revenues and operating results.

We may face lawsuits or incur liability as a result of content published, made available through, or linked to our social media platform.

As a social media platform, we have faced and will continue to face liability relating to content that is published, made available through, or linked to our platform. In particular, the nature of our business exposes us to claims related to defamation, intellectual property rights, rights of publicity and privacy, illegal content, content regulation and personal injury torts. The law relating to the liability of providers of online products or services for activities of their users remains somewhat unsettled in China. In addition, the public nature of communications on our platform exposes us to risks arising from the creation of impersonation accounts intended to be attributed to our users or customers. We could incur significant costs investigating and defending these claims. If we incur costs or liability as a result of these events, our business, financial condition and operating results could be adversely affected.

We may be subject to litigation for user-generated content provided on our platform, which may be time-consuming and costly to defend.

Our platform is open to the public for posting user-generated content. Although we have required our users to post only legally compliant and inoffensive materials and have set up screening procedures, our screening procedures may fail to screen out all potentially offensive or non-compliant user-generated content. Even if properly screened, a third party may still find user-generated content postings on our platform offensive and take actions against us in connection with the posting of such information. As with other companies who provide user-generated content on their websites, we have had to deal with such claims in the past and anticipate that such claims will increase as user-generated content becomes more popular in China. Any such claim, with or without merit, could be time-consuming and costly to defend, and may result in litigation and divert management's attention and resources.

We may face certain risks related to financial products available on our Weibo wallet.

Weibo wallet enables users to purchase different types of financial products and services, including micro-loan facilitation offered by our related party, insurance, funds and other financial services offered by Weibo's business partners who are third parties with necessary licenses. The Chinese laws and regulations on internet finance have been developing rapidly in recent years. To ensure the services provided on Weibo wallet remain in compliance with PRC laws and regulations on internet finance services, we have made certain adjustments to the services available through Weibo wallet from time to time over the past several years.

For example, on March 28, 2018, the Internet Financing Risks Special Rectification Work Leading Group under the State Council issued a Notice on Strengthening the Rectification and Inspection of Asset Management Operations via Internet, which requires any entity that issues or sells fund and asset management products via the internet to obtain an asset management business license or asset management product sales license issued by the central financial management department. We have engaged third parties with necessary operating licenses to provide the services and products legally. After our adjustments, Weibo wallet now acts as a platform for, instead of an operator of, the financial products, including micro-loan facilitation offered by our related party, insurance, funds and other financial services offered by Weibo's business partners who are third parties with necessary licenses. As advised by our PRC counsel, Kewei Law Firm, such practice is in compliance with the current PRC laws and regulations.

On January 13, 2021, the General Office of the China Banking and Insurance Regulatory Commission and the General Office of the People's Bank of China jointly issued a Circular on Regulating the Personal Deposit Business Conducted by Commercial Banks through the Internet, pursuant to which, commercial banks are not allowed to engage in the business of providing fixed deposits or time-demand optional deposits through non-self-operated online platforms. On February 19, 2021, the General Office of the China Banking and Insurance Regulatory Commission issued a Circular on Further Regulating the Internet Loan Business of Commercial Banks, pursuant to which local banks engaged in online loan business shall serve local customers and are not allowed to operate online loan business outside of their registered local administrative areas, subject to certain exemptions. As such, we ceased our internet deposit cooperation with commercial banks and delisted all internet deposit services.

On March 12, 2021, the People's Bank of China issued the Announcement of the People's Bank of China [2021] No.3, pursuant to which all loan products shall explicitly indicate their annualized loan interest rate, and we have included the requested information timely after the issuance of this announcement.

If any of the financial products or services available on Weibo wallet are found to be in violation of PRC rules and regulations, Weibo may face warnings, fines, confiscation of illegal gains, license revocations or the discontinuation of business, and our business, financial condition and operating results could be adversely affected.

We have limited business insurance coverage.

The insurance industry in China is still young and the business insurance products offered in China are limited. We have limited business liability or disruption insurance coverage for our operations. Any business disruption, litigation or natural disaster may cause us to incur substantial costs and divert our resources.

A severe or prolonged downturn in the Chinese or global economy could materially and adversely affect our business and financial condition.

COVID-19 had a severe and negative impact on the Chinese and the global economy from 2020 through 2022, and the global macroeconomic environment still faces numerous challenges. The growth rate of the Chinese economy has been slowing since 2010 and the Chinese population began to decline in 2022. The Federal Reserve and other central banks outside of China have raised interest rates. The Russia-Ukraine conflict, the Hamas-Israel conflict and the attacks on shipping in the Red Sea have heightened geopolitical tensions across the world. The impact of the Russia-Ukraine conflict on Ukraine food exports has contributed to increases in food prices and thus to inflation more generally. There have also been concerns about the relationship between China and other countries which may potentially have economic effects. In particular, there is significant uncertainty about the future relationship between the United States and China with respect to a wide range of issues including trade policies, treaties, government regulations and tariffs. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. In addition, advertising customers and their advertising and marketing budgets may be sensitive to changes in macroeconomic conditions. If macroeconomic conditions deteriorate, advertisers' businesses may be directly hit, which may in turn lead to decreased advertising and marketing budgets. As a result, any severe or prolonged slowdown in the global or Chinese economy may materially and adversely affect our business, results of operations and financial condition.

We face risks related to health epidemics and natural disasters.

Our business could be materially and adversely affected by natural disasters, health epidemics or other public safety concerns affecting the PRC. Natural disasters may give rise to server interruptions, breakdowns, system failures, website or app failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware, as well as adversely affecting our ability to operate our website or apps and provide services and solutions. Our business could also be adversely affected if our employees are affected by health epidemics, such as new variants of COVID-19 or outbreaks of other diseases. In addition, our results of operations could be adversely affected to the extent that any health epidemic harms the Chinese economy in general. Our headquarters are located in China, where most of our directors and management and many of our employees currently reside. Most of our system hardware and back-up systems are hosted in facilities located in China. Consequently, if any natural disasters, health epidemics or other public safety concerns were to affect China, our operation may experience material disruptions, which may materially and adversely affect our business, financial condition and results of operations.

Divestitures of businesses and assets may have a material and adverse effect on our business and financial condition.

We may undertake in the future, partial or complete divestitures or other disposal transactions in connection with certain of our businesses and assets, particularly ones that are not closely related to our core focus areas or might require excessive resources or financial capital, to help our company meet its objectives. These decisions are largely based on our management's assessment of the business models and likelihood of success of these businesses. However, our judgment could be inaccurate, and we may not achieve the desired strategic and financial benefits from these transactions. Our financial results could be adversely affected by the impact from the loss of earnings and corporate overhead contribution/allocation associated with divested businesses.

Dispositions may also involve continued financial involvement in the divested business, such as through guarantees, indemnities or other financial obligations. Under these arrangements, performance by the divested businesses or other conditions outside of our control could affect our future financial results. We may also be exposed to negative publicity as a result of the potential misconception that the divested business is still part of our consolidated group. On the other hand, we cannot assure you that the divesting business would not pursue opportunities to provide services to our competitors or other opportunities that would conflict with our interests. If any conflicts of interest that may arise between the divesting business and us cannot be resolved in our favor, our business, financial condition, results of operations could be materially and adversely affected.

Furthermore, reducing or eliminating our ownership interests in these businesses might negatively affect our operations, prospects, or long-term value. We may lose access to resources or know-how that would have been useful in the development of our own business. Our ability to diversify or expand our existing businesses or to move into new areas of business may be reduced, and we may have to modify our business strategy to focus more exclusively on areas of business where we already possess the necessary expertise. We may sell our interests too early, and thus forego gains that we otherwise would have received had we not sold. Selecting businesses to dispose of or spin off, finding buyers for them (or the equity interests in them to be sold) and negotiating prices for what may be relatively illiquid ownership interests with no easily ascertainable fair market value will also require significant attention from our management and may divert resources from our existing business, which in turn could have an adverse effect on our business operations.

In connection with the listing of our Class A ordinary shares on the Hong Kong Stock Exchange, the Hong Kong Stock Exchange has granted us a waiver from strict compliance with the requirements in Paragraph 3(b) of Practice Note 15 to the Hong Kong Listing Rules such that we are able to list a subsidiary entity on the Hong Kong Stock Exchange within three years of our HK Listing. While we currently do not have any plan with respect to any spin-off listing on the Hong Kong Stock Exchange, we may consider a spin-off listing on the Hong Kong Stock Exchange for one or more of our businesses within the three-year period subsequent to our HK Listing. The waiver granted by the Hong Kong Stock Exchange is conditional upon us confirming to the Hong Kong Stock Exchange in advance of any spin-off that it would not render our company incapable of fulfilling the eligibility requirements under Rule 19C.05 of the Hong Kong Listing Rules based on the financial information of the entity or entities to be spun-off at the time of our HK Listing (calculated cumulatively if more than one entity is spun-off).

Risks Relating to Our Relationship with SINA

We enjoy a broad range of support from SINA and there can be no assurance that SINA will continue to provide the same level of support.

SINA is a leading internet media company in China, and our social media business has benefited significantly from SINA's strong market position in China and its expertise in both internet and media-related businesses. For example, our advertising and marketing revenues have benefited from SINA's ability to attract large brand advertisers that are interested in advertising on the internet. Prior to our initial public offering in April 2014, SINA provided us with financial, administrative, sales and marketing, human resources and legal services and the services of a number of its executives and employees. After we became a stand-alone public company, SINA has continued to provide us with certain support services.

Although we have entered into a series of agreements with SINA relating to our ongoing business partnership and service arrangements with SINA, we cannot assure you we will continue to receive the same level of support from SINA going forward. To the extent that SINA does not continue to provide us with such support, we will need to create our own support systems. We may encounter operational, administrative and strategic difficulties if we are to adjust to providing these support services on our own, which may cause us to react slower than our competitors to industry changes, may divert our management's attention from running our business or may otherwise harm our operations.

On March 22, 2021, New Wave Mergersub Limited (a wholly owned subsidiary of Sina Group Holding Company Limited, formerly known as New Wave Holdings Limited) merged with and into SINA, with SINA continuing as the surviving company. As a result of this merger, SINA became a wholly owned subsidiary of Sina Group Holding Company Limited, which is a wholly owned subsidiary of New Wave MMXV Limited, a business company incorporated in the British Virgin Islands and controlled by Mr. Charles Chao. Following the completion of the merger, SINA has ceased to be a reporting company under the Exchange Act and its shares have ceased trading on The Nasdaq Stock Market.

Our agreements with SINA may be less favorable to us than similar agreements negotiated between unaffiliated parties. In particular, our non-competition agreement with SINA limits the scope of business that we are allowed to conduct.

We have entered into a series of agreements with SINA and the terms of such agreements may be less favorable to us than would be the case if they were negotiated with unaffiliated third parties. In particular, under the non-competition agreement we have entered into with SINA, we agreed not to, during the non-competition period (which will end on the later of (1) five years after the first date when SINA ceases to own in aggregate at least 20% of the voting power of our then outstanding securities and (2) the fifteenth anniversary of the completion of our initial public offering in 2014), compete with SINA in the business currently conducted by SINA, as described in its periodic filings with the SEC, other than the microblogging and social networking business that we operated and any business that we developed operating under either the domain names or the brands that we owned as of the date of the agreement. Such contractual limitations significantly affect our ability to diversify our revenue sources and may materially and adversely impact our business and prospects should the growth of social media in China slow down. In addition, pursuant to our master transaction agreement with SINA, we have agreed to indemnify SINA for liabilities arising from litigation and other contingencies related to our business and assumed these liabilities as part of our carve-out from SINA. The allocation of assets and liabilities between SINA and our company may not reflect the allocation that would have been reached by two unaffiliated parties. Moreover, so long as SINA continues to control us, we may not be able to bring a legal claim against SINA in the event of contractual breach, notwithstanding our contractual rights under the agreements described above and other intercompany agreements entered into from time to time.

Our sales, marketing and brand promotion have benefited significantly from our association with SINA. Any negative development in SINA's market position or brand recognition may materially and adversely affect our marketing efforts and the strength of our brand.

As a controlled subsidiary of SINA, we have benefited significantly from our association with SINA in marketing our brand and our platform. For example, we have benefited by providing services to SINA's clients. We also benefit from SINA's strong brand recognition in China, which has provided us credibility and a broad marketing reach. If SINA loses its market position, the effectiveness of our marketing efforts through our association with SINA may be materially and adversely affected. In addition, any negative publicity associated with SINA will likely have an adverse impact on the effectiveness of our marketing as well as our reputation and our brand.

SINA has pledged all of the Class B ordinary shares held by it in our company to secure a syndicate loan, and if SINA defaults on the underlying loan, we could experience a change in control.

In March 2023, SINA entered into a facility agreement with, among others, Goldman Sachs Bank USA as mandated lead arranger and bookrunner, and Citicorp International Limited as facility agent and as security agent, under which SINA is entitled to borrow up to US\$300 million. The maturity date of this facility agreement is March 13, 2025. Shortly thereafter, SINA pledged all of the Class B ordinary shares held by it in our company in favor of the security agent, which represented 36.1% of our total issued and outstanding shares and 62.9% of our voting power as of March 31, 2024.

In the event SINA defaults under the facility agreement governing SINA's loan, the security agent may exercise its rights and remedies in respect of the pledge, including the right to sell and/or foreclose on the shares subject to the pledge, which potentially could cause a change in control in our company. For a detailed discussion of the impact of the disposal of Class B ordinary shares in our company to any person or entity which is not the Founder or a Founder's Affiliate (each as defined under our memorandum and articles of association) on our corporate matters, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Our ADSs and Class A Ordinary Shares—Our dual-class voting structure will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A ordinary shares and ADSs may view as beneficial."

We are not required to offer to repurchase all outstanding 2024 Senior Notes or 2030 Senior Notes upon the occurrence of a change in control event under the indentures governing our 2024 Senior Notes and 2030 Senior Notes or immediately repay outstanding amount under our 2027 Loans upon the occurrence of a change in control event.

However, our 2030 Convertible Notes contain provisions concerning the holders' right to require us to repurchase their notes upon the occurrence of a fundamental change (as defined in the terms of such notes). The indenture for our 2030 Convertible Notes defines a "fundamental change" to include, among other things, a person or a group other than Permitted Holders (as defined in the terms of such notes), SINA (or its successors), Weibo Corporation and its subsidiaries or such subsidiaries' employee benefit plans files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner" of the ordinary shares (including Class A ordinary shares held in the form of ADSs) of Weibo Corporation representing more than 50% of the voting power of all outstanding classes of Weibo Corporation's capital stock that is entitled to vote generally in the election of the directors of Weibo Corporation.

In the event SINA defaults under the facility agreement governing SINA's loan and the security agent enforces its rights and remedies against the pledge of SINA's Class B ordinary shares, SINA will no longer be a controlling shareholder of our company. As a result, the Class B ordinary shares previously held by SINA will be converted to Class A ordinary shares which do not have weighted voting rights. If any person or group (other than the Permitted Holders) subsequently becomes the direct or indirect "beneficial owner" of the ordinary shares of our company (including Class A ordinary shares held in the form of ADSs) representing more than 50% of the voting power of all outstanding classes of our company's common equity, a fundamental change may occur, upon which holders will have the right to require us to repurchase their outstanding 2030 Convertible Notes. For further discussions of the repurchase right of the holders of our 2030 Convertible Notes, see "—If we cannot obtain sufficient cash when we need it, we may not be able to meet our payment obligations under our outstanding and future debt obligations."

Furthermore, certain other contracts we are party to from time to time or future loans that we undertake may contain change of control provisions which, if triggered, could cause our contracts to be terminated or give rise to other obligations, such as accelerated payment requirements, each of which could have a material adverse effect on our business, results of operations and financial condition. If upon a change of control, we do not have sufficient funds available to make such payments if needed out of our available cash, third party financing would be needed, yet may be impermissible under our other debt agreements.

We are a "controlled company" within the meaning of The Nasdaq Stock Market Rules and, as a result, may rely on exemptions from certain corporate governance requirements that provide protection to shareholders of other companies.

We are a "controlled company" as defined under The Nasdaq Stock Market Rules because SINA holds more than 50% of our voting power. For so long as we remain a controlled company under that definition, we are permitted to elect to rely, and will rely, on certain exemptions from corporate governance rules, including:

- an exemption from the rule that our director nominees must be selected or recommended solely by independent directors; and

- an exemption from having a corporate governance and nominating committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

As a result, the ADS holders do not have the same protection afforded to shareholders of companies that are subject to these corporate governance requirements.

We may have conflicts of interest with SINA and, because of SINA's controlling ownership interest in our company, we may not be able to resolve such conflicts on favorable terms for us.

Conflicts of interest may arise between SINA and us in a number of areas relating to our past and ongoing relationships. Potential conflicts of interest that we have identified include the following:

- Indemnification arrangements with SINA. We have agreed to indemnify SINA with respect to lawsuits and other matters relating to our social media business, including operations of that business when it was a private company and a subsidiary of SINA. These indemnification arrangements could result in our having interests that are adverse to those of SINA, for example, with respect to settlement arrangements in litigation. In addition, under these arrangements, we have agreed to reimburse SINA for liabilities incurred (including legal defense costs) in connection with any litigation, while SINA will be the party prosecuting or defending the litigation.
- Non-competition arrangements with SINA. We and SINA have entered into a non-competition agreement under which we agree not to compete with each other's core business. SINA agrees not to compete with us in a business that is of the same nature as the microblogging and social networking business that we operated as of the date of the agreement. We agree not to compete with SINA in the business currently conducted by SINA, as described in its periodic filings with the SEC, other than the microblogging and social networking business that we operated as of the date of the agreement.
- Employee recruiting and retention. Because both SINA and we are engaged internet-related businesses in China, we may compete with SINA in the hiring of new employees, in particular with respect to media and advertising-related matters. We have a non-solicitation arrangement with SINA that restricts us and SINA from hiring any of each other's employees.
- Our board members or executive officers may have conflicts of interest. Two directors of our company are also executive officers of SINA. In addition, we may continue to grant incentive share compensation to SINA's employees and consultants from time to time. These relationships could create, or appear to create, conflicts of interest when these persons are faced with decisions with potentially different implications for SINA and us.
- Sale of shares in our company. SINA may decide to sell all or a portion of our shares that it holds to a third party, including to one of our competitors, thereby giving that third party substantial influence over our business and our affairs. Such a sale could be contrary to the interests of our employees or our other shareholders.
- Allocation of business opportunities. Business opportunities may arise that both we and SINA find attractive, and which would complement our respective businesses. SINA may decide to take the opportunities itself, which would prevent us from taking advantage of those opportunities.
- Developing business relationships with SINA's competitors. So long as SINA remains as our controlling shareholder, we may be limited in our ability to do business with its competitors, such as other online media companies in China. This may limit our ability to market our services for the best interests of our company and our other shareholders.

Although our company has become a stand-alone public company, we expect to operate, for as long as SINA is our controlling shareholder, as an affiliate of SINA. SINA may from time to time make strategic decisions that it believes are in the best interests of its business as a whole, including our company. These decisions may be different from the decisions that we would have made on our own. SINA's decisions with respect to us or our business may be resolved in ways that favor SINA and therefore SINA's own shareholders, which may not coincide with the interests of our other shareholders. We may not be able to resolve any potential conflicts, and even if we do so, the resolution may be less favorable to us than if we were dealing with a non-controlling shareholder. Even if both parties seek to transact business on terms intended to approximate those that could have been achieved among unaffiliated parties, this may not succeed in practice.

Risks Relating to Our Corporate Structure

Uncertainties exist with respect to the interpretation and implementation of the PRC Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.

The National People's Congress approved the Foreign Investment Law on March 15, 2019 and the State Council approved the Regulation on Implementing the Foreign Investment Law on December 26, 2019, effective from January 1, 2020. The Supreme People's Court of China issued the Interpretation on the Application of the Foreign Investment Law of the PRC on December 26, 2019, effective from January 1, 2020, to ensure fair and efficient implementation of the Foreign Investment Law. According to the judicial interpretation, courts in China shall not support contracted parties to claim foreign investment contracts in sectors not on the Special Administrative Measures for Access of Foreign Investment (Negative List) as void because the contracts have not been approved or registered by administrative authorities. The Foreign Investment Law and its implementation regulations embody an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments.

However, uncertainties still exist in relation to their interpretation. For instance, under the Foreign Investment Law, "foreign investment" refers to the investment activities directly or indirectly conducted by foreign individuals, enterprises or other entities in China. Though it does not explicitly classify contractual arrangements as a form of foreign investment, there is no assurance that foreign investment via contractual arrangement would not be interpreted as a type of indirect foreign investment activities under the definition in the future. In addition, the definition contains a catch-all provision which includes investments made by foreign investors through means stipulated in laws or administrative regulations or other methods prescribed by the State Council. Therefore, it still leaves leeway for future laws, administrative regulations or provisions promulgated by the State Council to provide for contractual arrangements as a form of foreign investment. In any of these cases, it will be uncertain whether our contractual arrangements will be deemed to be in violation of the market access requirements for foreign investment under the PRC laws and regulations, or whether they may be invalid in whole or in part. Furthermore, if future laws, administrative regulations or provisions prescribed by the State Council mandate further actions to be taken by companies with respect to existing contractual arrangements, we may face substantial uncertainties as to whether we can complete such actions in a timely manner, or at all. Failure to take timely and appropriate measures to cope with any of these or similar regulatory compliance challenges could materially and adversely affect our current corporate structure, corporate governance and business operations.

If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC regulations on foreign investment in internet and other related businesses, or if these regulations or their interpretation change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations.

Current PRC laws and regulations impose certain restrictions or prohibitions on foreign ownership of companies that engage in internet and other related businesses, including the provision of internet content and online game operations. Specifically, foreign ownership of an internet content provider may not exceed 50%. We are a company incorporated in the Cayman Islands and Weibo Technology, our PRC subsidiary, is considered a foreign-invested enterprise. To comply with PRC laws and regulations, we conduct our business in China principally through Weimeng, and its subsidiaries based on a series of contractual arrangements by and among Weibo Technology, Weimeng and its shareholders. We also operate certain investments in China through Weimeng Chuangke and its subsidiaries, based on a series of contractual arrangements by and among Weibo Technology, Weimeng Chuangke and its shareholders. As a result of these contractual arrangements, we exert control over Weimeng and Weimeng Chuangke and treat them as consolidated VIEs. Consequently, we consolidate their operating results in our financial statements under U.S. GAAP. Weimeng and Weimeng Chuangke hold certain assets that are important to our business operations, including the Internet Content License, the Online Culture Operating Permit and domain names held by Weimeng and our investments held by Weimeng Chuangke. Investors of our Class A ordinary shares and/or the ADSs are not purchasing equity interest in the VIEs in China but instead are purchasing equity interest in a Cayman Islands holding company with no direct equity ownership of the VIEs.

In the opinion of our PRC counsel, Kewei Law Firm, our current ownership structure, the ownership structure of our PRC subsidiaries and the VIEs, and the contractual arrangements among our PRC subsidiaries, the VIEs and their respective shareholders are in compliance with existing PRC laws, rules and regulations. There are, however, substantial uncertainties regarding the interpretation and application of current or future PRC laws and regulations. Thus, we cannot assure you that the PRC government will not ultimately take a view contrary to the opinion of our PRC counsel.

Weibo Corporation, the VIEs and investors of our company face uncertainties about potential actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, the business, financial condition, and results of operations of the VIEs and our company as a group. It is uncertain whether any new PRC laws or regulations relating to VIE structures will be adopted, or, if adopted, what requirements would be made. In particular, the National People's Congress approved the Foreign Investment Law and the PRC State Council approved the Implementation Rules of Foreign Investment Law in 2019. There are uncertainties as to how the Foreign Investment Law and its implementation rules would be further interpreted and implemented, and if it would represent a major change to the laws and regulations relating to the VIE structures. See “—Risks Relating to Our Corporate Structure—Uncertainties exist with respect to the interpretation and implementation of the PRC Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.” If we are found in violation of any PRC laws or regulations, the governmental authorities would have broad discretion in dealing with such violation, including, without limitation, levying fines, restricting our right to collect revenues, confiscating our income or the income of the VIEs, revoking our business licenses or the business licenses of the VIEs, requiring us to restructure our ownership structure or operations, and requiring us or the VIEs to discontinue any portion or all of our business. Any of these actions could cause significant disruption to our business operations and may materially and adversely affect our business, financial condition and results of operations. If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC laws and regulations, or if these regulations change or are interpreted differently in the future, our ADSs and/or Class A ordinary shares may decline in value or become worthless if we are unable to assert our contractual control rights over the assets of the VIEs.

We rely on contractual arrangements with the VIEs and their respective shareholders for our operations in China, which may not be as effective in providing operational control as direct ownership.

Due to the PRC restrictions or prohibitions on foreign ownership of internet and other related businesses in China, we operate our business in China through the VIEs, in which we have no ownership interest. We rely on a series of contractual arrangements with the VIEs and their respective shareholders to control and operate their business. These contractual arrangements are intended to provide us with effective control over these VIEs and allow us to obtain economic benefits from them. See “Item 4. Information on the Company—C. Organizational Structure—Contractual Arrangements with the VIEs and Their Respective Individual Shareholders” for more details about these contractual arrangements.

Although we have been advised by our PRC counsel, Kewei Law Firm, that these contractual arrangements are valid, binding and enforceable under existing PRC laws and regulations, these contractual arrangements may not be as effective in providing control over these VIEs as direct ownership. If any of these VIEs or their shareholders fail to perform their respective obligations under the contractual arrangements, we may incur substantial costs and expend substantial resources to enforce our rights. All of these contractual arrangements are governed by and interpreted in accordance with PRC law, and disputes arising from these contractual arrangements will be resolved through arbitration in China. However, the legal system in China, particularly as it relates to arbitration proceedings, is not as developed as in other jurisdictions, such as the United States. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.” There are very few precedents and little official guidance as to how contractual arrangements in the context of a variable interest entity should be interpreted or enforced under PRC law. There remain significant uncertainties regarding the ultimate outcome of arbitration should legal action become necessary. These uncertainties could limit our ability to enforce these contractual arrangements. In addition, arbitration awards are final and can only be enforced in PRC courts through arbitration award recognition proceedings, which could cause additional expenses and delays. In the event we are unable to enforce these contractual arrangements or we experience significant delays or other obstacles in enforcing these contractual arrangements, we may not be able to exert effective control over our affiliated entities and may lose control over the assets owned by the VIEs and their subsidiaries. As a result, we may be unable to consolidate Weimeng or Weimeng Chuangke and their respective subsidiaries in our consolidated financial statements, our ability to conduct our business may be negatively affected, and our business operations could be severely disrupted, which could materially and adversely affect our results of operations and financial condition.

In April 2020, WangTouTongDa (Beijing) Technology Co., Ltd. made an investment of RMB10.7 million in Weimeng for 1% of Weimeng's enlarged registered capital. Such third-party minority stake holder is not a party to the contractual arrangements that are currently in effect among Weimeng, Weibo Technology and Weimeng's other shareholders. As such, despite the fact that we are still able to enjoy economic benefits and exercise effective control over Weimeng and its subsidiaries, we are not able to purchase or have the third party minority stake holder pledge its 1% equity interests in Weimeng in the same manner as agreed under existing contractual arrangements, nor are we granted the authorization of voting rights over these 1% equity interests. However, we believe Weibo Technology, our wholly owned PRC subsidiary, still controls and is the primary beneficiary of Weimeng (for accounting purpose only) as it continues to have a controlling financial interest in Weimeng pursuant to ASC 810-10-25-38A after the issuance of such 1% equity interests.

Shareholders of the VIEs may have potential conflicts of interest with us, which may affect the performance of the contractual arrangements with the VIEs and their respective shareholders, which may in turn materially and adversely affect our business and financial condition.

Other than the third-party minority stake holder that holds 1% of Weimeng's equity interests, the VIEs' shareholders, or the Individual Shareholders, are PRC employees of our company or SINA. Although each of these Individual Shareholders has authorized Weibo Technology to exercise all of his/her voting powers in Weimeng or Weimeng Chuangke, and we may replace any of these Individual Shareholders at any time pursuant to the share transfer agreements, we cannot assure you that these Individual Shareholders will act in the best interest of our company should any conflict arise. If they were to act in bad faith towards us, we may have to take legal actions to enforce their contractual obligations, which may be expensive, time-consuming and disruptive to our operations. As there remain significant uncertainties regarding the ultimate outcome of a legal action due to the limited number of precedents and lack of official guidance as to how contractual arrangements in the context of a variable interest entity should be interpreted or enforced under PRC law, we cannot assure you that conflicts will be resolved in our favor. If we are unable to resolve any such conflicts, or if we suffer significant delays or other obstacles as a result of such conflicts, our business and operations could be severely disrupted, which could materially and adversely affect our results of operations and financial condition.

We may lose the ability to use and enjoy assets held by any of the VIEs that are important to the operation of our business if such VIE declares bankruptcy or becomes subject to a dissolution or liquidation proceeding.

The VIEs hold certain assets that are important to our business operations, including the Internet Content Provision License, the Online Culture Operating Permit and domain names held by Weimeng and our investments held by Weimeng Chuangke. Under our contractual arrangements with the VIEs, the Individual Shareholders may not voluntarily liquidate the VIE or approve the VIE to sell, transfer, mortgage or dispose of its assets or legal or beneficial interests in the business in any manner without our prior consent. However, in the event that the Individual Shareholders breach this obligation and voluntarily liquidate any VIE, or any VIE declares bankruptcy, or all or part of its assets become subject to liens or rights of third-party creditors, we may be unable to continue some or all of our business operations, which could materially and adversely affect our business, financial condition and results of operations. Furthermore, if any of the VIEs or their subsidiaries undergoes a voluntary or involuntary liquidation proceeding, their shareholders or unrelated third-party creditors may claim rights to some or all of their assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition and results of operations.

Contractual arrangements we have entered into with the VIEs may be subject to scrutiny by the PRC tax authorities. A finding that we owe additional taxes could substantially reduce our consolidated net income and the value of your investment.

Pursuant to applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by the PRC tax authorities. We may be subject to adverse tax consequences if the PRC tax authorities determine that the contractual arrangements among our PRC subsidiaries, the VIEs and their Individual Shareholders are not on an arm's length basis and therefore constitute favorable transfer pricing. As a result, the PRC tax authorities could require any of the VIEs to adjust its taxable income upward for PRC tax purposes. Such a pricing adjustment could adversely affect us by increasing such VIE's tax expenses without reducing the tax expenses of our PRC subsidiaries, subjecting such VIE to late payment fees and other penalties for under-payment of taxes, and resulting in our PRC subsidiaries' loss of its preferential tax treatment. Our results of operations may be adversely affected if any of the VIEs' tax liabilities increase or if it is subject to late payment fees or other penalties.

If the chops of our PRC subsidiaries, the VIEs and their respective subsidiaries are not kept safely, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised.

In China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in China is required to maintain a company chop, which must be registered with the local Public Security Bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our PRC subsidiary, the VIEs and their respective subsidiaries are generally held securely by personnel that we designated or approved in accordance with our internal control procedures. To the extent those chops are not kept safely, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so. In addition, if the holders of such chops at any of the VIEs failed to employ them in accordance with the terms of the various VIE-related agreements or removed them from the premises, the operation of such VIE could be significantly and adversely impacted.

Risks Relating to Doing Business in China

Regulation and censorship of information disseminated over the internet in China may adversely affect our business and subject us to liability for information displayed on Weibo.

The PRC government has adopted regulations governing internet access and the distribution of information over the internet. Under these regulations, internet content providers and internet publishers are prohibited from posting or displaying the internet content that impairs the national dignity of China, is reactionary, obscene, superstitious, fraudulent or defamatory, or otherwise violates PRC laws and regulations. Failure to comply with these requirements may result in the revocation of licenses to provide internet content and other licenses and the closure of the concerned websites and levy of fines. The website operator may also be held liable for such censored information displayed on or linked to the website.

In addition, the Ministry of Industry and Information Technology has published regulations that subject website operators to potential liability for content displayed on their websites and for the actions of users and others using their systems, including liability for violations of PRC laws prohibiting the dissemination of content deemed to be socially destabilizing. The Ministry of Public Security has the authority to order any local internet service provider to block any internet website at its sole discretion. From time to time, the Ministry of Public Security stops the dissemination over the internet of information which it believes to be socially destabilizing. The State Administration for the Protection of State Secrets is also authorized to block any website it deems to be leaking state secrets or failing to meet the regulations relating to the protection of state secrets in the dissemination of online information. Cyberspace Administration of China, set up in May 2011 to supervise internet content management nationwide, has also promulgated regulations and taken a number of other measures to regulate and monitor online content.

Although we attempt to monitor the content that users posted on Weibo, we are not able to effectively control or restrict content generated or placed on Weibo by our users. In particular, with various features such as posts, comments and chat groups and the growing popularity of multi-media content, such as photos, videos and live streaming, and long-form articles, content monitoring has become much more complicated and challenging than text-based feeds.

To the extent that PRC regulatory authorities find any content displayed on Weibo objectionable, they may require us to limit, prevent, or eliminate the dissemination of such information on our platform. The Cyberspace Administration of China launched the “Clear and Bright” campaign to rectify various areas of online misconduct in May 2021, in response to which, certain policies were issued and actions were launched. On June 15, 2021, the Cyberspace Administration of China launched the “Fan Group Chaos Rectification” special action, followed by issuance of the Notice on Further Strengthening the Management of Chaos in Fan Groups on August 25, 2021. Both of the special action and notice are intended to curb inappropriate behaviors in the online fan groups for celebrities, specifically, various fans interactive features and functions, so as to curb attacks, stigmatization, fans community fiction and hostilities and the spread of other harmful information. The Notice on Further Strengthening the Management of Chaos in Fan Groups requested the cancellation of all rankings of celebrities. The rankings of music, film and television works are still allowed, but the network platforms should optimize and adjust ranking rules to focus on the art works themselves and to base rankings on professional evaluation. Furthermore, minors are not allowed to make virtual gifting or spend money on supporting idols, or act as the organizer or manager of a fan group. We have taken measures specified in this notice to the extent applicable to our business, including removing the function of the “star power list” on our platform. From 2022 to 2023, the Cyberspace Administration of China initiated a series of special actions as part of the “Clear and Bright” campaign, and we have taken measures to comply with the requirements under these special actions to the extent applicable to our business, including filtering and removing offensive content, such as short videos, as well as closing illegal accounts on our platform.

In August 2021, in response to the PRC regulatory authorities’ then regulatory focus on financial blogs, we have identified and rectified certain for-profit bloggers, including key opinion leaders, with inappropriate nicknames, self-descriptions, marketing events, and publication of financial and economics related information. We have publicly disclosed the rectification results on our platform and established a hotline for users to report any inappropriate events.

On October 26, 2021, the Cyberspace Administration of China issued the Notice on Further Strengthening the Regulation on Online Information of Entertainment Celebrities, which requests internet platforms to monitor information posted by celebrities online so as to timely identify hot topics that could involve illegal actions and to promptly report to the competent authorities in such event. Failure to comply with the requirements from PRC regulatory authorities on content regulation may subject us to liabilities and penalties and may even result in the temporary blockage or complete shutdown of our online operations.

We have received penalties for inappropriate or illegal content transmitted on our platform in the past, and we have cooperated with the government authorities to take corrective measures in all cases. For example, in June 2020, Cyberspace Administration of China imposed a fine of RMB500,000 on us for failing to timely discover and remove user posts violating PRC laws and regulations from our platform and required us to rectify and suspend the operation of Weibo hot search feature for one week. We were imposed with fines in the past for disseminating illegal content on our platform from the regulatory authorities, which penalties may be publicized on the websites of the regulatory authorities from time to time. We believe these past incidents, individually or in the aggregate, did not have a material adverse effect on our business, financial condition or results of operations.

The restrictions on internet content under rules and regulations promulgated by PRC regulatory authorities may negatively impact the operation results of our live streaming business. Government standards and interpretations may change in a manner that could render our current monitoring and managing efforts insufficient. The PRC government has wide discretion in regulating online activities and, irrespective of our efforts to control the content on our platform, government campaigns and other actions to reduce inappropriate or illegal content and activities could subject us to negative press or regulatory challenges and sanctions, including imposition of fines, suspension or revocation of our licenses to operate in China or a ban of our platform, including closure of one or more parts of or our entire business. If government actions or sanctions are brought against us, or if there are widespread rumors about any actual or potential government actions or sanctions against us, our reputation could be harmed, we may lose users and other customers, and our revenues and results of operation may be materially and adversely affected.

The Judicial Interpretation on the Application of Law in Trial of Online Defamation and Other Online Crimes jointly promulgated by the Supreme People’s Court and Supreme People’s Procuratorate, which became effective on September 10, 2013, imposes up to a five-year prison sentence on internet users who fabricate or knowingly share defamatory false information online. The Supreme People’s Court and three other departments jointly issued the Guiding Opinions on Punishing Illegal and Criminal Activities of Cyber Violence in Accordance with the Law, which clarified the rules applications to cyber violence and crimes, such as online defamation, insults, infringement of citizens’ personal information, illegal use of information networks and the use of cyberviolence for malicious marketing. The implementation of these judicial interpretation and guiding opinion may have a significant and adverse effect on the traffic of our platform and discourage the creation of user-generated content, which in turn may impact the results of our operations and ultimately the trading price of our Class A ordinary shares and/or ADSs.

Regulation and censorship of information disseminated over the internet in China may adversely affect our user experience and reduce users’ engagement and activities on our platform as well as adversely affect our ability to attract new users to our platform. Any and all of these adverse impacts may ultimately materially and adversely affect our business and results of operations.

Substantial uncertainties exist with respect to the interpretation and implementation of cybersecurity related regulations and cybersecurity review as well as any impact these may have on our business operations.

The cybersecurity legal regime in China is relatively new and evolving rapidly, and their interpretation and enforcement involve significant uncertainties. As a result, it may be difficult to determine what actions or omissions may be deemed to be in violations of applicable laws and regulations in certain circumstances.

Network operators in China are subject to numerous laws and regulations, and have the obligations to, among others, (i) establish internal security management systems that meet the requirements of the classified protection system for cybersecurity, (ii) implement technical measures to monitor and record network operation status and cybersecurity incidents, (iii) implement data security measures such as data classification, backups and encryption, and (iv) submit for cybersecurity review under certain circumstances.

On November 7, 2016, the Standing Committee of the National People’s Congress issued the Cyber Security Law, which imposes more stringent requirements on operators of “critical information infrastructure,” especially in data storage and cross-border data transfer.

On December 28, 2021, the Cyberspace Administration of China, together with several other PRC governmental authorities, jointly published the Measures for Cybersecurity Review, with effect from February 15, 2022. Pursuant to these measures, (i) operators of critical information infrastructure that intend to purchase network products and services and online platform operators that conduct data processing activities, in each case that affect or may affect national security, and (ii) operators of network platforms seeking listing abroad that are in possession of more than one million users’ personal information must apply for a cybersecurity review.

As advised by our PRC counsel, Kewei Law Firm, the exact scope of operators of “critical information infrastructure” under the Measures for Cybersecurity Review and current PRC regulatory regime is subject to the decisions of the PRC government authorities that have been delegated the authority to identify operators of “critical information infrastructure” in their respective jurisdictions (including regions and industries). PRC government authorities have wide discretion in the interpretation and enforcement of these laws, including the identification of operators of “critical information infrastructure” and the interpretation and enforcement of requirements potentially applicable to such operators of “critical information infrastructure.” As a major internet platform, we are at risk of being deemed to be an operator of “critical information infrastructure” or a network platform operator meeting the above criteria under PRC cybersecurity laws. If we are identified as an operator of “critical information infrastructure,” we would be required to fulfill various obligations as required under PRC cybersecurity laws and other applicable laws for such operators of “critical information infrastructure” thus currently not applicable to us, including setting up a special security management organization, organizing regular cybersecurity education and training, formulating emergency plans for cyber security incidents and conducting regular emergency drills, and although the internet products and services we purchase are primarily bandwidth, copyright content and marketing services, we may need to follow cybersecurity review procedure and apply with Cybersecurity Review Office before making certain purchases of network products and services. During cybersecurity review, we may be required to suspend the provision of any existing or new services to our users, and we may experience other disruptions of our operations, which could cause us to lose users and customers therefore leading to adverse impacts on our business. The cybersecurity review could also lead to negative publicity and a diversion of time and attention of our management and our other resources. It could be costly and time-consuming for us to prepare application materials and make the applications. Furthermore, there can be no assurance that we will obtain the clearance or approval for these applications from the Cybersecurity Review Office and the regulatory authorities in a timely manner, or at all. If we are found to be in violation of cybersecurity requirements in China, the governmental authorities may, at their discretion, conduct investigations, levy fines, request app stores to take down our apps and cease to provide viewing and downloading services related to our apps, prohibit the registration of new users on our platform, or require us to change our business practices in a manner materially adverse to our business. Any of these actions may disrupt our operations and adversely affect our business, results of operations and financial condition.

On November 14, 2021, the Cyberspace Administration of China published a discussion draft of the Administrative Measures for Internet Data Security, which provides that data processors conducting the following activities shall apply for cybersecurity review: (i) merger, reorganization or division of internet platform operators that have acquired a large number of data resources related to national security, economic development or public interests affects or may affect national security; (ii) listing abroad of data processors processing over one million users’ personal information; (iii) listing in Hong Kong which affects or may affect national security; or (iv) other data processing activities that affect or may affect national security. There have been no clarifications from the authorities as of the date of this annual report as to the standards for determining such activities that “affects or may affect national security.” The Cyberspace Administration of China has solicited comments on this draft until December 13, 2021, but there is no timetable as to when it will be enacted. As such, substantial uncertainties exist with respect to the enactment timetable, final content, interpretation and implementation. This draft, if enacted as proposed, may materially impact our capital raising activities. Any failure to obtain such approval or clearance from the regulatory authorities could materially constrain our liquidity and have a material adverse impact on our business operations and financial results, especially if we need additional capital or financing.

We believe, to the best of our knowledge, our business operations do not violate any of the above PRC laws and regulations currently in effect in material aspects. We have been taking, and will continue to take, reasonable measures to comply with such laws, regulations, announcement, provisions and inspection requirements. However, the interpretation and application of these cybersecurity laws, regulations and standards are evolving. We cannot assure you that governmental authorities will not interpret or implement these and other laws or regulations in ways that may negatively affect us.

We are required to, but have not been able to, verify the identities of all of our users who post on Weibo, and our non-compliance exposes us to potentially severe penalty by the Chinese government.

The Rules on the Administration of Microblog Development, issued by the Beijing Municipal Government in 2011, stipulate that users who post publicly on microblogs are required to disclose their real identity to the microblogging service provider, though they may still use pen names on their accounts. Microblogging service providers are required to verify the identities of their users. In addition, microblogging service providers based in Beijing were required to verify the identities of all of their users, including existing users who post publicly on their websites. Furthermore, pursuant to the Cyber Security Law passed by the Standing Committee of the National People's Congress, which came into effect on June 1, 2017, we are required to verify users' real identities when they sign up. Further, both the Administrative Measures on Group Chat Service issued on September 7, 2017 and effective on October 8, 2017, and the Administrative Measures on Internet User Public Account Information Service, which was issued on September 7, 2017 and effective on October 8, 2017 and amended on January 22, 2021, require verification of any user's identity. On August 1, 2018, the Cyberspace Administration of China and the other five PRC governmental authorities jointly issued the Circular on Tightening the Administration of Online Live Streaming Services, which specifies that online live streaming service providers are required to implement real name verification system for users.

To comply with the user verification requirements, we have guided content creators in certain professional areas such as, current affairs, military, finance, law and healthcare, with over one million followers to provide real-name and other identity information on their front account pages. This requirement will be gradually extended to content creators with over 500,000 followers in professional industries. Users and accounts that primarily focused on sharing personal daily life content will not be affected by this requirement.

However, for reasons including existing user behaviors, the nature of the social media product and online live streaming and the lack of clarity on specific implementation procedures, we have not been able to verify the identities of all of the users who post content publicly on Weibo. We are potentially liable for our non-compliance and may be subject to penalties including the deactivation of certain features on Weibo, a written warning, suspension or termination of Weibo operations, fines, revocation of licenses or business license, or other penalties imposed by the Chinese government. Any of the above actions may have a material and adverse impact on the trading price of our Class A ordinary shares and/or ADSs.

Regulatory investigations could cause us to incur additional expenses or change our business practices in a manner materially adverse to our business.

Internet content regulation in China is continually evolving, which can at times result in sustained periods of enhanced enforcement of content censorship, cyber security reviews, user privacy compliance, and internet financial services oversight. PRC regulators had in the past ordered the suspension or significant curtailment of several content apps and platforms, all in connection with content that our users shared or accessed.

In a period of enhanced scrutiny of internet content, we may become subject to regulatory investigations or audits in connection with products or services we provide or for information or content displayed on, retrieved from or linked to our platform, or distributed to our users. During such investigation, some or all of our products, services, features or functionalities could be terminated, and our apps could be removed from the App stores. It is also possible that a regulatory investigation could result in changes to our policies or practices, could result in reputational harm, prevent us from offering certain products, services, features or functionalities, cause us to incur substantial costs, or require us to change our business practices in a manner materially adverse to our business.

We may have to register our encryption software with Chinese regulatory authorities. If they request that we change our encryption software, our business operations could be disrupted as we develop or license replacement software.

Pursuant to the Regulations for the Administration of Commercial Encryption promulgated in 1999 and amended on July 1, 2023, foreign companies or individuals in China are required to seek approval from the Office of the State for Cipher Code Administration, the Chinese encryption regulatory authority, for the use of commercial encryption products or equipment involving encryption technology. Companies operating in China are allowed to use only commercial cipher code products approved by this authority and are prohibited to use self-developed or imported cipher code products without approval. In addition, all cipher code products shall be produced by those producers appointed and approved by this authority. Additional rules became effective in 2006 and amended in 2017 regulating many aspects of commercial cipher code products in detail, including development, production and sales.

Because these regulations do not specify what constitutes a cipher code product, we are unsure as to whether or how they apply to us and the encryption software we utilize. We may be required to register or apply for permits for our current or future encryption software. If the PRC authorities request that we register our encryption software or change our current encryption software to an approved cipher code product produced by an appointed producer, it could disrupt our business operations.

Regulations on virtual currency may adversely affect our game operations revenues.

We have provided Weibo Credit as an online virtual currency for users to purchase in-game virtual items or other types of fee-based services on our platform. In the fourth quarter of 2020, we acquired the majority equity shares of Shanghai Jiamian Information Technology Co., Ltd., a company operating several online interactive entertainment apps in China including “Pocket Werewolves.” This investee provides “gold coin” as an online virtual currency for users to purchase items to be used in those apps. The Notice on the Strengthening of Administration on Online Game Virtual Currency, jointly issued by the Ministry of Culture and the Ministry of Commerce in 2009, broadly defined virtual currency as a type of virtual exchange instrument issued by internet game operation enterprises, purchased directly or indirectly by the game users by exchanging legal currency at a certain exchange rate, saved outside the game programs, stored in servers provided by the internet game operation enterprises in electronic record format and represented by specific numeric units. Virtual currency is used to exchange internet game services provided by the issuing enterprise for a designated extent and time, and is represented by several forms, such as online prepaid game cards, prepaid amounts or internet game points, and does not include game props obtained from playing online games. In 2009, the Ministry of Culture further promulgated the Filing Guidelines on Online Game Virtual Currency Issuing Enterprises and Online Game Virtual Currency Trading Enterprises, which specifically defines “issuing enterprise” and “trading service enterprise” and stipulates that a single enterprise may not operate both types of business.

Although we believe our operations are in compliance with the Notice on the Strengthening of Administration on Online Game Virtual Currency, as we do not offer online game virtual currency trading services, we cannot assure you that the PRC regulatory authorities will not take a view contrary to ours, in which case we may be subject to fines or even required by the PRC regulators to change our practices related to Weibo Credit or “gold coin” in games operated by Shanghai Jiamian Information Technology Co., Ltd., which consequently will have an adverse effect on our game-related revenues.

The PRC government’s significant oversight and discretion over our business operation could result in a material adverse change in our operations and the value of our listed securities.

We conduct our operations in China through our PRC subsidiaries and the VIEs with which we have maintained contractual arrangements and their subsidiaries in China. Our operations in China are governed by PRC laws and regulations. The PRC government has significant oversight and discretion over the conduct of our business, and it may influence our operations, which could result in a material adverse change in our operation and/or the value of our Class A ordinary shares and/or ADSs. Also, the PRC government has indicated an intent to exert more oversight and control over offerings that are conducted overseas and foreign investment in China-based issuers in recent years. Any such actions could significantly limit or completely hinder our ability to continue to offer securities to investors and cause the value of such securities to significantly decline or be worthless. In addition, implementation of industry-wide regulations directly targeting our operations could cause the value of our securities to significantly decline. Therefore, investors of our company and our business face potential uncertainty from actions taken by the PRC government affecting our business.

Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.

We conduct our business primarily through our PRC subsidiaries and the VIEs and their subsidiaries in China. Our operations in China are governed by PRC laws and regulations.

Since the PRC legal system continues to evolve rapidly and the PRC governmental authorities may continue to promulgate new laws and regulations regulating our business, we cannot assure you that our business operations would not be deemed to violate any existing or future PRC laws or regulations, which in turn may limit or restrict us, and could materially and adversely affect our business and operations.

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. The PRC legal system is a civil law system based on written statute, prior court decisions under the civil law system may be cited for reference but have limited precedential value. The PRC judicial and administrative authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be difficult to predict the outcome of a judicial or administrative proceeding. These uncertainties may adversely affect our contractual, property and procedural rights, which could adversely affect our business, financial condition, results of operations and prospects.

We face uncertainties with respect to the enactment, interpretation and implementation of PRC regulations on foreign debt, which may adversely affect the enforceability and the effective performance of our outstanding notes.

The National Development and Reform Commission promulgated the Foreign Debt Measures that came into effect on February 10, 2023. According to the Foreign Debt Measures, PRC domestic enterprises and their overseas controlled entities or branches shall procure the registration of any foreign debt with maturities of over one year prior to raising such debt with the National Development and Reform Commission. Furthermore, a domestic enterprise is required to submit the following information to the National Development and Reform Commission: (i) the offering information (including, without limitation, the information related to the major business indicators of such enterprise and issue details of the foreign debt) within ten business days after the completion of the issuance or drawdown of such foreign debt, (ii) the necessary information on the foreign debt raised under the pre-issuance registration within ten business days after the expiry date of such registration, (iii) certain information, including, without limitation, the use of proceeds, plan and arrangement of payment of interest and principal, and major business indicators, within five business days before the end of January and the end of July of each year, and (iv) certain required information promptly upon the occurrence of any material event that may affect the performance of issuers' obligations under their foreign debt, and the domestic enterprise is also required to take measures to avoid the spillover of default risks of its onshore debt securities and cross-default risks.

If we fail to complete any continued filing obligations for our 2030 Convertible Notes or fail to complete the registration with the National Development and Reform Commission for any of our future offering of foreign debt required under the Foreign Debt Measures, we may be subject to correction orders and we and our person(s)-in-charge may face regulatory warnings. The Foreign Debt Measures are silent on whether any non-compliance with these measures would affect the legality and validity of the notes. There is no assurance that the failure to comply with the Foreign Debt Measures would not result in adverse consequences on our ability to perform our obligations under or to comply with the notes. Substantial uncertainties exist with respect to the interpretation and implementation of the Foreign Debt Measures.

We face uncertainties with respect to the enactment, interpretation and implementation of PRC regulations on live streaming.

On November 12, 2020, the National Radio and Television Administration issued the Notice on Strengthening the Management of Online Show Live Streaming and E-commerce Live Streaming. According to this notice, platforms providing online show live streaming or e-commerce live streaming services shall register their information and business operations by November 30, 2020, ensure real-name registration for all live streaming hosts and virtual gifting users, prohibit users that are minors or without real-name registration from virtual gifting, and set a limit on the maximum amount of virtual gifting per time, per day, and per month.

There are currently no explicit provisions as to what limits on virtual gifting will be imposed by the National Radio and Television Administration and it is unclear how and to what degree any such limits would be imposed on different platforms. Given there is no explicit provisions on how to set the limit on virtual gifting, we are currently not able to assess the potential impact from this requirement on the virtual gifting spending activities on our platform. Any such limits ultimately imposed may negatively impact our revenues derived from virtual gifting and our results of operations.

This notice requests the live streaming platforms for online shows and e-commerce to register in the National Internet Audio-Visual Platforms Information Management System. Weibo has completed such registration, which is valid until June 30, 2025. This notice also sets forth requirements for certain live streaming businesses with respect to real-name registration, limits on user spending on virtual gifting, restrictions on minors on virtual gifting, live streaming review personnel requirements, and content tagging requirements. We have implemented real-name registration system for all of our live streaming hosts and users. For more information on the Notice 78, see "Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Online Live-streaming Services."

Since some of the requirements in this notice remain unclear and have no explicit provisions or implementation standards, we are still in the process of getting further guidance from regulatory authorities and evaluating the applicability and effect of the various requirements under this notice on our business. Any further rulemaking under this notice or other intensified regulation with respect to live streaming may increase our compliance burden in the live streaming business and may have an adverse impact on our business and results of operations.

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

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors requires an overseas special purpose vehicle formed for listing purposes through acquisitions of PRC domestic companies and controlled by PRC persons or entities to obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange. The interpretation and application of the regulations remain unclear and uncertain. If the CSRC approval is required for any of our offshore listings and capital raising activities, it is uncertain whether we can or how long it will take us to obtain the approval and, even if we obtain such CSRC approval, such CSRC approval could be rescinded. Any failure to obtain or delay in obtaining the CSRC approval for our offshore listings and capital raising activities if such approval is required, or a rescission of such CSRC approval we obtained, would subject us to sanctions imposed by the CSRC or other PRC regulatory authorities, which could include fines and penalties on our operations in the PRC, restrictions or limitations on our ability to pay dividends outside of the PRC, and other forms of sanctions that may materially and adversely affect our business, financial condition, and results of operations.

On December 28, 2021, the Cyberspace Administration of China, together with several other PRC governmental authorities, jointly published the Measures for Cybersecurity Review, with effect from February 15, 2022. Pursuant to these measures, (i) operators of critical information infrastructure that intend to purchase network products and services and online platform operators that conduct data processing activities, in each case that affect or may affect national security, and (ii) operators of network platforms seeking listing abroad that are in possession of more than one million users' personal information must apply for a cybersecurity review.

On November 14, 2021, the Cyberspace Administration of China released the draft Administrative Measures for Internet Data Security for public comments, which requires that a prior cybersecurity review would be required for the overseas listing of data processors that process over one million users' personal information, or the listing of data processors in Hong Kong that affects or may affect national security.

On July 6, 2021, the PRC government authorities issued Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law. These opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by China-based companies and proposed to take effective measures, such as promoting the construction of the regulatory systems to deal with the risks and incidents faced by China-based overseas-listed companies.

On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies, with effect from March 31, 2023, and five supporting guidelines. These measures establish a new regime to regulate overseas offerings and listings by domestic companies. Any future securities offerings and listings outside of mainland China by our company, including, but not limited to, follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, either directly or indirectly, will be subject to the filing requirements with CSRC. Failure to comply with these filing requirements may result in warnings, forced corrections, and fines of not less than RMB1 million and not more than RMB10 million for the PRC companies. The responsible persons may face a warning and fines of not less than RMB0.5 million and not more than RMB5 million. Additionally, fines of not less than RMB1 million and not more than RMB10 million may be imposed on the PRC company's controlling shareholder(s) and actual controller(s) who organized or instructed the violation. These measures have no retroactive effect and thus are not applicable to our listing and offering prior to the promulgation. Any failure or perceived failure by us to comply with the requirements under these measures may result in forced corrections, warnings and fines against us and could materially hinder our ability to offer or continue to offer our securities. For details of these rules, please see "Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Concentration in Merger and Acquisition Transactions and Overseas Listings."

In connection with the offering of our 2030 Convertible Notes, we have (i) completed the pre-issuance registration with the NDRC and obtained a certificate evidencing such registration, (ii) filed the requisite information on our 2030 Convertible Notes with the NDRC within the time period as required by the NDRC after the issuance of our 2030 Convertible Notes, and (iii) completed the filing with the CSRC within the time period as required under the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Enterprises issued by the CSRC on February 17, 2023 and five supporting guidelines after the completion of the offering of our 2030 Convertible Notes.

If we fail to complete the filing procedures for any future offshore offering or listing, including our follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, we may face sanctions by the CSRC or other PRC regulatory authorities, which may include fines and penalties on our operations in China, limitations on our operating privileges in China, restrictions on or delays to our future financing transactions offshore, or other actions that could have a material and adverse effect on our business, financial condition, results of operations, reputation and prospects, as well as the trading price of our ADSs. In addition, if there are other major events, including, but not limited to, the change of control, any investigation or punishment by overseas securities regulatory authorities or the competent authorities, any change of listing status or listing venue, termination of the listing voluntarily or forcibly, and any change in our major business activities, we cannot assure you that we will be able to complete the filings or reporting and fully comply with the new rules and requirements in a timely manner or at all. See “Item 4. Information on the Company—B. Business Overview—Regulations—Regulations on Concentration in Merger and Acquisition Transactions and Overseas Listings.”

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

Any failure or perceived failure by us to comply with the Anti-Monopoly Guidelines for Internet Platforms Economy Sector and other PRC anti-monopoly laws and regulations may result in governmental investigations or enforcement actions, litigation or claims against us and could have an adverse effect on our business, financial condition and results of operations.

The PRC anti-monopoly enforcement agencies have strengthened enforcement under the PRC Anti-Monopoly Law in recent years. On March 12, 2021, the State Administration for Market Regulation published several administrative penalty cases about concentration of business operators that violated PRC Anti-Monopoly Law in the internet sector. On April 13, 2021, we, together with 33 other major internet platforms in China, attended an administrative guidance meeting for internet platform enterprises jointly convened by the Cyberspace Administration of China, the China Taxation Administration and the State Administration for Market Regulation. In the meeting, we were instructed to examine ourselves within one month to focus on rectifying possible violation of anti-monopoly laws, such as exclusivity arrangements known as “pick one out of two,” abuse of dominant market position, monopolistic agreements, and the illegal concentration of business operators, and to submit compliance commitments for public supervision. The rectification procedures generally include three steps: first, our company to conduct a review of our business operation and make corrective actions and deliver a report to the government authority for review; second, the government authority to provide comments on the report and guidance for our company to achieve compliance with the PRC laws and regulations; and third, the government will make an inspection and confirm the rectification results. Weibo has initiated a self-inspection and rectification following the instructions received in this meeting, and submitted a report which has been accepted by the government authority. However, it is still uncertain how these requirements will be implemented and whether there will be further legislation and administration activities.

On November 16, 2021, the State Administration for Market Regulation issued a decision of administrative penalty to Weimeng Chuangke with a fine of RMB500,000 based on the determination that Weimeng Chuangke’s share acquisition of 36% shares of Jinhua Ruian Investment Management Co., Ltd. constituted a concentration of business operators without prior filing pursuant to the Anti-Monopoly Law. Weimeng Chuangke timely paid the fine as required by such decision of administrative penalty.

On March 31, 2022, the State Administration for Market Regulation issued a decision of administrative penalty to Weimeng Chuangke with a fine of RMB500,000 based on the determination that Weimeng Chuangke's share acquisition of 68.9% shares of Shanghai Jiamian Information Technology Co., Ltd. constituted a concentration of business operators without prior filing pursuant to the Anti-Monopoly Law. Weimeng Chuangke timely paid the fine as required by such decision of administrative penalty.

On July 11, 2022, the State Administration for Market Regulation issued a decision of administrative penalty to Weimeng Chuangke with a fine of RMB500,000 based on the determination that Weimeng Chuangke's acquisition of 10% shares of Beijing Hejuhuitong E-commerce Co., Ltd. and obtaining joint control with the other investor and the founders of Beijing Hejuhuitong E-commerce Co., Ltd., constituted a concentration of business operators without prior filing pursuant to the Anti-Monopoly Law. Weimeng Chuangke timely paid the fine as required by such decision of administrative penalty.

On June 24, 2022, the Standing Committee of the National People's Congress adopted the Anti-Monopoly Law, which came into effect on August 1, 2022. This law increases fines for illegal business concentration to a maximum of 10% of the operator's previous year's sales revenue if the concentration has the potential to exclude or limit competition. The fine could be up to RMB5 million if the concentration has no effect of excluding or limiting competition. This law also mandates that the PRC authorities can order operators to report concentration, even below the filing threshold, if there is evidence of potential anti-competitive harm.

On January 22, 2024, the State of Council adopted new merger control filing thresholds by promulgating the amended Provisions of the State Council on Thresholds for Prior Notification of Concentration of Undertakings, which took effect upon release. These new provisions substantially increased the turnover thresholds to trigger merger filings in China. However, no implementation rules of the new merger control filing threshold have been promulgated as of the date of this annual report. Therefore, there remains significant uncertainties in the interpretation, implementation and enforcement of the new merger control filing thresholds.

For more information on PRC Anti-Monopoly Law and related regulations, including the new merger control filing thresholds, see "Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Anti-Monopoly and Anti-Unfair Competition."

The strengthened enforcement of the Anti-Monopoly Law and the development in the anti-monopoly legal regime in China could result in investigations on our acquisition transactions conducted in the past and make our acquisition transactions in the future more difficult due to the prior filing requirement. The PRC anti-monopoly laws may increase our compliance burden, particularly in the context of the PRC authorities strengthening supervision and enforcement of the Anti-Monopoly Law against internet platforms in recent years. Given that we do not hold a dominant market position in the relevant markets and we have not entered into any monopolistic agreement, our PRC legal advisor, Kewei Law Firm, is of the view that, except for our acquisitions that were under investigation for concentration of business operators or determined by the State Administration for Market Regulation that constituted a concentration of business operators without prior filing required by the Anti-Monopoly Law, we are in compliance with the currently effective PRC anti-monopoly laws in all material aspects; however, if the PRC regulatory authorities identify any of our activities as monopolistic under the PRC Anti-Monopoly Law and its implementing rules or identify us holding a dominant market position or of abusing such dominant position, we may be subject to other investigations and administrative penalties, such as termination of monopolistic act and confiscation of illegal gains.

There are significant uncertainties associated with the evolving legislative activities and varied local implementation practices of anti-monopoly and competition laws and regulations in China, especially with respect to the interpretation, implementation and enforcement of the anti-monopoly laws and regulations. It will be costly for us to adjust our business practices in order to comply with these evolving laws, regulations, rules, guidelines and implementations. Any non-compliance or associated inquiries, investigations and other governmental actions may divert significant management time and attention and our financial resources, lead to negative publicity, liabilities or administrative penalties, therefore materially and adversely affect our financial conditions, operations and business prospects. If we are required to take any rectifying or remedial measures or are subject to any penalties, our reputation and business operations may be materially and adversely affected.

We may be adversely affected by the complexity, uncertainties and changes in PRC licensing and regulation of internet businesses.

The PRC government extensively regulates the internet industry, including the licensing and permit requirements pertaining to companies in this industry. Internet-related laws and regulations in China are evolving rapidly, and their interpretation and enforcement involve significant uncertainty. As a result, it may be difficult to determine what actions or omissions may be deemed to be violations of applicable laws and regulations in certain circumstances.

Weimeng holds an Internet Content Provision License and an Online Culture Operating Permit that are necessary for operating our current business in China. Weimeng also holds an inter-regional Value-Added Telecommunications Services Operating License for provision of value-added telecommunication services nationwide. However, we cannot assure you that we have obtained all the permits or licenses required for conducting our business in China or will be able to maintain our existing licenses or obtain any new licenses if required by any new laws or regulations. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Online Game Operations and Cultural Products.” Companies engaging in internet broadcasting activities must first obtain an audio/video program transmission license. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Broadcasting Audio/Video Programs through the Internet” for more details. Weimeng is not qualified to obtain the internet audio/video program transmission license under the current legal regime as it is not a wholly state-owned or state-controlled company and it was not operating prior to the issuance of the Rules for the Administration of Internet Audio and Video Program Services, commonly known as Circular 56. Weimeng plans to apply for an internet audio/video program transmission license when feasible to do so.

Weimeng has received administrative penalties from time to time due to illegal content posted by its users. We have paid the fine as required and cooperated with the government authorities to take corrective measures, including immediate removal of the audio/video programming, warning or banning live streaming hosts, and improving our ability to identify and intercept illegal content. We have registered with the National Internet Audio-Visual Platforms Information Management System, which is valid until June 30, 2025, through which our operations are supervised and guided by the National Radio and Television Administration and its local branches. However, there is no guarantee that we will be able to timely renew the registration once it expires, or at all. Any failure to obtain the required license or permit to operate our business may subject us to sanctions and penalties, including warnings, fines, and suspension of business operations, which may materially and adversely affect our business, results of operations and financial condition. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Internet News Dissemination.”

Foreign investment in online game operation is prohibited under PRC law. We currently provide our online game services through Weimeng, Beijing Weibo Interactive Internet Technology Co., Ltd. and Weimeng Chuangke’s subsidiaries. However, certain contracts relating to our online game services were entered into between our PRC subsidiaries, Weimeng and the game developers, under which our PRC subsidiaries, together with Weimeng, provides certain technical services through our website. Under these agreements, our PRC subsidiaries, foreign-invested enterprises, may be deemed to be providing value-added telecommunication services without the necessary licenses. If so, we may be subject to sanctions, including payment of delinquent taxes and fines, which may significantly disrupt our operations and materially and adversely affect our business, results of operations and financial condition.

The operation of online games in China is highly regulated by the PRC government. The publication of a new online game or a significant upgrade of an existing online game requires approval from the National Press and Publication Administration. There are uncertainties with respect to the interpretation and implementation of the laws and regulations governing online games. Although most of the games on our website have obtained approval from the National Press and Publication Administration, certain games may not be able to obtain such approval due to the narrow interpretation of the scope of “game” adopted by the National Press and Publication Administration in practice. For example, “Pocket Werewolves” operated by Shanghai Jiamian Information Technology Co., Ltd. may not be able to obtain the approval from the National Press and Publication Administration as it is considered a social app instead of a game app. If any online game operated on our platform or by Shanghai Jiamian Information Technology Co., Ltd. or any of our consolidated affiliated entities fails to timely obtain necessary regulatory approval, the operator of this game may be subject to various penalties and the operation of this game could be suspended or discontinued, which could adversely affect our business. In addition, we may be required to obtain an internet publishing permit due to the online game related services we provided and the contents generated by our users. On December 22, 2023, the National Press and Publication Administration released the Online Game Administrative Measures (Draft for Comment), which stipulated that an online game publisher must obtain an internet publishing permit to publish online games and an entity must obtain this license before it can engage in online game operation activities, including virtual currency issuance and transaction services. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Online Game Operations and Cultural Products—Online games” for more details. As of the date of this annual report, the draft has not been formally adopted.

Weimeng may not be able to obtain an internet publishing permit due to inappropriate or illegal content that users generated. If we fail to obtain such license or any additional licenses required by laws and regulations in the future, we could be subject to liabilities and penalties for providing online publishing services without the necessary licenses, including removal of the online publications, confiscation of illegal income, fines, and/or the closure of our websites, which could lead to severe disruption to our business operation.

The adoption of additional laws or regulations with respect to the internet, online games or other online services covering issues such as user privacy, pricing, content, copyrights and distribution may decrease the growth of the internet, online games or other online services, which could in turn decrease the demand for our products and services and increase our cost of doing business.

If the game publishers and operators fail to maintain the normal publication and operation of their online games, or if they fail to complete or obtain the necessary approvals of their online games, our operations may be negatively impacted, and we may be subject to penalties for live streaming such games.

Our use of artificial intelligence (AI) or other emerging technologies could adversely impact our business and financial results.

We incorporate algorithms and AI technologies in our products and services, and we are making investments in AI initiatives to further expand our AI capabilities, including ongoing deployment and improvement of existing machine learning and AI technologies, as well as developing new product features using AI technologies.

There are significant risks involved in developing and deploying AI and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our profitability. AI technologies are complex and rapidly evolving, and we face significant potential disruption from other companies as well as an evolving regulatory landscape. The continued integration of any AI technologies into our products can result in new or enhanced governmental or regulatory scrutiny, intellectual property claims, litigation, confidentiality or security risks, ethical concerns, negative user perceptions as to automation and AI, or other complications that could adversely affect our business, reputation, or financial results.

As a result of the complexity and rapid development of AI, it is also the subject of evolving review by PRC governmental and regulatory agencies. We may not always be able to anticipate how to respond to these frameworks given they are still rapidly evolving. We may also have to expend resources to adjust our product or service offerings in certain jurisdictions if the legal frameworks governing the use of AI are not consistent across jurisdictions. Pursuant to the Administrative Provisions on Algorithm Recommendation of Internet Information Services issued by the Cyberspace Administration of China on December 31, 2021, algorithms recommendation service providers are not allowed to use algorithms to register false user accounts, block information, give excessive recommendations, and users should be given the option to easily turn off algorithm recommendation services. Our social interest graph recommendation engine, which leverages our database of users' social interest graphs based on their engagement actions on our platform, allows us to push the content that our users may find more relevant and interesting. To comply with these provisions, we have provided an option for our users to limit algorithm-driven recommendations for content and advertisements in certain ways. With more users choosing to turn off the algorithm-driven recommendation function, the advertising efficiency on our platform may be adversely affected, which may adversely impact our financial results. To comply with PRC laws and regulations, we may need to file our algorithms with the PRC regulatory authorities from time to time. As of the date of this annual report, we have completed the filings for five of our algorithms on the Internet Information Service Algorithm Filing System. We have publicly disclosed the operation mechanism used in "Weibo hot search." As the regulatory framework of AI is still at its nascent stage in China, the interpretation and implementation of the existing measures are evolving rapidly and the PRC regulatory agencies, including the Cyberspace Administration of China, may adopt new laws, regulations, rules, implementation measures and interpretation in this field, we cannot assure you that our compliance measures are, or will be, always considered sufficient under PRC laws and regulations. Any failure or perceived failure to comply with these laws and regulations could cause negative publicity and disruptions to our business operations, subject us to legal liabilities and adversely affect our financial results.

Furthermore, as we expand the use of AI into our product or service offerings, uncertainty with respect to new and emerging AI technologies, such as generative AI, may require us to incur additional investment in the development of appropriate protections and safeguards for handling the use of data with AI technologies, which may be costly and could impact our expenses. AI technologies, including generative AI, may create content that is factually inaccurate or flawed. Such content may expose us to brand or reputational harm and/or legal liability. It is uncertain how various laws related to online services, intermediary liability, and other issues will apply to content generated by AI. The use of certain AI technologies presents emerging ethical and social issues, and if we offer solutions that draw scrutiny or controversy due to their perceived or actual impact on users or on society as a whole, we may experience brand or reputational harm, competitive harm, and/or legal liability. It is not possible to predict all of the risks related to the use of AI, and developments in regulatory frameworks governing the use of AI and in related stakeholder expectations may adversely affect our ability to develop and use AI or subject us to liability.

PRC regulations of loans to PRC entities and direct investment in PRC entities by offshore holding companies may delay or prevent us from using offshore funds to make loans or additional capital contributions to our PRC subsidiaries.

We may transfer funds to our PRC subsidiaries or finance our PRC subsidiaries by means of shareholder loans or capital contributions. Any loans from us to our PRC subsidiaries, which is a foreign-invested enterprise, cannot exceed statutory limits based on the difference between the registered capital and the investment amount of such subsidiaries or 200% of its net assets, and shall be registered with the State Administration of Foreign Exchange, or SAFE, or its local counterparts. Any capital contributions we make to our PRC subsidiaries is subject to the requirement of necessary filings in the Foreign Investment Comprehensive Management Information System and registration with other governmental authorities. We may not be able to obtain these government registrations or approvals on a timely basis, if at all. If we fail to receive such registrations or approvals, our ability to provide loans or capital contributions to our PRC subsidiaries in a timely manner may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

On March 30, 2015, SAFE issued the Circular on Reform of the Administrative Rules of the Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises, or SAFE Circular 19, which was last amended on March 23, 2023. SAFE Circular 19 adopts a concept of “discretionary conversion,” which is defined as the conversion of a foreign-invested enterprise’s foreign currency registered capital in accordance with the enterprise’s actual business needs. No review of the purpose of the funds is required at the time of conversion under SAFE Circular 19. However, use of any RMB funds converted from its registered capital shall be based on true transactions. In addition, equity investments using converted registered capital are no longer prohibited under SAFE Circular 19.

SAFE issued the Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts, or SAFE Circular 16, on June 9, 2016, which became effective on the same day. Pursuant to SAFE Circular 16, enterprises registered in the PRC may also convert their foreign debts from foreign currency to RMB on self-discretionary basis. SAFE Circular 16 provides an integrated standard for conversion of foreign exchange under capital account items (including, but not limited to, foreign currency capital and foreign debts) on self-discretionary basis which applies to all enterprises registered in the PRC. SAFE Circular 16 reiterates the principle that RMB converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC laws or regulations, while such converted RMB shall not be provided as loans to its non-affiliated entities, or used for construction and purchase of non-self-used real estate (excluding real estate enterprises) or unless otherwise expressly provided in law, directly or indirectly used in securities investment or other financial management excluding the bank capital preservation products.

Violations of SAFE Circular 19 and SAFE Circular 16 could result in administrative penalties. SAFE Circular 19 and SAFE Circular 16 may significantly limit our ability to transfer any foreign currency we hold, including the net proceeds from our equity offering and notes offering, to our PRC subsidiaries, which may adversely affect our liquidity and our ability to fund and expand our business in China.

On October 23, 2019, SAFE issued the Notice of the State Administration of Foreign Exchange on Further Promoting the Facilitation of Cross-border Trade and Investment. This circular allows non-investment foreign-invested enterprises to use their capital funds to make equity investments in China; *provided* that such investments do not violate the Negative List and that the target investment projects are genuine and in compliance with PRC laws.

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

We may be subject to penalties, including restriction on our ability to inject capital into our PRC subsidiaries and our PRC subsidiaries' ability to distribute profits to us, if our PRC resident shareholders beneficial owners fail to comply with PRC foreign exchange rules.

The SAFE promulgated the Circular on Relevant Issues Relating to Domestic Resident's Investment and Financing and Roundtrip Investment through Special Purpose Vehicles in July 2014 that requires PRC residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such PRC residents or entities must update their SAFE registrations when the offshore special purpose vehicle undergoes material events relating to any change of basic information (including change of such PRC citizens or residents, name and operation term), increases or decreases in investment amount, transfers or exchanges of shares, or mergers or divisions.

If our shareholders who are PRC residents or entities do not complete their registration with the local SAFE branches, our PRC subsidiaries may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer or liquidation to us, and we may be restricted in our ability to contribute additional capital to our PRC subsidiaries. Moreover, failure to comply with the SAFE registration described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions.

We have requested all of our current shareholders and/or beneficial owners to disclose whether they or their shareholders or beneficial owners fall within the ambit of Circular 37 and have urged the shareholders and beneficial owners, upon learning they are PRC residents, to register with the local SAFE branch as required under Circular 37. However, we may not be informed of the identities of all the PRC residents or entities holding direct or indirect interest in our company, nor can we compel our beneficial owners to comply with SAFE registration requirements. As a result, we cannot assure you that all of our shareholders or beneficial owners who are PRC residents or entities have complied with, and will in the future make or obtain any applicable registrations or approvals required by, SAFE regulations. Failure by such shareholders or beneficial owners to comply with SAFE regulations, or our failure to amend the foreign exchange registrations of our PRC subsidiaries, could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our PRC subsidiaries' ability to make distributions or pay dividends to us or affect our ownership structure, which could adversely affect our business and prospects.

We and/or our Hong Kong subsidiary may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes. Such classification would likely result in unfavorable tax consequences to us and our non-PRC shareholders and have a material adverse effect on our results of operations and the value of your investment.

The Enterprise Income Tax Law provides that an enterprise established outside China or established pursuant to foreign (regional) laws whose "de facto management body" is located in China is considered a "PRC resident enterprise" and will generally be subject to the uniform 25% enterprise income tax on its global income. Under the Implementation Rules of the Enterprise Income Tax Law, "de facto management body" is defined as the organizational body which substantially and comprehensively manages and controls the production and operation, personnel, accounting and properties of an enterprise.

Pursuant to the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies, issued by the State Administration of Taxation in 2009, a foreign enterprise controlled by PRC enterprises or PRC enterprise groups is considered a PRC resident enterprise if all of the following conditions are met: (i) the senior management and core management departments in charge of daily operations are located mainly within the PRC; (ii) financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC; (iii) major assets, accounting books, company seals and minutes and files of board and shareholders' meetings are located or kept within the PRC; and (iv) at least half of the enterprise's directors with voting rights or senior management often reside within the PRC. Although the notice states that these standards only apply to offshore enterprises that are controlled by PRC enterprises or PRC enterprise groups, such standards may reflect the general view of the State Administration of Taxation in determining the tax residence of foreign enterprises.

We believe that neither our company nor our Hong Kong subsidiary is a PRC resident enterprise because neither our company nor our Hong Kong subsidiary meets all of the conditions enumerated. For example, board and shareholders' resolutions of our company and our Hong Kong subsidiary are adopted in Hong Kong and the minutes and related files are kept in Hong Kong. However, if the PRC tax authorities were to disagree with our position, our company and/or our Hong Kong subsidiary may be subject to PRC enterprise income tax reporting obligations and to a 25% enterprise income tax on our global taxable income, except for our income from dividends received from our PRC subsidiary, which may be exempt from PRC tax. If we and/or our Hong Kong subsidiary are treated as a PRC resident enterprise, the 25% enterprise income tax may adversely affect our ability to satisfy any of our cash needs.

In addition, if we were to be classified as a PRC “resident enterprise” for PRC enterprise income tax purpose, dividends we pay to our non-PRC enterprise shareholders and gains derived by our non-PRC enterprise shareholders from the sale of our shares and ADSs may be become subject to a 10% PRC withholding tax. In addition, dividends we pay to our non-PRC individual shareholders and gains derived by our non-PRC individual shareholders from the sale of our shares and ADSs may be become subject to a 20% PRC withholding tax. In addition to the uncertainty in how the “resident enterprise” classification could apply, it is also possible that the rules may change in the future, possibly with retroactive effect. If PRC income tax were imposed on gains realized through the transfer of our ADSs or ordinary shares or on dividends paid to our non-resident shareholders, the value of your investment in our ADSs or ordinary shares may be materially and adversely affected. See “Note 9. Income Taxes” in the accompanying notes to the consolidated financial statements included in this annual report on Form 20-F.

Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition.

We are a holding company, and we rely principally on dividends and other distributions from our PRC subsidiaries for our cash needs, including the funds necessary to pay dividends to our shareholders or service any debt we may incur. Current PRC regulations permit our PRC subsidiaries to pay dividends only out of its accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, our PRC subsidiaries are required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until the aggregate amount of such reserve funds reaches 50% of its registered capital. Apart from these reserves, our PRC subsidiaries may allocate discretionary portion of their after-tax profits to staff welfare and bonus funds at their discretion. These reserves and funds are not distributable as cash dividends. Furthermore, if our PRC subsidiaries incur debt, the debt instruments may restrict its ability to pay dividends or make other payments to us. We cannot assure you that our PRC subsidiaries will generate sufficient earnings and cash flows in the near future to pay dividends or otherwise distribute sufficient funds to enable us to meet our obligations, pay interest and expenses or declare dividends.

Distributions made by PRC companies to their offshore parents are generally subject to a 10% withholding tax under the Enterprise Income Tax Law. Pursuant to the Enterprise Income Tax Law and the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the withholding tax rate on dividends paid by our PRC subsidiaries to our Hong Kong subsidiary would generally be reduced to 5%; *provided* that our Hong Kong subsidiary is the beneficial owner of the PRC sourced income. Further, the State Taxation Administration promulgated the Announcement of the Certain Issues with Respect to the “Beneficial Owner” in Tax Treaties in 2018, which sets forth certain detailed factors in determining “beneficial owner” status, and specifically, if an applicant’s business activities do not constitute substantive business activities, the applicant will not qualify as a “beneficial owner.” Although our PRC subsidiary is wholly owned by our Hong Kong subsidiary, we will not be able to enjoy the 5% withholding tax rate with respect to any dividends or distributions made by our PRC subsidiary to its parent company in Hong Kong if our Hong Kong subsidiary is not regarded as a “beneficial owner.”

If Weibo Corporation is regarded as a PRC non-resident enterprise and Weibo HK is regarded as a PRC resident enterprise, Weibo HK may be required to pay a 10% withholding tax on any dividends payable to Weibo Corporation and the dividends distributed from Weibo Technology to Weibo HK is not subject to dividend withholding tax. Furthermore, Weibo HK would be subject to PRC enterprise income tax at a rate of 25%. If Weibo Corporation and Weibo HK are each regarded as a PRC non-resident enterprise and satisfy certain conditions, Weibo Technology may be allowed to pay a 5% withholding tax for any dividends payable to Weibo HK as preferential tax treatment.

Restrictions on the remittance of RMB into and out of China and governmental control of currency conversion may limit our ability to pay dividends and other obligations, and affect the value of your investment.

The PRC government imposes controls on the convertibility of the RMB into foreign currencies and the remittance of currency out of China. We receive substantially all of our revenues in RMB and the majority of our cash inflows and outflows are denominated in RMB. Under our current corporate structure, our cash needs are dependent on dividend payments from our subsidiaries in China after it receives payments from the VIEs under various services and other contractual arrangements. We may convert a portion of our RMB into other currencies to meet our foreign currency obligations, such as payments of dividends declared in respect of our ordinary shares, if any. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy its foreign currency denominated obligations.

Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our PRC subsidiaries are allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, approval from or registration with competent government authorities is required where the RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of our Class A ordinary shares and/or ADSs.

Discontinuation of preferential tax treatment or imposition of any additional taxes could adversely affect our financial condition and results of operations.

The Enterprise Income Tax Law and its implementing rules have adopted a uniform statutory enterprise income tax rate of 25% to all enterprises in China.

Certain enterprises may still benefit from a preferential tax rate of 15% under the Enterprise Income Tax Law and its implementing rules if they qualify as a “High and New Technology Enterprise” subject to certain general factors described in the Enterprise Income Tax Law and the related regulations. Weibo Technology is entitled to a preferential tax rate of 15% because of its qualification as a “High and New Technology Enterprise.” This status will expire in 2025 unless renewed. The “High and New Technology Enterprise” qualification is subject to annual evaluation and a three-year review by the authorities in China. If Weibo Technology fails to maintain its “High and New Technology Enterprise” qualification, its applicable corporate income tax rate would increase to 25%, which could have an adverse effect on our financial condition and results of operations.

Moreover, there are also news articles reporting that the PRC government may charge data tax in the future potentially by having tech giants that possess huge amount of personal data return portions of their revenues generated by transactions to owners of the data, which may in turn have an adverse effect on our business or financial conditions.

Failure to comply with PRC regulations regarding the registration requirements for stock ownership plans or stock option plans may subject PRC plan participants or us to fines and other legal or administrative sanctions.

In February 2012, SAFE promulgated the Notices on Issues concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company. Pursuant to this rule, PRC residents who participate in an employee stock ownership plan or stock option plan in an overseas publicly listed company are required to register with SAFE or its local branch and complete certain other procedures. Participants of a stock incentive plan who are PRC residents must retain a qualified PRC agent, which could be a PRC subsidiary of such overseas publicly listed company, to conduct the SAFE registration and other procedures with respect to the stock incentive plan on behalf of these participants. These participants must also retain an overseas entrusted institution to handle matters in connection with their exercise or sale of stock options. In addition, the PRC agent is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agent or the overseas entrusted institution or other material changes.

We and our PRC resident employees who participate in our share incentive plans have been subject to these regulations since our company became publicly listed in the United States. If we or our PRC resident employees who participate in our share incentive plans fail to comply with these regulations in the future, we or our PRC resident employees who participate in our share incentive plans and their local employers may be subject to fines and legal sanctions. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Employee Stock Options Plans.”

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

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

Our revenues and costs are mostly denominated in RMB, and a significant portion of our financial assets are also denominated in RMB, whereas our reporting currency is the U.S. dollars. Any significant depreciation of the RMB may materially and adversely affect our revenues, earnings and financial position as reported in U.S. dollars. To the extent that we need to convert U.S. dollars we received from offerings or debt financing into RMB for our operations, appreciation of the RMB against the U.S. dollars would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, if we decide to convert our RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollars against the RMB would have a negative effect on the U.S. dollars amount available to us.

PRC laws and regulations establish more complex procedures for some acquisitions of Chinese companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.

A number of PRC laws and regulations, including the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, the Anti-Monopoly Law, and the Rules of Ministry of Commerce on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors promulgated by the Ministry of Commerce in August 2011 have established procedures and requirements that are expected to make merger and acquisition activities in China by foreign investors more time consuming and complex. These include requirements in some instances that the Ministry of Commerce be notified in advance of any change of control transaction in which a foreign investor takes control of a PRC domestic enterprise, or that the approval from the Ministry of Commerce be obtained in circumstances where overseas companies established or controlled by PRC enterprises or residents acquire affiliated domestic companies. PRC laws and regulations also require certain merger and acquisition transactions to be subject to merger control review or security review.

The Rules of Ministry of Commerce on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors were formulated to implement the Notice of the General Office of the State Council on Establishing the Security Review System for Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, also known as Circular 6, which was promulgated in 2011. Under these rules, a security review is required for mergers and acquisitions by foreign investors having “national defense and security” concerns and mergers and acquisitions by which foreign investors may acquire the “de facto control” of domestic enterprises have “national security” concerns. In addition, when deciding whether a specific merger or acquisition of a domestic enterprise by foreign investors is subject to the security review, the Ministry of Commerce will look into the substance and actual impact of the transaction. These security review rules further prohibit foreign investors from bypassing the security review requirement by structuring transactions through proxies, trusts, indirect investments, leases, loans, control through contractual arrangements or offshore transactions.

There is no requirement for foreign investors in those mergers and acquisitions transactions already completed prior to the promulgation of Circular 6 to submit such transactions to the Ministry of Commerce for security review. As we have already obtained the “de facto control” over our affiliated PRC entities prior to the effectiveness of these rules, we do not believe we are required to submit our existing contractual arrangements to the Ministry of Commerce for security review.

However, as there is a lack of clear statutory interpretation on the implementation of the same, there is no assurance that the Ministry of Commerce will not apply these national security review-related rules to the acquisition of equity interest in our PRC subsidiaries. If we are found to be in violation of PRC laws and regulations with respect to the merger and acquisition activities in China, or fail to obtain any of the required approvals, the regulatory authorities would have broad discretion in dealing with such violation, including levying fines, confiscating our income, revoking our PRC subsidiaries’ business or operating licenses, requiring us to restructure or unwind the ownership structure or operations. Any of these actions could cause significant disruption to our business operations and may materially and adversely affect our business, financial condition and results of operations. Further, if the business of any target company that we plan to acquire falls into the ambit of security review, we may not be able to successfully acquire such company either by equity or asset acquisition, capital contribution or through any contractual arrangement. We may grow our business in part by acquiring other companies operating in our industry. Complying with the requirements of the regulations to complete such transactions could be time consuming, and any required approval processes, including approval from the Ministry of Commerce, may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

The heightened scrutiny over acquisition transactions by the PRC tax authorities may have a negative impact on our business operations, our acquisition or restructuring strategy or the value of your investment in us.

The State Administration of Taxation has issued several rules and notices to tighten the scrutiny over acquisition transactions in recent years, including the Notice on Certain Corporate Income Tax Matters Related to Indirect Transfer of Properties by Non-PRC Resident Enterprises issued in February 2015. Pursuant to these rules and notices, except for a few circumstances falling into the scope of the safe harbor provided by this circular, such as open market trading of stocks in public companies listed overseas, if a non-PRC resident enterprise indirectly transfers PRC taxable properties (i.e., properties of an establishment or a place in the PRC, real estate properties in the PRC or equity investments in a PRC tax resident enterprise) by disposing of equity interest or other similar rights in an overseas holding company, without a reasonable commercial purpose and resulting in the avoidance of PRC enterprise income tax, such indirect transfer should be deemed as a direct transfer of PRC taxable properties and gains derived from such indirect transfer may be subject to the PRC withholding tax at a rate of up to 10%. This circular sets out several factors to be taken into consideration by tax authorities in determining whether an indirect transfer has a reasonable commercial purpose, such as whether the main value of equity interest in an overseas holding company is derived directly or indirectly from PRC taxable properties. An indirect transfer satisfying all the following criteria will be deemed to lack reasonable commercial purpose and be taxable under PRC law without considering other factors set out by this circular: (i) 75% or more of the equity value of the intermediary enterprise being transferred is derived directly or indirectly from the PRC taxable properties; (ii) at any time during the one-year period before the indirect transfer, 90% or more of the asset value of the intermediary enterprise (excluding cash) is comprised directly or indirectly of investments in the PRC, or 90% or more of its income is derived directly or indirectly from the PRC; (iii) the functions performed and risks assumed by the intermediary enterprise and any of its subsidiaries that directly or indirectly hold the PRC taxable properties are limited and are insufficient to prove their economic substance; and (iv) the foreign tax payable on the gain derived from the indirect transfer of the PRC taxable properties is lower than the potential PRC income tax on the direct transfer of such assets. This circular also introduces an interest regime by providing that where a transferor fails to file and pay tax on time, and where a withholding agent fails to withhold the tax, interest will be charged on a daily basis. Both the foreign transferor and the transferee, and the PRC tax resident enterprise whose equity interests are being transferred may voluntarily report the transfer by submitting the documents required in this circular.

Although this circular provides clarity in many important areas, such as reasonable commercial purpose, there are still uncertainties on the tax reporting and payment obligations with respect to future private equity financing transactions, share exchange or other transactions involving the transfer of shares in non-PRC resident companies. Our company and other non-resident enterprises in our group may be subject to filing obligations or being taxed if our company and other non-resident enterprises in our group are transferors in such transactions, and may be subject to withholding obligations if our company and other non-resident enterprises in our group are transferees in such transactions. For the transfer of shares in our company by investors who are non-PRC resident enterprises, our PRC subsidiaries may be requested to assist in the filing under the rules and notices. As a result, we may be required to expend valuable resources to comply with these rules and notices or to request the transferors from whom we purchase taxable assets to comply, or to establish that our company and other non-resident enterprises in our group should not be taxed under these rules and notices, which may have a material adverse effect on our financial condition and results of operations.

We cannot assure you that the PRC tax authorities will not, at their discretion, adjust any capital gains and impose tax return filing obligations on us or require us to provide assistance for the investigation of PRC tax authorities with respect thereto. In the future, we may conduct acquisitions or disposals of properties that may involve complex corporate structures. If the PRC tax authorities make adjustments to the taxable income of these transactions under this circular, our income tax expenses associated with such potential transactions may be increased, which may have a material adverse effect on our financial condition and results of operations.

We face certain risks relating to the real properties that we lease.

We lease office space for our operations in China. Any defects in lessors' title to the leased properties may disrupt our use of our offices, which may in turn adversely affect our business operations. For example, certain buildings and the underlying land are not allowed to be used for industrial or commercial purposes without the authorities' approval, and the lease of such buildings to companies like us may subject the lessor to pay premium fees to the PRC government. We cannot assure you that the lessor has obtained all or any of approvals from the governmental authorities. In addition, some of our lessors have not provided us with documentation evidencing their title to the leased properties. We cannot assure you that title to these properties we currently lease will not be challenged. In addition, we have not registered most of our lease agreements with the PRC governmental authorities as required by PRC law, and although failure to do so does not in itself invalidate the leases, we may not be able to defend these leases against bona fide third parties.

As of the date of this annual report, we are not aware of any actions, claims or investigations being contemplated by government authorities with respect to the defects in our leased real properties or any challenges by third parties to our use of these properties. However, if third parties who purport to be property owners or beneficiaries of the mortgaged properties challenge our right to use the leased properties, we may not be able to protect our leasehold interest and may be ordered to vacate the affected premises, which could in turn materially and adversely affect our business and operating results.

Failure to comply with PRC labor laws and make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Companies operating in China are required to register with governmental authorities and participate in various government sponsored employee benefit plans, including certain social insurance and housing funds, and contribute to these plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of employees up to a maximum amount specified by the local government authorities from time to time at the locations where those employees are based. However, requirements relating to employee benefit plans have not been implemented consistently by local governments in China, given the different levels of economic development in different regions. We believe that we have made adequate social insurance and housing fund contributions for the majority of our employees, however, we cannot assure you that local governments will not have different views as to what constitutes strict compliance with the requirements for contributions to employee benefit plans. Our social insurance and housing fund contributions for a small number of our employees with performance-based salaries may not be adequate, as we could not foresee these employees' performance and therefore their salaries accurately. We may be required to make up the contributions for these employee benefit plans as well as to pay late fees and fines.

Our significant deposits in certain banks in China may be at risk if these banks go bankrupt or otherwise do not have the liquidity to pay us during our deposit period.

As of December 31, 2023, we had US\$2.6 billion in cash and cash equivalent, and short-term investments, such as bank time deposits, with large domestic banks in China. Our remaining cash, cash equivalents and short-term investments were held by financial institutions in the United States and Hong Kong. The terms of these deposits are, in general, up to twelve months. Historically, deposits in Chinese banks were viewed as secure due to the state policy on protecting depositors' interests. However, the Bankruptcy Law that came into effect in 2007 contains an article expressly stating that the State Council may promulgate implementation measures for the bankruptcy of Chinese banks based on the Bankruptcy Law, so the law contemplates the possibility that a Chinese bank may go bankrupt. In addition, foreign banks have been gradually permitted to operate in China since China's accession to the World Trade Organization and have become strong competitors of Chinese banks in many respects, which may have increased the risk of bankruptcy or illiquidity for Chinese banks, including those in which we have deposits. In the event of bankruptcy or illiquidity of any one of the banks which holds our deposits, we are unlikely to claim our deposits back in full since we are unlikely to be classified as a secured creditor based on PRC laws.

On May 1, 2015, China's new Deposit Insurance Regulation came into effect, pursuant to which banking financial institutions, such as commercial banks, established in China will be required to purchase deposit insurance for deposits in RMB and in foreign currency. Under this regulation, depositors will be fully indemnified for their deposits and interests in an aggregate amount up to a limit of RMB500,000. Deposits or interests over such limit will only be covered by the bank's liquidation assets. Therefore, although this requirement to purchase deposit insurance may help, to a certain extent, prevent Chinese banks from going bankrupt, it would not be effective in providing effective protection for our accounts, as our aggregate deposits are much higher than the compensation limit.

The PRC government's significant oversight and discretion over our business operation could result in a material adverse change in our operations and the value of our Class A ordinary shares and ADS.

We conduct our business primarily through our PRC subsidiaries, the VIEs and their subsidiaries in China. Our operations in China are governed by PRC laws and regulations. The PRC government has significant oversight and discretion over the conduct of our business, and it may influence our operations, which could result in a material adverse change in our operation and the value of our Class A ordinary shares and ADSs. Also, the PRC government has indicated an intent to exert more oversight and control over offerings that are conducted overseas and foreign investment in China-based issuers in recent years. Any such action could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. In addition, implementation of industry-wide regulations directly targeting our operations could cause the value of our securities to significantly decline. Therefore, investors of our company and our business face potential uncertainty from actions taken by the PRC government affecting our business.

The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors with the benefits of such inspections.

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

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

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

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

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

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

Shareholder claims or regulatory investigation that are common in the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the United States may not be efficient in the absence of mutual and practical cooperation mechanism. According to Article 177 of the PRC Securities Law, which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. According to Provisions on Strengthening the Management of Confidentiality and Archives regarding Overseas Securities Offerings and Listings by Domestic Companies, which became effective on March 31, 2023, PRC domestic companies, securities companies and securities service institutions must obtain the necessary approval before providing documents and information in response to inspections and investigations by overseas regulators. These inspections and investigations should be conducted via the cross-border supervision mechanism whereby the PRC regulators will provide necessary assistance. For a detailed discussion, see “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Information Security.” The inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase difficulties faced by you in protecting your interests.

Risks Relating to Our ADSs and Class A Ordinary Shares

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

We completed our global offering in Hong Kong in December 2021 and the trading of our Class A ordinary shares on the Hong Kong Stock Exchange commenced on December 8, 2021 under the stock code “9898.” As a company listed on the Hong Kong Stock Exchange pursuant to Chapter 19C of the Hong Kong Listing Rules, we are subject to certain provisions of the Hong Kong Listing Rules pursuant to Rule 19C.11, including rules on notifiable transactions, connected transactions, share option schemes, content of financial statements as well as certain other continuing obligations. In addition, in connection with our HK Listing, we have applied for a number of waivers and/or exemptions from strict compliance with the Hong Kong Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Takeovers Codes and the SFO. As a result, we adopt different practices as to those matters as compared with other companies listed on the Hong Kong Stock Exchange that do not enjoy those exemptions or waivers.

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

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

The trading prices of our listed securities have been and are likely to continue to be volatile and could fluctuate widely in response to in response to a variety of factors, many of which are beyond our control. For example, in 2023, the trading price of our ADSs ranged from US\$9.09 to US\$25.57 per ADS and the trading price of our Class A ordinary shares has ranged from HK\$72.40 to HK\$200.00 per share. The trading prices of our listed securities are likely to remain volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, like the performance and fluctuation of the trading prices of other companies with business operations located mainly in China that have listed their securities in Hong Kong and/or the United States, or because of trends in the global economy in general or the Chinese economy in particular, or because of international geopolitical tensions. A number of Chinese companies have listed or are in the process of listing their securities on stock markets in Hong Kong and/or the United States. The securities of some of these companies have experienced significant volatility, including price declines in connection with their public offerings. The trading performances of these Chinese companies’ securities after their offerings may affect the attitudes of investors toward Chinese companies listed in Hong Kong and/or the United States in general and consequently may impact the trading performance of our Class A ordinary shares and/or ADSs, regardless of our actual operating performance.

In addition to market and industry factors, the price and trading volume for our Class A ordinary shares and/or ADSs may be highly volatile for factors specific to our own operations, including (but not limited to) the following:

- variations in our revenues, earnings, cash flow and data related to our active user base or user engagement;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures;
- announcements of new services and expansions by us or our competitors;
- changes in financial estimates by securities analysts;
- detrimental adverse publicity about us or SINA;
- additions or departures of key personnel;
- our share repurchase programs;
- release of lock-up or other transfer restrictions on our outstanding equity securities;
- sales of additional ADSs or other equity-related securities in the public markets, or issuance of ADSs upon conversion of convertible senior notes we issued, or the perception of these events; and
- potential litigation or regulatory investigations.

Substantial future sales or dispositions, or perceived potential sales or dispositions of our Class A ordinary shares, ADSs, or other equity or equity-linked securities in the public market could cause the price of our Class A ordinary shares and/or ADSs to decline significantly.

Sales of our Class A ordinary shares, ADSs, or other equity or equity-linked securities in the public market, or the perception that these sales could occur, could cause the trading price of our Class A ordinary shares and/or ADSs to decline significantly. All of our Class A ordinary shares represented by ADSs were freely transferable by persons other than our affiliates without restriction or additional registration under the U.S. Securities Act. The Class A ordinary shares held by our affiliates are also available for sale, subject to volume and other restrictions as applicable under Rule 144 of the U.S. Securities Act any applicable lock-up agreement, under trading plans adopted pursuant to Rule 10b5-1 or otherwise. SINA has pledged all of its shares in our company to secure its obligation under the facility agreement governing SINA's loan, for detailed risks underlying this arrangement, please see "Risk Factors—Risks Relating to Our Relationship with SINA—SINA has pledged all of the Class B ordinary shares held by it in our company to secure a syndicate loan, and if SINA defaults on the underlying loan, we could experience a change in control." If SINA defaults on its obligation under the facility agreement governing SINA's loan, the security agent may dispose of or cause SINA to dispose of the pledged shares. We cannot predict what effect, if any, market sales of securities held by our controlling shareholders or any other shareholder or the availability of these securities for future sale will have on the trading price of our Shares and ADSs.

Divestiture in the future of our Class A ordinary shares and/or ADSs by shareholders, the announcement of any plan to divest our Class A ordinary shares and/or ADS, or hedging activity by third-party financial institutions in connection with similar derivative or other financing arrangements entered into by shareholders, could cause the price of our Class A ordinary shares and/or ADSs to decline.

If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our Class A ordinary shares and/or ADSs, the trading price for our Class A ordinary shares and/or ADSs and trading volume could decline.

The trading market for our Class A ordinary shares and/or ADSs will be influenced by research or reports that industry or securities analysts publish about our business. If one or more analysts who cover us downgrade our Class A ordinary shares and/or ADSs, the trading price for our Class A ordinary shares and/or ADSs would likely decline. If one or more of these analysts cease to cover us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume for our Class A ordinary shares and/or ADSs to decline.

The sale or availability for sale, or perceived sale or availability for sale, of substantial amounts of our ADSs could adversely affect their trading price.

Sales of substantial amounts of our Class A ordinary shares and/or ADSs in the public market, or the perception that these sales could occur, could adversely affect the trading price of our Class A ordinary shares and/or ADSs and could materially impair our ability to raise capital through equity offerings in the future. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the trading price of our Class A ordinary shares and/or ADSs.

Our dual-class voting structure will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A ordinary shares and ADSs may view as beneficial.

Our ordinary shares are divided into Class A ordinary shares and Class B ordinary shares. Holders of Class A ordinary shares are entitled to one vote per share, while holders of Class B ordinary shares are entitled to three votes per share. All of the outstanding ordinary shares held by SINA as of the date of this annual report are Class B ordinary shares. All other ordinary shares that are outstanding as of the date of this annual report are Class A ordinary shares. We intend to maintain the dual-class voting structure in the future. Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon (a) any sale, transfer, assignment or disposition of Class B ordinary shares by a holder thereof to any person or entity which is not the Founder (as defined under our memorandum and articles of association) or a Founder's Affiliate (as defined under our memorandum and articles of association); or (b) a change of control of any direct or indirect holder of any Class B ordinary shares, 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 to be held by such person or entity that is not the Founder or a Founder's Affiliate shall be automatically and immediately converted (by way of being re-designated) into an equal number of Class A ordinary shares. In addition, each Class B ordinary share shall automatically and immediately be converted (by way of being re-designated) into one Class A ordinary share if at any time SINA and its Affiliates (as defined in our memorandum and articles of association) in the aggregate hold less than five percent (5%) of the issued Class B ordinary shares in our company, and no Class B ordinary shares shall be issued by our company thereafter.

"Control" shall mean having (A) the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of, or (B) 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. "SINA Parent Companies" shall mean the holding companies of Weibo Corporation, including New Wave MMXV Limited, Sina Group Holding Company Limited, SINA Corporation and any other intermediate holding company(ies) of Sina Corporation that may be established in the future.

Due to the disparate voting powers attached to these two classes of ordinary shares, SINA owned approximately 36.1% of our total issued and outstanding ordinary shares and 62.9% of the voting power of our outstanding shares as of March 31, 2024. As a result of the dual-class share structure and the concentration of ownership, SINA will have considerable influence over matters requiring shareholders' approval under Cayman Islands law, our memorandum and articles of association and Nasdaq requirements, including the election and removal of directors, the number of shares available for issuance under share incentive plans, increase of share capital, consolidation of shares and subdivision of shares, and significant corporate transactions, such as a merger or sale of our company. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of our listed securities. This concentration of ownership will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of Class A ordinary shares and ADSs may view as beneficial.

In addition, SINA is not prohibited from selling a controlling interest in us to a third party and may do so without the approval of the Class A ordinary shares and/or ADS holders and without providing for a purchase of the Class A ordinary shares held by investors and/or ADSs held by the ADS holders. SINA has pledged all of its shares in our company to secure its obligation under the facility agreement governing SINA's loan, for detailed risks underlying this arrangement, please see "Risk Factors—Risks Relating to Our Relationship with SINA—SINA has pledged all of the Class B ordinary shares held by it in our company to secure a syndicate loan, and if SINA defaults on the underlying loan, we could experience a change in control." If SINA defaults on its obligation under the facility agreement governing SINA's loan, the security agent may dispose of or cause SINA to dispose of the pledged shares.

If SINA is acquired or otherwise undergoes a change of control, any acquirer or successor will be entitled to exercise the voting control and contractual rights of SINA, and may do so in a manner that could vary significantly from that of SINA.

Techniques employed by short sellers may drive down the trading price of our Class A ordinary shares and/or ADSs.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third-party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller's interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Public companies listed in the United States that have substantially all of their operations in China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

It is not clear what effect such negative publicity could have on us. If we were to become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we could have to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the short seller by principles of freedom of speech, applicable state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations and stockholder's equity, and any investment in our Class A ordinary shares and/or ADSs could be greatly reduced or rendered worthless.

You should primarily rely on price appreciation of our Class A ordinary shares and/or ADSs for return on your investment.

Our board of directors has complete discretion as to whether to distribute dividends, subject to Cayman Islands law. In addition, our shareholders may by ordinary resolution declare dividends, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, our company may pay dividends only out of either profit or share premium account; *provided* that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, we received from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our Class A ordinary shares and/or ADSs will likely depend entirely upon any future price appreciation of our listed securities. There is no guarantee that our listed securities will appreciate in value in the future or even maintain the price at which you purchased them. You may not realize a return on your investment in our Class A ordinary shares and/or ADSs and you may even lose your entire investment in our securities. We currently intend to retain a majority of our available funds and any future earnings to fund the development and growth of our business.

You may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Class A ordinary shares and/or ADSs.

Under the Enterprise Income Tax Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between the PRC and the jurisdiction of residence of the holders of our Class A ordinary share and/or ADSs that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business if the income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of ADSs or shares by such non-PRC resident enterprise investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC, unless a tax treaty or similar arrangement otherwise provides. Under the PRC Individual Income Tax Law and its implementation rules, dividends from sources within the PRC paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of American depositary shares or shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and similar arrangements and PRC laws. Although substantially all of our business operations are in China, it is unclear whether dividends we pay with respect to our Class A ordinary shares and/or ADSs, or the gain realized from the transfer of our Class A ordinary shares and/or ADSs, would be treated as income derived from sources within the PRC and as a result be subject to PRC income tax if we were considered a PRC resident enterprise, as described above. If PRC income tax were imposed on gains realized through the transfer of our ADSs or on dividends paid to our non-PRC resident investors, the value of your investment in our Class A ordinary shares and/or ADSs may be materially and adversely affected. Furthermore, the holders of our Class A ordinary shares and/or ADSs whose jurisdictions of residence have tax treaties or similar arrangements with China may not qualify for benefits under such tax treaties or arrangements.

It is likely that we will be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for the taxable year ended December 31, 2023, and possibly for the current taxable year and future taxable years, which could result in adverse U.S. federal income tax consequences to U.S. Holders of our ADSs or Class A ordinary shares.

Depending upon the value of our assets, which is determined based, in part, on the market value of our ADSs and Class A ordinary shares, and the nature of our assets and income over time, we could be classified as a passive foreign investment company (a “PFIC”), for U.S. federal income tax purposes. We will be classified as a PFIC for any taxable year if either (i) 75% or more of our gross income for the taxable year is passive income or (ii) 50% or more of the value of our assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income.

Based on our current and expected income and assets, including unbooked goodwill (the value of which is determined by reference to the market value of our ADSs and Class A ordinary shares), it is likely that we were a PFIC for the taxable year ended December 31, 2023, and could continue to be a PFIC for the current and subsequent taxable years. In addition, it is possible that any subsidiary that we own or are treated as owning for U.S. federal income tax purposes would also be a PFIC for such taxable years.

If we are a PFIC in any taxable year during which a U.S. Holder, as defined in “Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations,” holds our ADSs or Class A ordinary shares, as applicable, such holder may incur significantly increased U.S. federal income tax on gain recognized on the sale or other disposition of its ADSs or Class A ordinary shares and on the receipt of distributions on its ADSs or Class A ordinary shares. Such holder may also be subject to burdensome reporting requirements. Further, if we are a PFIC for any year during which a U.S. Holder holds our ADSs or Class A ordinary shares, as applicable, we will generally continue to be treated as a PFIC with respect to such holder for all succeeding years during which such holder holds our ADSs or Class A ordinary shares, even if we subsequently cease to be a PFIC for U.S. federal income tax purposes. See “Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Considerations.”

Our memorandum and articles of association contain anti-takeover provisions that could have a material adverse effect on the rights of holders of our ordinary shares and ADSs.

Our currently effective memorandum and articles of association contain provisions to limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing trading prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. For example, our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares, in the form of ADS or otherwise. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our Class A ordinary shares and/or ADSs may fall and the voting and other rights of the holders of our ordinary shares and ADSs may be materially and adversely affected.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. or Hong Kong courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of our shareholders to take action against our directors, actions by our minority shareholders and the fiduciary duties of our directors to our company under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States or Hong Kong. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, with respect to Cayman Islands companies, plaintiffs may face special obstacles, including, but not limited to, those relating to jurisdiction and standing, in attempting to assert derivative claims in state or federal courts of the United States, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States or a court in Hong Kong.

The Cayman Islands courts are also unlikely:

- to recognize or enforce against us judgments of courts of the United States based on certain civil liability provisions of U.S. securities laws; and
- to impose liabilities against us, in original actions brought in the Cayman Islands, based on certain civil liability provisions of U.S. securities laws that are penal in nature.

In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the U.S., the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For such a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States and Hong Kong. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers or companies incorporated in Hong Kong.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by our management, members of our board of directors or our controlling shareholders than they would as public shareholders of a company incorporated in the United States.

Certain judgments obtained against us by our shareholders may not be enforceable.

We are a Cayman Islands exempted company and substantially all of our assets are located outside of the United States. Substantially all of our current operations are conducted in China. In addition, a majority of our current directors and executive officers reside outside the United States or Hong Kong, whose assets are substantially located outside the United States. As a result, it may be difficult or impossible for our shareholders to bring an action against us or against these individuals in the United States or Hong Kong in the event that such shareholders believe that their rights have been infringed under the U.S. federal securities laws, Hong Kong laws, or otherwise. Even if such shareholders are successful in bringing an action of this kind, the laws of the Cayman Islands and of China may render such shareholders unable to enforce a judgment against our assets or the assets of our directors and officers.

On January 18, 2019, the Supreme Court of the People’s Republic of China and the Department of Justice under the Government of the Hong Kong Special Administrative Region signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region, which became effective on January 29, 2024. This arrangement seeks to establish a mechanism for judgment recognition and enforcement with greater clarity and certainty in a wider range of civil and commercial matters between the mainland China and Hong Kong Special Administrative Region. Under this arrangement, a “choice of court” agreement in writing is no longer required for bilateral judgment recognition and enforcement. This arrangement will allow a broader range of civil and commercial judgments of the mainland China courts to be enforced in Hong Kong.

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

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

- the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC;
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time;
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD; and
- certain audit committee independence requirements in Rule 10A-3 of the Exchange Act.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of Nasdaq. Press releases relating to financial results and material events will also be furnished with the SEC on Form 6-K. However, the information we are required to file or furnish with the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers.

In addition, we are permitted by The Nasdaq Stock Market Rules to elect to rely, and have elected to rely, on certain exemptions from corporate governance requirements:

- that the board of directors be comprised of a majority of independent directors under Nasdaq Rule 5605(b)(1);
- the requirement that an audit committee be comprised of at least three members under Nasdaq Rule 5605(c)(2)(A); and

- the requirements that shareholder approval be required prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants under Nasdaq Rule 5635(c).

As a result, you may not be afforded the same protections or information, which would be made available to you, were you investing in a U.S. domestic issuer.

Holders of our ADSs may have fewer rights than holders of our Class A ordinary shares and must act through the depositary to exercise those rights.

Holders of our ADSs do not have the same rights as our shareholders and may only exercise the voting rights with respect to the underlying Class A ordinary shares represented by the ADSs in accordance with the provisions of the deposit agreement. Holders of ADSs may not attend general meetings of our shareholders or cast any votes directly at such meetings. Under the deposit agreement, ADS holders must vote by giving voting instructions to the depositary, as the holder of the underlying Class A ordinary shares which are represented by your ADSs. Upon receipt of your voting instructions, the depositary will endeavor to vote the underlying ordinary shares in accordance with your instructions. You will not be able to directly exercise any right to vote with respect to the underlying Class A ordinary shares at any general meeting of our shareholders unless you withdraw such shares and become the registered holder of such shares prior to the record date for the general meeting. Under our fourth amended and restated memorandum and articles of association, the minimum notice period required to be given by our company to our registered shareholders for convening an annual general meeting is 21 days and the minimum notice period required to be given by our company to our registered shareholders for convening an extraordinary general meeting is 14 days. When a general meeting is convened, ADS holders may not receive sufficient advance notice to enable them to withdraw the Class A ordinary shares underlying their ADSs and become the registered holder of such shares prior to the record date for the general meeting to allow you to attend the general meeting and to vote directly with respect to any specific matter or resolution which is to be considered and voted upon at the general meeting. In addition, under our fourth amended and restated memorandum and articles of association, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent ADS holders from withdrawing the shares underlying their ADSs and becoming the registered holder of such shares prior to the record date, so that ADS holders would not be able to attend the general meeting or to vote directly. Where any matter is to be put to a vote at a general meeting, the depositary will endeavor to notify ADS holders of the upcoming vote and will arrange to deliver our voting materials to them. We cannot assure that ADS holders will receive the voting materials in time to ensure that they can instruct the depositary to vote the shares underlying their ADSs. In addition, the depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, holders of ADSs may not be able to exercise their right to vote and may lack recourse if the underlying Class A ordinary shares represented by their ADSs are not voted as they requested.

If holders of ADSs do not give instructions to the depositary as to how to vote at shareholders' meetings, except in limited circumstances, the depositary for our ADSs will give us a discretionary proxy to vote the Class A ordinary shares underlying their ADSs, which could adversely affect their interests.

Under the deposit agreement for the ADSs, if holders of ADSs do not timely and properly give voting instructions to the depositary as to how to vote the shares underlying their ADSs at any particular shareholders' meeting, the depositary will give us (or our nominee) a discretionary proxy to vote the Class A ordinary shares underlying their ADSs at the shareholders' meeting unless:

- we have failed to timely provide the depositary with notice of meeting and related voting materials;
- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have a material adverse impact on shareholders; or
- the voting at the meeting is to be made on a show of hands.

The effect of this discretionary proxy is that if holders of ADSs do not timely and properly give voting instructions to the depositary as to how to vote the Class A shares underlying their ADSs at any particular shareholders' meeting, they cannot prevent the Class A ordinary shares underlying their ADSs from being voted, except under the circumstances described above. This may make it more difficult for holders of ADSs to influence the management of our company. Holders of our ordinary shares are not subject to this discretionary proxy.

You may not receive dividends or other distributions on our ordinary shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.

The depository of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities underlying our ADSs, after deducting its fees and expenses. You will receive these distributions in proportion to the number of ordinary shares your ADSs represent. However, the depository is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. The depository may also determine that it is not feasible to distribute certain property through the mail. Additionally, the value of certain distributions may be less than the cost of mailing them. In these cases, the depository may determine not to distribute such property. We have no obligation to register under U.S. securities laws any ADSs, ordinary shares, rights or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to holders of ADSs. This means that you may not receive distributions we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of our ADSs.

Our ADS holders may be subject to limitations on transfer of their ADSs.

In certain cases, our ADSs are transferable on the books of the depository. However, the depository may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depository may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depository needs to maintain an exact number of ADS holders on its books for a specified period. The depository may also close its books in emergencies, and on weekends and public holidays. The depository may refuse to deliver, transfer or register transfers of our ADSs generally when our share register or the books of the depository are closed, or at any time if we or the depository thinks it is advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

We incur increased costs as a result of being a public company.

We are a public company and incur significant legal, accounting, and other expenses that we did not incur as a private company. We will incur additional costs as a result of our secondary listing on the Hong Kong Stock Exchange. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs. Operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers.

We have been and we may again be involved in lawsuits in the United States in the future. For example, on March 15, 2021, plaintiffs GeoSolutions B.V. and GeoSolutions Holdings N.V. filed a complaint in the California Superior Court, Santa Clara County, naming as defendants, among others, our company, the Chairman of our Board of Directors, our Chief Executive Officer, and our parent company Sina Corporation. The complaint alleges unlawful use of plaintiffs' location-based services technology by the defendants and a series of other claims. Our company, together with other served defendants, have removed the case from state court to the United States District Court for the Northern District of California. See *GeoSolutions B.V. et al v. Sina.Com Online et al* (5:21-cv-08019-EJD). On December 20, 2021, our company and certain other non-U.S. defendants filed a motion to dismiss the complaint for lack of personal jurisdiction in the federal court. On March 4, 2022, plaintiffs filed their opposition to the motion to dismiss. On April 22, 2022, our company and certain other non-U.S. defendants filed the reply. On March 16, 2023, the court granted the motion to dismiss, with leave to amend. On May 1, 2023, plaintiffs filed the first amended complaint. On May 16, 2023, plaintiffs filed a second amended complaint against all defendants to add back the defendants missing from their first amended complaint. On June 15, 2023, our company and certain other non-U.S. defendants filed a motion to dismiss the second amended complaint. On October 26, 2023, the court granted the motion to dismiss in favor of our company and the certain other non-U.S. defendants without prejudice for lack of personal jurisdiction and the dismissal is without further leave to amend. The plaintiffs did not appeal, ending the case. Lawsuits such as the above could divert a significant amount of our management's attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the lawsuits. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

Furthermore, our directors and employees may face additional exposure to claims and lawsuits as a result of their position in other public companies. For example, Mr. Charles Chao, our chairman of the board of directors, was named as a defendant in ongoing putative securities class action lawsuits filed in the U.S. against another U.S. public company in connection with a management buyout, which concern Mr. Chao in his capacity as a director of this public company and as an officer of a buyer group member. The court dismissed plaintiffs' amended complaint on September 29, 2021. On February 8, 2022, the court entered judgment on its decision, ending the case in the district court. Plaintiffs appealed, and the case is currently going through appellate procedures before the Court of Appeals for the Second Circuit. The existence of the litigation, claims, investigations and proceedings against our directors and employees, even if they do not involve our company, may harm our reputation and adversely affect the trading price of our Class A ordinary shares and/or ADSs.

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

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

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

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

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

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

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

Item 4. Information on the Company

A. History and Development of the Company

SINA, our parent, launched Weibo in August 2009, originally as a microblogging service provider. In 2010, SINA incorporated a subsidiary, T.CN Corporation, in the Cayman Islands to hold the assets associated with the Weibo business. In 2011, Weibo was upgraded with social networking features and improved open platform architecture to support internally developed and third-party developer applications on our platform. In 2012, T.CN Corporation was renamed Weibo Corporation. In April 2013, Alibaba Group invested US\$585.8 million through its wholly owned subsidiary, Ali WB, in our ordinary and preferred shares representing approximately 18% of Weibo Corporation's then total outstanding shares on a fully diluted basis.

In April 2014, our company completed the initial public offering and has been listed on The Nasdaq Global Select Market since then. Our company was incorporated under the laws of the Cayman Islands and is headquartered in Beijing, China. With offices throughout mainland China and Hong Kong, our principal place of operations is located at QIHAO Plaza 8/F, No. 8 Xinyuan S. Road, Chaoyang District, Beijing 100027, People's Republic of China. Our telephone number is +86 10 5898-3336.

Weibo Corporation holds 100% of the equity of Weibo Hong Kong Limited, or Weibo HK, a company incorporated in Hong Kong, and 100% of the equity of WB Online Investment Limited, a company incorporated in the Cayman Islands. Weibo HK is our intermediary holding company in Hong Kong. WB Online Investment Limited mainly engages in investing activities.

Weibo HK holds 100% of the equity of Weibo Technology and 100% of the equity of Hangzhou Weishichangmeng Advertising Co., Ltd. Both Weibo Technology and this entity are our wholly owned subsidiaries in China. Weibo Technology's principal business activities are the provision of technical and consulting services. The principal business activities of Hangzhou Weishichangmeng Advertising Co., Ltd are the provision of advertising and marketing services.

We are a holding company, and we conduct our business primarily through our PRC subsidiaries, the VIEs and their subsidiaries in China. See "Item 4. Information on the Company—C. Organizational Structure" and "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure." We rely principally on dividends and other distributions from Weibo Technology for our cash needs, including the funds necessary to pay dividends to our shareholders or service any debt we may incur. The VIEs hold certain assets including an Internet Content Provision License held by Weimeng, and other permits that are necessary for operating our business in China. In 2010, Weibo Technology gained a controlling financial interest in Weimeng and became its primary beneficiary (for accounting purpose only) through a series of contractual arrangements between Weibo Technology, Weimeng and Weimeng's shareholders. Weimeng Chuangke primarily engages in strategic investments in companies whose businesses are complementary to ours, which generally include high-tech companies operating in different internet-related businesses. In 2014, Weibo Technology gained a controlling financial interest in Beijing Weimeng Chuangke Investment Management Co., Ltd., or Weimeng Chuangke, and became its primary beneficiary (for accounting purpose only) through a series of contractual arrangements between Weibo Technology, Weimeng Chuangke and Weimeng Chuangke's shareholders. We refer to Weimeng and Weimeng Chuangke, collectively, as the VIEs in this annual report.

In December 2013, Weimeng acquired from SINA the entire equity interest in Beijing Weibo Interactive Internet Technology Co., Ltd., a PRC company engaged in the online game business, for a consideration of US\$10.1 million.

In June 2015, we acquired from SINA the majority equity interest in Weibo Funds, which engage in the investment of start-up high-tech companies, for a consideration of US\$22.0 million.

On December 8, 2021, our Class A ordinary shares commenced trading on the Main Board of the Hong Kong Stock Exchange under the stock code "9898" through a global offering of Class A ordinary shares. We and SINA offered in aggregate of 12,453,620 Class A ordinary shares in the global offering (including the exercise of over-allotment option). We sold 5,500,000 Class A ordinary shares and raised US\$178.4 million in net proceeds from the global offering, after deducting estimated underwriting fees and other offering expenses. SINA sold 6,953,620 Class A ordinary shares converted from the same number of Class B ordinary shares, including 1,453,620 Class A ordinary shares pursuant to exercise of the over-allotment option by the joint representatives of the international underwriters to purchase additional Class A ordinary shares. We received no proceeds from the sale of ordinary shares by SINA.

In December 2022, Weibo Hong Kong Limited, our wholly owned subsidiary, entered into an agreement to acquire from SINA Hong Kong Limited, a wholly owned subsidiary of SINA Corporation, the entire equity interest in Sina.com Technology (China) Co., Ltd., the owner of SINA Plaza in Beijing, China, for an aggregate consideration of approximately RMB1.5 billion.

SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC on www.sec.gov. You can also find information on our corporate website <http://ir.weibo.com>. The information contained on our website is not a part of this annual report.

B. Business Overview

Weibo is a leading social media platform in China for people to create, discover and distribute content. By providing a simple and inspirational way for people and organizations in China and the global Chinese communities to publicly express themselves in real time, interact with others on a platform with vast scale and stay connected with the world, Weibo has had a profound social impact in China. Launched in 2009, Weibo has been committed to enabling faster, easier, and richer connection among people and has become an integral part of many of Weibo users' daily lives.

Leveraging its early-mover advantage and its accumulated know-how and insights in the social media industry, Weibo has amassed a large user base in China and in Chinese communities in more than 190 countries around the world. We had 598 million MAUs and 257 million average DAUs in December 2023. The overwhelming majority of our users access our platform through mobile devices at least part of the time.

Weibo has transformed the way people express themselves and interact with others in the public internet space. Any user can create and post a feed and attach multimedia or long-form content. User relationships on Weibo may be asymmetric, and any user can follow any other user and add comments to a feed while reposting. This simple, asymmetric, and distributed nature of Weibo allows an original feed to become a live viral conversation stream.

Weibo serves a wide range of users including ordinary people, celebrities, key opinion leaders, and other public figures or influencers, as well as media outlets, businesses, government agencies, charities, and other organizations, making it a microcosm of Chinese society. As a leading social media platform, Weibo allows people in China and the global Chinese communities to be heard publicly and exposed to the rich ideas, cultures, and experiences in a broader world.

Weibo offers comprehensive content formats as a social media platform. Weibo users can create, discover, consume and share various formats of content, including text, photo, video, live streaming, and audio on the Weibo platform. By aggregating various media formats, the Weibo platform allows content creators to have more diverse choices to create content in their most desirable ways, so that more enriched content could be generated and distributed across the platform. Weibo is also well positioned to capture the market trends in media format transformation. To capitalize on the trend of video, Weibo has launched a series of innovative initiatives to improve its video product offerings and to empower, attract and retain more video content creators to its platform.

To support these diverse content offerings, Weibo also has comprehensive coverage of content categories and content creators. The diversified content offerings on the Weibo platform cater to the evolving and broad interests of Weibo users and cultivate a more vibrant ecosystem on the Weibo platform.

Products and Services

Our product categories include those for users, advertising and marketing customers and platform partners.

Products for Users

Our product development approach is centered on building simple and useful tools to enable our users to access Weibo to discover, create, and distribute content and interact with others on our platform in real time. Users can watch videos, read articles, discover hot information feeds and interest-based topics after installing the Weibo app or when visiting Weibo websites. Users registered with a Weibo account can set up their account information, post feeds, upload short videos and post articles. Users can also interact among themselves on our platform by following, liking, reposting, adding comments, sending private messages, and participating in topic discussions and group chats.

Starting from a social media platform primarily focusing on text and photo, Weibo has rolled out different formats, such as video and live streaming, to meet users' evolving demands. With its continuous efforts in capitalizing on new content formats, Weibo now offers a wide array of content format, content categories and content creators among social platforms in China. In addition to diversifying content formats, Weibo also plans to attract more users by further enriching its vertical content ecosystem, which is expected to fulfill the diverse interests and consumption needs of Weibo's user community.

Weibo serves a wide range of users including ordinary people, celebrities, key opinion leaders, and other public figures or influencers, as well as media outlets, businesses, government agencies, charities, and other organizations. Weibo has collaborated with industry leading multi-channel networks to provide high-quality content that spans across various content verticals.

Discovery. We offer the following products to help users discover content on our platform:

- *Information Feed.* We organize and present users with information feed in different forms. Among all our offerings, the two most important and most frequently browsed feeds are relationship-based information feed (follow model) and interest-based information feed, both of which reside on users' home page.

Each user's relationship-based information feed displays a flow of feeds posted by that user and other users who he or she has opted to follow. Since Weibo allows users to follow other users without establishing a reciprocal relationship, users are able to personalize who they follow based on their interests. In other words, users can as easily follow celebrities and strangers as they follow friends and acquaintances. To improve user experience, the relationship-based information feed has evolved from a chronological timeline to one with multiple dimensions, including content relevance, content quality, user interest, user engagement, and user relationships. Users can also customize their information feed by classifying followed accounts into different groups, e.g., friends, co-workers, celebrities, finance, sports and view feeds from each group separately.

Interest-based information feeds are timelines of feeds recommended by Weibo based on different interest-based themes. The hot information feed is an example of an interested-based information feed that we present on users' homepages to recommend feeds on recent popular topics, breaking news and feeds generated through user's individual interest. We also organize other interest-based information feeds on various themes for users to further explore the topics in which they are interested. For example, the video information feed, which is a timeline of recommended videos that appears after a user finishes watching a short video; and the profile information feed, which can be found on a user's individual page and shows all of the feeds shared by that user.

- *Search.* Our search function allows users to search our large content pool for users, feeds, videos, articles, and pictures. based on keywords (hashtag), topics or recent popular trending. Through our powerful search function, users can efficiently acquire the most relevant information they seek in real time.
- *Discovery Zone.* The discovery zone is the interface aggregating Search, Channels, Trends and information feeds for users to conveniently access a variety of content and services based on the user's current location and topical interests such as games, movie reviews, ticket purchasing, online music streaming, online shopping and live streaming. Users can find content related to their interests and interact with others of the same interests in the discovery zone.
- *Channels.* Channels gather users based on particular interests or locations and encourage user engagement through interaction within each channel. Users can visit these Channels to find rich content on topics of interest and interact with other users of similar interest. For example, users can watch live streaming content and movie trailers from the respective Channels and write reviews in the discussion zone. With Weibo's location-based services, users can locate popular points of interest, find information about them such as show times for movie theaters and menus for restaurants, access coupons, post comments, and see reviews shared by other users.
- *Trends.* Trends are lists of hot topics on Weibo. A user can start a topic discussion by adding hashtags (#) around a word or phrase in a feed. The key word or phrase then becomes searchable with a single click. Top trends are listed in the discovery zone. Users may view feeds under each trending topic and participate in the discussion. Weibo hot search is our hot topic ranking chart which is calculated based on data mining of real-time search data on the Weibo platform, presenting to users the most breaking, real-time and trendy content. It is currently the go-to platform for hot trend discovery, consumption and discussion.

Self-Expression. We offer the following products to enable our users to express themselves on our platform:

- *Post.* Weibo enables users to express and share their ideas, opinions and stories in the form of text and multimedia content. A post is usually composed of text, and can include rich, descriptive and vivid content such as photos, short videos, live streaming and long-form articles.

- *Individual Page.* Each individual user has an Individual Page to express and share ideas, opinions and stories in the form of text and multimedia content. Basic information about a user, including username, introduction, education, location, liked feeds, accounts followed, follower accounts and Weibo account number, is also available on the user's Page. Individual users with verified authentic identity information will have an orange "V" mark on their profile picture. Weibo membership, which can be purchased mainly through monthly, quarterly, or annual subscriptions, offers certain additional services and functions not available to free users, such as following more users, more personalization of their Pages, additional options to manage information feeds and followers and access to premium games. Business and other organizations with verified identities can apply for enterprise accounts, create an Enterprise Page and will have a blue "V" mark on their profile picture. We enable organizations to customize their Pages and to increase brand awareness, interact with followers, and perform marketing events, promotion activities, and advertisement campaigns on Weibo. We also enable businesses and other organizations to increase their business efficiency by providing various tools. For example, an e-commerce merchant can facilitate purchase activities through Weibo or offer "red envelop," and drawings to build a follower base.
- *Videos.* Users can create, share and discover full-screen vertical and horizontal short videos. Videos allow users to more easily create and consume content, and have gained popularity quickly among Weibo users, especially younger generation. In addition, user can use tools such as stickers, filters and music to express their personality.
- *Top Articles.* Top Articles satisfies users' need for content creation and presentation. Users can create beautifully presented content through Top Articles, and then publish their content through Weibo, which will display the content through information feed.
- *Weibo Live Streaming.* Weibo Live Streaming is an important media format on Weibo which satisfies the broadcasting demand of both individual users and business or organization users.
- *Review.* By accessing the review function, users can leave a star rating and a review on various contents, including popular TV shows, movies, variety shows, music and dance performances, businesses such as restaurants and hotels, as well as tourist attractions.
- *Weibo Q&A.* Weibo Q&A is our question-and-answer platform where users can engage in free Q&A as well as paid Q&A. The creation and interaction of user-generated content strengthens user engagement on Weibo.

Social. We offer the following mechanisms to promote social interaction between users on our platform:

- *Follow.* Users can establish relationships with other users by electing to follow them. Feeds that are posted or reposted by a user will automatically appear in the information feed of the user's followers. Relationships may be asymmetrical. The user being followed does not need to approve the follower's decision to follow them, although a user can choose to limit access to certain feeds or to blacklist a certain follower.
- *Repost, Comment, Favorite, Like.* By clicking on the Repost button, users can repost feeds from other users. When a feed is reposted, the original author is able to virally reach and influence users beyond that author's own circle of followers, leveraging the network of the followers of the author's followers, sometimes many degrees away. Users can add their own comments when they repost and share their view on the original feed with their followers. Users can also leave comments on a feed by clicking on the Comment button. If they like a feed, they can click on the Like button to express their support for the feed. At the bottom of each feed, users can see how many people have Reposted, Commented on or Liked the feed. Users can also save feeds into their favorites by clicking on the Favorite button.
- *Topic Discussion.* By accessing the topic feeds embedded in the Discovery Zone, users can consume hot topics and trends on Weibo, participate in specific topic discussions and interact with other platform users with similar topical interests.
- *Super Topic.* Super Topic is a community product to aggregate content around an influencer or a particular interest for users to follow. Users can join a Super Topic to access curated content, interact with users who share similar interests and participate in topic discussion.

- *@Mention.* Users can involve others into a particular feed and engage with them through @Mention these other users in the feeds. Meanwhile, users can easily participate in topics under which they are mentioned by going to the @Mention Page, which allows users to access all the feeds in which they are mentioned by other users.

Products for Advertising and Marketing Customers

We seek to provide advertising and marketing solutions to enable our customers to promote their brands and conduct effective marketing activities. We provide our customers with analytical tools to enable them to track and improve the effectiveness of their marketing campaigns on our platform. Our advertising and marketing customers seek a full spectrum of online advertising and marketing services ranging from brand awareness to interest generation, sales conversion and loyalty marketing.

The prices of our advertising and marketing solutions depend upon various factors, including the format, display location, and duration of the advertisements. We generally enter into agreements with standard terms and conditions with advertisers and advertising agencies. From time to time, we may provide sales rebates to advertising agencies.

We consider the ultimate beneficiary of our online advertising services as an “advertiser,” meaning the party whose products, brand awareness or marketing activities benefited from the execution of advertisement. We consider a party that we enter into an advertisement service contract with as our “customer” from accounting perspective. As such, we treat an advertising agency who enters into an advertisement service contract with us as our customer, and such advertising agency may represent and serve multiple advertisers. If an advertiser directly enters into an advertisement service contract with us, we will treat such advertiser also as our customer.

Social Display Advertisements. Social display advertisements appear on the app’s opening page, the Discovery Zone banner and the website home page banner. When users click on a display advertisement, they may be redirected to the advertiser’s Weibo Page or a product page on other platforms for further engagement or conversion.

Promoted Marketing. Leveraging our large and engaged user base, and celebrities and key opinion leaders’ influence on the Weibo platform, our customers are enabled to amplify their visibility and the reach of their original marketing campaign, and thus achieve earned media on our platform. Our promoted marketing offerings include the following:

- *Promoted Feeds.* Promoted feeds appear in the user’s information feed alongside organic feeds. We encourage our customers to produce feeds that have relevant information value similar to that of the users’ organic feeds. Customers may use our SIG recommendation engine to better target their audience and improve the relevance of the advertisement to the users. Super FST is an advertising platform specifically for our promoted feeds advertising products under a real time bidding system. By leveraging Weibo’s data insights, Super FST can help customers precisely target users based on user attributes and social relations, enabling customers to achieve marketing objectives such as improving customers’ branding, increasing website visits and advertisement conversion rate, growing fan bases, increasing app installation rates and collecting sales leads. Customer can place information feeds advertisements either through our authorized distributor, or directly by themselves on Super FST. Super FST provides various advertising formats, such as multi-image post, image-text, video and matrix advertisements. Some of our differentiated promoted feeds advertising offerings include:
 - Fans Headline is a promoted service that guarantees a certain feed from the customer will appear at the top of the information feeds of the customer’s followers or the audience that the customer would like to target, enabling customers to leverage celebrities and key opinion leaders’ rising influence on our platform.
 - Weibo Express is a promoted service mainly offered to customers with brand awareness purpose to reach and engage with a broad range of Weibo users; and
- *Promoted Trends and Search.* Promoted trends and search products appear alongside user’s organic trends discovery and search behaviors, based on keywords, topics and trends. Promoted trends, which are labeled as “promoted,” appear among the list of trending topics, and can be virally distributed to reach broader audience on the platform. When a user clicks on a promoted trend, he will be redirected to the sponsor’s landing page. Promoted searches usually appear as the default keyword or topic in the search bar when triggered by users’ search behaviors of certain sponsored keyword or topic.

Products for Platform Partners

We seek to provide our platform partners with abundant tools and services, which improves Weibo's content ecosystem with more diverse and high quality content, increases user engagement, enhances user experience, expands user scale and strengthens platform influence. Our platform partners include traditional and online media outlets, copyright content providers, key opinion leaders, multi-channel networks and other self-media, as well as app developers and data suppliers. We offer different products tailored to different types of platform partners, including:

Products for copyright content providers. We work with TV channels, online video websites and operators with copyright content through traffic resource exchange and content traffic sharing. Such cooperation enriches Weibo's content ecosystem with diversified video content and strengthens Weibo's brands influence, while at the same time enhancing partners' user scales, and their brands influence.

- *Standardized products.* Our standardized products to platform partners include, among others, Trends, Search, Video/Live Streaming, and Editing tools.
- *Customized products.* We provide customized products such as content customization, pooling of copyright content and user interaction development to our platform partners.
- *Resource services.* We provide our platform partners with operational resources to expand their brand influence, such as search list recommendation, trends list recommendation and Weibo app opening advertisements.

Products for key opinion leaders, multi-channel networks and other self-media. Self-media refers to organization partners with the ability to manage and provide services to top content creators on Weibo, such as multi-channel networks, unions and e-commerce partners. These top content creators produce various types of content on Weibo in the form of video, live stream, images and text. We provide self-media with standardized products and services to help them build up and monetize their social assets, which in return enables them to produce more content and attracts more self-medias to our platform. Our products and services to them include:

- *Back-end management.* We provide standardized and specialized back-end management allowing key opinion leaders and self-media to monitor their traffic performance and manage their accounts in a scalable manner. Our back-end management services include, among others, management of accounts, data, resources and growth.
- *Traffic supports.* We provide traffic distribution supports such as account recommendation, content recommendation and access to certain exclusive functions.
- *Product services.* We provide self-media with product solutions for better displaying and promotion of its account and content through various channels, including information feeds, video feeds and users' home pages.

Products for other app developers. Under user consent, our open application platform allows users to log into third-party applications with their Weibo account, which enables sharing of third-party content on our platform. User privacy is strictly protected during the authorization to third-party applications, which only have access to users' basic public information. This product helps mobile app developers to acquire users while helps Weibo to acquire shared content from other apps and platforms.

Weibo Wallet. Our Weibo wallet product enables platform partners to conduct interest generation activities on Weibo, such as handing out "red envelopes" and coupons to other users to build a bigger and more active fan base, and drive purchase conversion. Weibo wallet also enables individual users to purchase different types of products and services on Weibo, including those that we offered, such as marketing services and membership, and those offered by our platform partners, such as e-commerce merchandises, financial products and virtual gifts.

Competition

We provide online social media services for users in China and the global Chinese communities. The social media industry is highly competitive and rapidly changing due to the quickly evolving market demand and user preferences. As a result, we face significant competition for user traffic, user engagement and advertising and marketing spending from a wide array of existing and potential competitors who may launch new websites, apps, platforms or services at a relatively low cost. Many companies offer various content and services that compete with our offerings. With the growth rate of the overall size of the internet community slowing down, the industry is evolving rapidly while witnessing rising competition for traffic and user time.

We are a media platform in nature, and major Chinese internet companies, such as Tencent and Bytedance, that provide online media, including content aggregation and distribution services, compete directly with us for user traffic and user engagement, content, talent and marketing resources. In addition, as a social media platform featuring social networking services and providing a rich variety of multimedia contents, we are subject to intense competition from providers of similar services, such as social networking platforms and multimedia content platforms with social features. We are subject to intense competition from providers of similar services as well as potentially new types of online services. These services mainly include (i) messengers and other social apps and sites, such as Weixin/WeChat and QQ Mobile; (ii) multimedia apps (such as photo, video and live streaming), such as Douyin/TikTok, Kuaishou, Bilibili, Xiaohongshu, iQiyi, Tencent Video, Youku and Xigua Video; and (iii) news apps and sites operated by other major internet companies, including Tencent, Bytedance and NetEase. In addition, as a media platform in nature, we also compete with traditional media companies for audiences and content.

For value-added services, we mainly offer membership services, online game services, and social commerce solutions to users that enable them to conduct related activities on our platform. Consequently, our value-added service offerings compete with platforms which provide similar services to users. In addition to direct competition, we face indirect competition from companies that sponsor or maintain high traffic volume websites or provide an initial point of entry for internet users, including, but not limited to, providers of search services, web browsers and navigation pages.

We also face significant competition for advertising and marketing spending. A substantial majority of our revenues is generated from the sale of advertising and marketing services. We compete against businesses that offer such services, including, but not limited to, social media and social networking platforms, multimedia content platforms and online media platforms. We also compete with internet companies that offer online-to-offline, purchase solutions and other performance-based advertising services and digital media tailored to vertical industries, such as automobile and IT. We also compete against traditional media outlets for advertising and marketing spending.

Some of our larger competitors have substantially broader product or service offerings and leverage their relationships based on other products or services to gain a larger share of advertising and marketing budgets. We believe that our ability to compete effectively for advertising and marketing spending depends upon many factors, including the size, composition and engagement of our user base, our advertisement targeting capabilities, market acceptance of our advertising and marketing services, our marketing and selling efforts, the return our customers receive from our advertising and marketing services and the strength and reputation of our brands. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—If we are unable to compete effectively for advertising and marketing spending, our business and operating results may be materially and adversely affected.”

We may also face increasing competition from global social media, social networking services and messengers. Some of our competitors may have substantially more cash, traffic, technical and other resources than we do. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—If we are unable to compete effectively for user traffic or user engagement, our business and operating results may be materially and adversely affected.”

We experience significant competition for highly skilled personnel, including management, engineers, designers and product managers. Our growth strategy depends in part on our ability to retain our existing personnel and add additional highly skilled employees. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—Our business and growth could suffer if we are unable to hire and retain key personnel.”

Technology, Research and Development

Built on our proprietary technology, including machine learning and cloud computing, we have developed a leading social media platform to satisfy users’ customized content consumption need. We devote substantial research and development resources in the areas of artificial intelligence, cloud computing, big-data analytics, as well as live streaming related areas.

Unified Platform. We have developed a unified, open platform that allows our users, customers and platform partners to access a vast amount of content on Weibo from mobile devices, personal computers and other internet-enabled devices in real time. Our platform adopts service-oriented architecture that allows easy up-scaling and frequent upgrading of our products. Our platform is built on technologies that can process and analyze bulk data generated by millions of users instantaneously.

Artificial Intelligence (AI). We have in-house designed a SIG recommendation engine. We have developed a comprehensive database of our users' social interest graphs based on user actions such as Post, Repost, Comment, Like and Follow, and social relationships. Our SIG recommendation engine employs multiple algorithms, making it capable of realizing hyperscale online training, allowing us and our customers to push content to Weibo users that they are more likely to find interesting and relevant. We continually refine our recommendation engine to improve the relevance of information we push to users to increase user stickiness. In addition, we believe that advertisements can gain greater relevance from social context and become part of the user experience rather than an interruption of it.

We are incorporating generative AI features into our services for content creators and our user community. Through cooperation with generative AI service providers, we have rolled out tools to ease the process of content creation, therefore to enrich Weibo's products and content ecosystem. The generative AI tools enable content creators to generate personalized posts in an efficient manner, which align with their unique voice and resonate with their audience. We also offer AI-powered chatbots designed for key opinion leaders and celebrities to automate conversations with their followers. These chatbots can intelligently generate human-like responses trained on historical data accumulated from various content categories across our platform. We believe these AI-driven features will drive higher user engagement, while saving time and resources, and improve the efficiency of operating content creators' accounts on our platform. We plan to continually invest in these initiatives and offer these tools to more content creators.

Cloud Computing. Our hybrid cloud platform can spot hot topics within seconds, automatically and speedily expand our cloud servers within minutes, and support millions of user visits occurring every second. Our proprietary model optimizes and facilitates efficient data storage by dividing data into different levels. This distributed storage model allows us to efficiently manage huge amount of data while storing data on ordinary servers that are easily scalable. Our geographically distributed architecture enables fast access for users across the country. Weibo, as the main distribution platform for China's major hot topics, has been providing users with stable and smooth visiting experiences, even when its peak user access traffic was constantly refreshed by itself from time to time upon hot topics on its platform.

Video Platform. Our video platform supports media content in multiple formats. We have upgraded our video encoder, making it possible to provide quality visual effects even when end users' bandwidths are limited. We invented a video orchestration engine, which has significantly increased the efficiency to process videos and the speed for users to upload videos. We utilize machine learning technologies to semantically understand videos uploaded to our platform, whereby we extract texts, basic features from videos to generate content labels, interest-based themes and video fingerprint information. We use this information to accelerate content review of the videos and distribution of the videos on our platform.

Live Streaming System. We have developed a smart dispatch system that links push streaming with node load balancing and optimal path finding technologies, which adjusts video caches to adapt to different networks and ensures video quality and stability in live streaming. We have upgraded our live streaming engine to support millions of users watching live streaming simultaneously and to improve user experience with lower network latency even in poor internet conditions.

Sales and Marketing

We maintain our own sales operations team. In historical periods before 2021, we classified our advertising business by customer type, namely, key account and small and midsize enterprise customers, and they were served by different sales force. The separation of sales force was mainly driven by the marketing needs of these two group of customers we observed. Back then, the marketing needs of key account customers were more brand-driven, which resulted in their focus on purchasing brand exposure products, while the marketing needs of small and midsize enterprise customers were usually performance-driven. However, with the development of the online advertising industry and the expansion of Weibo's business over the years, the distinction between the needs of key account and small and midsize enterprise customers became less obvious and the classification of customer type by key account and small and midsize enterprise customers no longer fits our internal management and operational objectives. In order to address the market demand more efficiently, we have restructured our sales team at the end of fiscal year 2020 by eliminating the distinctions between the key account and small and midsize enterprise customer sales forces and merging the two teams together. We also stopped labelling the customers by key account and small and midsize enterprise customers and ceased tracking their data separately from the beginning of the fiscal year of 2021. We were also aware that the advertising demands of both key account or small and midsize enterprise customers have been shifting towards "branding-plus-performance" and we have adjusted our advertisement products accordingly. We transact business either directly with customers or through third-party advertising agencies.

Due to the expertise required to carry out an effective online marketing campaign, many customers prefer to hire advertising agencies to handle their internet brand campaigns. These advertising agencies provide a broad spectrum of internet marketing and advertising services. Our sales team leverages Weibo's unique position and advantages in social marketing to assist customers or their advertising agencies throughout their advertising campaign cycle, from designing advertisement campaigns and crafting advertisements in different formats to executing social marketing campaigns and providing analytical tracking.

SINA acts as one of our agents in servicing our advertising and marketing clients. We have signed an agreement with SINA relating to these sales and marketing services. See "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Our Relationship with SINA—Sales and Marketing Services Agreement" We will continue to offer integrated solutions to customers with both SINA's and our advertising and marketing solutions. We believe that our advertising and marketing solutions are complementary to SINA's.

We believe that our position as a leading social media platform in China has given us widespread name recognition. We focus on continually improving the quality of our products and services to strengthen our brand, as we believe satisfied users and customers are more likely to recommend our products and services to others. While word of mouth has helped us, we also make selective use of advertising, promotions and special events to promote Weibo awareness and usage.

Environmental, Social and Governance

We are committed to the vision of making the world a better place with the power of Weibo. Since our inception, we have been dedicated to serving our users, content creators, employees, customers and other stakeholders within our ecosystem. We have integrated environmental, social and governance consideration into our daily operations.

In 2023, we remain dedicated to fulfilling our social responsibilities through leveraging our community and operating our platform in a responsible manner. On April 19, 2024, we published our 2023 ESG (environmental, social and governance) annual report, which outlined our initiatives and performance in key ESG areas for the fiscal year of 2023.

Data privacy and cybersecurity. Protection of data privacy and cybersecurity are important components of our overall risk management program. Our information security management is integrated into our risk management program. For a detailed discussion, please see "Item 16K. Cybersecurity."

Protection of minors. We launched "minors' mode" in 2019 and we continually work to upgrade its features and settings to help keep minors safe and limit the sensitive content they can see on Weibo. We have curated educational content suitable for minors under this mode.



Quality content. We initiated the vertical content development strategy in 2015 and have been enriching vertical content to bring people of different interests to the platform of Weibo. We strive to create an ecosystem where our user community can find similar minds on Weibo, express themselves, and interact with each other. In addition, we have established a "machine learning *plus* manual inspection" model for content governance to efficiently identify misinformation and malicious speech on our platform.

Equality and diversity. We promote the value of an inclusive and diverse culture with gender equality, which we believe attracts the best talent. Adhering to our equal employment and development principle, our human resources decisions shall be based on each employee's work performance, motivation, quality and specialty, regardless of gender, and in compliance with the rules and regulations.

Women hold various leader roles in our company, including Ms. Hong Du, our director, and Ms. Fei Cao, our chief financial officer. We will continue to work towards enhancing the gender diversity of our board of directors, including, within three years after the listing on the Hong Kong Stock Exchange, identify and recommend at least one female candidate to our board of directors for its consideration on appointment of a director, with the goal to achieve a higher percentage of female board representatives, subject to our directors (i) being satisfied with the competence and experience of the candidates after a holistic review process based on reasonable criteria; and (ii) fulfilling their fiduciary duties to act in the best interest of our company and the shareholders as a whole when deliberating on the appointment.

Environmental protection. We are committed to achieving carbon neutrality, improving energy and resource efficiency, and integrating the principle of green and low-carbon into our business operations. We track the carbon footprints of our daily operations and procurement processes. For instance, as a part of the data center site selection process, we integrate the energy efficiency levels of suppliers into selection criteria. We have also been implementing strategies and technologies to conserve energy and improve energy efficiency during the operations of data centers. As a leading social media platform, we partner with media, enterprises, government, and non-profit organizations to encourage individuals to participate in green projects, making us a strong advocate for the green philosophy.

Intellectual Property

We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. As of December 31, 2023, we have registered 313 patents and applied for an additional 75 patents with the PRC State Intellectual Property Office. As of December 31, 2023, we have registered 623 software copyrights with the PRC National Copyright Administration. We have also registered domain names, including weibo.com, weibo.cn and weibo.com.cn. We have obtained an exclusive, perpetual, worldwide and royalty-free license from SINA to use its “新浪微博”, “ 微博” and “ 微博” trademarks.

We have implemented procedures to reduce the likelihood that content published on Weibo might be used without proper licenses or third-party consents. For example, we request users to agree to the terms and conditions set forth in the user agreement of our platform, including agreeing not to infringe the intellectual property rights of others. We leverage our technology to monitor and protect original content on our platform. For example, we have launched a self-protection function for video content creators, and the fingerprint trails of their videos will be extracted and saved in our system. Our system will compare against the fingerprint trails extracted from the newly uploaded video by third parties, then send to our screening team for second-level manual review. We will replace the infringing content with the link to the original content. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or otherwise obtain and use our technology. Monitoring unauthorized use of our technology is difficult and costly, and we cannot be certain that the steps we have taken will prevent misappropriation of our technology, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the United States. From time to time, we may have to resort to litigation to enforce or defend our intellectual property rights, which could result in substantial costs and diversion of our resources.

In addition, third parties may initiate litigation against us alleging infringement of their proprietary rights or declaring their non-infringement of our intellectual property rights. In the event of a successful claim of infringement and our failure or inability to develop non-infringing technology or license the infringed or similar technology on a timely basis, our business could be harmed. In addition, even if we are able to license the infringed or similar technology, license fees could be substantial and may adversely affect our results of operations.

See also “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—We may not be able to adequately protect our intellectual property, which could cause us to be less competitive.” and “Item 3. Key Information—D. Risk Factors—D. Risks Relating to Our Business—We may be subject to intellectual property infringement claims or other allegations by third parties, which may materially and adversely affect our business, financial condition and prospects.”

Seasonality

Weibo has experienced seasonality in its online advertising business. Historically, advertising spending tends to be the lowest in the first quarter of each calendar year due to long holidays around the Lunar New Year. Past performance may not be indicative of future trends, as the mix of advertising industry sectors, which may have different seasonality factors, may shift from quarter to quarter.

Regulation

The following description of PRC laws and regulations is based upon the opinion of Kewei Law Firm, our PRC counsel. For a description of legal risks relating to our ownership structure and business, see “Item 3. Key Information—D. Risk Factors.”

Regulations on Microblogs

The Rules on the Administration of Microblog Development, issued by the Beijing Municipal Government in 2011, stipulate that users who post publicly on microblogs are required to disclose their real identity to the microblogging service provider, though they may still use pen names on their accounts. Microblogging service providers are required to verify the identities of their users. In addition, microblogging service providers based in Beijing were required to verify the identities of all of their users, including existing users who post publicly on their websites.

The Cyber Security Law, issued by the Standing Committee of the National People’s Congress on November 7, 2016, and effective on June 1, 2017, requires network operators that provide network access or domain name registration services, landline or mobile phone network access, or that provide users with information publication or instant messaging services, to require users to provide a real identity when they sign up.

The Cyberspace Administration of China released the Provisions on the Administration of Microblog Information Services on February 2, 2018, which came into effect on March 20, 2018. These provisions provide the principal responsibilities of the microblog service providers, including authentication of true identity information; tiered and categorized management; rumor-dispelling mechanisms; industry self-discipline; social supervision; and administrative management. These provisions require microblog service providers to establish complete and comprehensive systems for registering users; verifying published information; managing posts, comments, and emergency responses; and providing education and training for practitioners; as well as implement a “chief editor system.” Microblog service providers are required to set up sound rumor-dispelling mechanisms, whereby it shall take the initiative to refute rumors when it finds that any microblog service user publishes or spreads any rumor or untruthful information. Furthermore, if new technology is adopted or if any update is made to add an application or function which enable discussion of news or social mobilization capabilities, it shall be reported to the local office of the Cyberspace Administration of China, autonomous region or municipality directly under the State Council for security assessment.

In order to comply with the abovementioned rules, we have added additional clauses into the agreements between the users of our microblog service and us requesting our microblog users to register using their real names.

On November 15, 2018, the Cyberspace Administration of China and the Ministry of Public Security jointly promulgated the Regulations for the Security Assessment of Internet Information Services Having Public Opinion Properties or Social Mobilization Capacity, which deem microblogging, live streaming, information sharing services as internet information having public opinion properties or social mobilization capacity. The service providers providing such services are required to conduct security assessments when they launch new online services, expand the functionality of their existing services, introduce new technologies or applications, experience a significant increase in user base, witness the spread of unlawful or harmful information, or any other circumstance identified by the cybersecurity authorities. These service providers are required to submit security assessment reports to the local cybersecurity authorities and public security bureau via the National Internet Security Management Service Platform.

Regulations on Advertisements

The PRC government regulates advertising, including online advertising, principally through the State Administration for Market Regulation, formerly the State Administration for Industry and Commerce. Since 2005, the State Administration for Industry and Commerce has exempted most enterprises (other than radio stations, television stations, newspapers and magazines, non-corporate entities and entities specified in other regulations) that engage in advertising business from the requirement of holding an operating license for advertising in addition to a business license. We conduct our online advertising business through Weimeng, which holds a business license that covers online advertising in its scope of business.

Advertisers, advertising operators and advertising distributors are required by PRC advertising laws and regulations to ensure that the content of the advertisements they produce or distribute are true and in full compliance with applicable laws and regulations. In addition, where a special government review is required for certain categories of advertisements before publishing, advertisers, advertising operators and advertising distributors are obligated to confirm that such review has been duly performed and that the necessary approval has been obtained. Violations of these regulations may result in penalties, including fines, confiscation of advertising income, orders to cease dissemination of the advertisements and orders to publish an advertisement correcting the misleading information. For serious violations, the State Administration for Market Regulation or its local branches may order the violator to terminate its advertising operations or even revoke its business license. Furthermore, advertisers, advertising operators or advertising distributors may be subject to civil liabilities if they infringe on the legal rights and interests of third parties.

On April 24, 2015, the Standing Committee of the National People’s Congress issued the PRC Advertising Law or the Advertising Law, effective on September 1, 2015 and last amended on April 29, 2021. The Advertising Law applies to all advertising activities conducted via the internet. The Advertising Law requires that users must be able to close online pop-up ads with one click. Moreover, internet service providers are obligated to cease publishing any advertisements that they know or should know are illegal. Violation of these regulations may result in penalties, including fines, confiscation of the advertising incomes, termination of advertising operations and even suspension of the provider’s business license.

On July 4, 2016, the State Administration for Industry and Commerce issued the Interim Measures for the Administration of Internet Advertising, which became effective on September 1, 2016. These measures clarify that “internet advertisements” means commercial advertisements that promote commodities or services directly or indirectly via internet media such as websites, webpages and internet application programs in the form of texts, pictures, audio, video or other forms. These measures also impose a number of new requirements on internet advertisers. For example, paid search advertisements should be clearly distinguished from ordinary search results. In addition, consistent with the Advertising Law, these measures require that advertisements published on internet pages in the form of pop-ups or other similar forms shall be clearly marked with a “Close” button to ensure “one click to close.” These measures also prohibit unfair competition in internet advertisement publishing, including (i) providing or using any programs or hardware to intercept or filter any legally operated advertisements of other persons; and (ii) using network pathways, network equipment or applications to disrupt the normal data transmission of advertisements, alter or block legally operated advertisements of other persons or load advertisements without authorization. Violation of these regulations may result in fine of up to RMB30,000, with any punishments administrated by the Administrative Authority for Industry and Commerce in the place where the advertisement publisher is located.

On February 25, 2023, the State Administration for Market Regulation released the Measures for the Administration of Internet Advertising, which became effective on May 1, 2023. The goal of these measures is to ensure transparency, protect user rights and assign responsibilities to advertising agents, publishers, and platform operators. These measures provide guidelines for various forms of online advertisements, including pop-ups, open-screen, live-streaming, “soft text,” linked, auction ranked, algorithm-recommended, live streaming, and covert advertisements. For example, when promoting goods through “soft text” ads, the publisher must clearly indicate that it is an advertisement using a label. These regulations require internet platform operators to prevent and stop illegal advertisements, such as recording and storing user identity information, monitoring content, and using warnings or suspensions for users who publish illegal ads. Platform operators must also establish complaint and reporting mechanisms and cooperate with competent authorities. Platforms are not allowed to obstruct monitoring by the authorities. Violation of these measures may result in fines, confiscation of illegal profits, business operation suspension, and revocation of licenses. The administrative penalty decisions made by the governmental authorities will be publicly disclosed through the National Enterprise Credit Information Publicity System.

To comply with these laws and regulations, we include clauses in all of our advertising contracts requiring that all advertising content provided by advertisers or advertising agencies must comply with the laws and regulations.

Regulations on Value-Added Telecommunications Services

The Telecommunications Regulations, promulgated by the State Council in 2000, and were last revised in 2016, draw a distinction between “basic telecommunication services” and “value-added telecommunication services.” Internet content provision services is a subcategory of value-added telecommunications services. According to the Catalogue of Telecommunications Business, most recently updated on June 6, 2019, the “value-added telecommunication services” was further classified into two sub-categories and 10 items. Internet content provision service is under the second subcategory of value-added telecommunications businesses. Under the Telecommunications Regulations, commercial operators of value-added telecommunications services must first obtain an operating license from the Ministry of Industry and Information Technology or its provincial level counterparts.

The State Council issued the Administrative Measures on Internet Information Services concurrently with the Telecommunications Regulations in 2000 to regulate internet content provision services, which was subsequently amended on January 8, 2011. According to these measures, commercial internet content provision service operators must obtain an Internet Content Provision License from the government authorities before engaging in any commercial internet content provision operations within the PRC. These measures further stipulate that entities providing internet content provision services regarding news, publishing, education, medicine, health, pharmaceuticals and medical equipment must procure the approval of the national government authorities responsible for such areas prior to applying for an operating license from the government authorities.

The Administrative Measures on Telecommunications Business Operating Licenses, promulgated by the Ministry of Industry and Information Technology in 2001 and most recently revised in 2017, set forth the types of licenses required to operate value-added telecommunications services and the qualifications and procedures for obtaining such licenses. For example, an information service operator providing value-added telecommunication services in multiple provinces is required to obtain an inter-regional license, whereas an information services operator providing the same services in one province is required to obtain a local license.

To comply with these PRC laws and regulations, Weimeng holds an Internet Content Provision License issued by the Beijing Telecommunications Administration. In addition, Weimeng also holds an inter-regional Value-Added Telecommunications Services Operating License for provision of value-added telecommunication services nationwide.

Regulations on Corporate Governance and Foreign Ownership in Value-Added Telecommunications Services

The establishment, operation, and management of companies in China are governed by the PRC Company Law, as last amended on December 20, 2023 and effective on July 1, 2024. According to the PRC Company Law, a company established in the PRC may take the form of a limited liability company or a joint stock company with limited liability. Each company is an independent legal entity with property rights. Foreign-invested companies established in PRC are also subject to the PRC Company Law. Shareholders of a limited liability company must fully pay in their subscribed registered capital within five years from the date of establishment of this company. Companies established before July 1, 2024 shall gradually adjust their capital contribution to meet this new requirement. This law also imposes greater personal liability for directors, supervisors and management. Violation of this law could lead to sanctions and penalties, including fines, orders to correct and public announcements of violations.

According to the Provisions on Administration of Foreign Invested Telecommunications Enterprises, promulgated by the State Council in 2001 and most recently amended in 2022, the ultimate foreign equity ownership in a value-added telecommunications service provider must not exceed 50%, except as otherwise stipulated by the state. Foreign investors that meet these requirements must obtain approvals from the Ministry of Industry and Information Technology and the Ministry of Commerce or their authorized local branches. Due to the limitation of foreign investment in value-added telecommunications services companies that provide internet information services, we would be prohibited from acquiring any equity interest in Weimeng. In addition, we believe that our contractual arrangements with Weimeng and its individual shareholders provide us with sufficient and effective control over Weimeng. Accordingly, we currently do not plan to acquire any equity interest in Weimeng.

The Notice of the Ministry of Industry and Information Technology on Intensifying the Administration of Foreign Investment in Value-added Telecommunications Services, issued in 2006, prohibits domestic telecommunications services providers from leasing, transferring or selling telecommunications business operating licenses to any foreign investor in any form, or providing any resources, sites or facilities to any foreign investor for their illegal operation of a telecommunications business in China. Either the holder of a value-added telecommunications business operating license or its shareholders must legally own the domain names and trademarks used by such license holder in providing value-added telecommunications services. The notice further requires each license holder to have the necessary facilities, including servers, for its approved business operations and to maintain such facilities in the regions covered by its license. In addition, all value-added telecommunications service providers are required to maintain network and internet security in accordance with the standards set forth in the PRC regulations. If a license holder fails to comply with the requirements in the notice and cure such non-compliance, the Ministry of Industry and Information Technology or its local counterparts have the discretion to take measures against such license holders, including revoking their value-added telecommunications business operating licenses.

The National People's Congress approved the Foreign Investment Law on March 15, 2019 and the State Council approved the Regulation on Implementing the Foreign Investment Law on December 26, 2019, effective from January 1, 2020. The Foreign Investment Law and its implementation regulations embody an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. The Foreign Investment Law and its implementation regulations reference a negative industry list for foreign investment's access into various PRC domestic industries. This negative list has been updated from time to time by the State Council and sets forth industry sectors prohibited to foreign investment. According to the Special Administrative Measures for Access of Foreign Investment (Negative List) (2021) effective on January 1, 2022, the ultimate foreign equity ownership of a value-added telecommunications service (other than e-commerce, domestic multi-party communications, storage-forwarding and call centers) provider in the PRC may not exceed 50%.

The Supreme People's Court of China issued a judicial interpretation on the Foreign Investment Law on December 27, 2019, effective from January 1, 2020, to ensure fair and efficient implementation of the Foreign Investment Law. According to the judicial interpretation, courts in China shall not support contracted parties to claim foreign investment contracts in sectors not on the negative list as void because the contracts have not been approved or registered by administrative authorities. In addition, courts in China shall support contracted parties who claim (i) foreign investment contracts for sectors prohibited by the negative list as void, or (ii) foreign investment contracts in sectors where foreign investment is restricted as void because the contracts have violated the restrictions in the negative list.

To comply with these PRC regulations, we operate our platform through Weimeng. Weimeng is currently owned by four PRC employees of our company or SINA, Y. Liu, W. Wang, W. Zheng and Z. Cao, and a third-party minority stake holder, WangTouTongDa (Beijing) Technology Co., Ltd. Weimeng holds an Internet Content Provision License and an Online Culture Operating License. Weimeng owns the domain names related to its operations and our platform (weibo.com, weibo.cn, and weibo.com.cn), while the trademarks relating to our operations are held by Weibo Technology, Weimeng and SINA's subsidiaries. Due to the fact that trademarks owned by SINA's subsidiaries contain SINA's Chinese name or logo, such trademarks cannot be transferred to us. However, each of SINA's subsidiaries has granted an exclusive license to Weimeng for its use of such trademarks. If the PRC government authorities determine in the future that the current ownership of our trademarks do not comply with the regulations and the trademarks relating to our operations must be held by Weimeng, we may need to transfer these trademarks to Weimeng, which could severely disrupt our business.

If, despite these precautions, the PRC government determines that we do not comply with applicable laws and regulations, it can revoke our business and operating licenses, require us to discontinue or restrict our operations, restrict our right to collect revenues, block our platform, require us to restructure our operations, including possibly the establishment or restructuring of a foreign-invested telecommunications enterprise, re-application for the necessary licenses, or relocation of our businesses, staff and assets, impose additional conditions or requirements with which we may not be able to comply, or take other regulatory or enforcement actions against us. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure—If the PRC government determines that the contractual arrangements constituting part of the VIE structure do not comply with PRC regulations on foreign investment in internet and other related businesses, or if these regulations or their interpretation change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations."

Regulations on Internet Content Services

National security considerations are an important factor in the regulation of internet content in China. The National People's Congress has enacted laws with respect to maintaining the security of internet operations and internet content. According to these laws, as well as the Administrative Measures on Internet Information Services, violators may be subject to penalties, including criminal sanctions, for internet content that:

- opposes the fundamental principles stated in the PRC Constitution;
- compromises national security, divulges state secrets, subverts state power or damages national unity;
- harms the dignity or interests of the state;
- incites ethnic hatred or racial discrimination or damages inter-ethnic unity;
- undermines the PRC's religious policy or propagates superstition;
- disseminates rumors, disturbs social order or disrupts social stability;
- disseminates obscenity or pornography, encourages gambling, violence, murder or fear or incites the commission of a crime;
- insults or slanders a third party or infringes upon the lawful rights and interests of a third party; or
- is otherwise prohibited by law or administrative regulations.

Internet content provision service operators are required to monitor their websites. They may not post or disseminate any content that falls within these prohibited categories and must remove any such content from their websites. The PRC government may shut down the websites of Internet Content Provision License holders that violate any of the abovementioned content restrictions, order them to suspend their operations, or revoke their Internet Content Provision Licenses.

On February 4, 2015, the Cyberspace Administration of China promulgated the Administrative Provisions on Account Names of Internet Users, which became effective as of March 1, 2015. These provisions require internet service providers to authenticate registered users' identity information and to commit to complying with the "seven basic requirements," including observing the laws and regulations, protecting state interests, as well as ensuring the authenticity of any information they provide. Internet information service providers are responsible for protecting users' privacy, the consistency between user information, such as account names, avatars, and the requirements set forth in these provisions, making reports to the competent authorities regarding any violation of these provisions, and taking appropriate measures to stop any such violations, such as, notifying the user to make corrections within a specified time and suspending or closing accounts in the event of continuing non-compliance.

On October 26, 2021, the Cyberspace Administration of China issued draft Administrative Provisions on the Account Names of Internet Users, revising the Administrative Provisions on Account Names of Internet Users. This draft provides that when registering an internet account, the user shall execute an agreement with the internet user account services platform, provide authentic identity information, and obey the rules of the platform. Internet user account service platforms shall establish, improve and strictly implement account name information management system, information content security system, and personal information protection system. Internet user account service platforms should also establish protocols to ensure authenticity of account and user identity information. When an Internet user account is in violation of the provisions of this draft, the internet user account service platform shall suspend the service and inform the user to correct the issue within a limited time frame; and if the user refuses to correct it, the account shall be closed. As of the date of this annual report, this draft has not been formally adopted.

On August 25, 2017, the Cyberspace Administration of China promulgated the Administrative Provisions on Internet Follow-up Comment Services, which was amended on November 16, 2022 with effect from December 15, 2022. These provisions provide that internet follow-up comment service providers must verify the identification information of registered users, establish and improve user personal information protection systems, as well as establish and improve internet follow-up comment review and administration systems for real-time monitoring of user comments and emergency responses.

On August 25, 2017, the Cyberspace Administration of China promulgated the Administrative Provisions on Internet Forum and Community Services, which became effective on October 1, 2017. These provisions provide that internet forum and community service providers must assume primary responsibility for establishing and improving real-time information verification, emergency response capabilities, and personal information protections as well as other information security administration systems to institute preventative safety measures with employed professionals and necessary technical support for performing these duties.

On September 7, 2017, the Cyberspace Administration of China promulgated the Provisions on the Administration of Information Services Provided through Chat Groups on the Internet, which became effective as of October 8, 2017. These provisions require information service providers to verify the identification information of users of information services through internet chat groups and take necessary measures to protect user safety and personal information.

On September 7, 2017, the Cyberspace Administration of China promulgated the Administrative Provisions on the Information Services Provided through Official Accounts of Internet Users, as amended on January 22, 2021 and became effective on February 22, 2021. Pursuant to these provisions, official accounts, or public accounts on certain social media, refer to subscription accounts created and run by users of internet platforms to distribute information to the public. These platforms are required to establish and improve a management system for user registration, information content security, content ecology, data security, personal information protection, intellectual property protection and credit assessment, and a monitoring and evaluation mechanism for public accounts, to prevent fraud such as false account subscriptions and interaction counts. Platforms shall also establish and disclose management rules and platform codes with respect to information content production and public account operation, both of which shall be filed with the local cyberspace administrator. These provisions also require platforms to verify the consistency of user information on the platform with the user's real identity and prohibit the operators of public accounts from illegally transferring those accounts to others. Furthermore, platforms shall establish and improve mechanisms to deal with online rumors and other false information. When cooperating with account operators, platforms shall regulate and manage business acts such as e-commerce sales, advertisement publishing, and user reward. In addition, platform operators are obligated to prevent false advertisements and commercial fraud from occurring on their platforms.

On December 15, 2019, the Cyberspace Administration of China promulgated the Regulations on the Ecological Governance of Network Information Content, effective from March 1, 2020, which specify the content scopes that are encouraged, prohibited or prevented from producing, re-producing and publishing. The network information content producers should take measures to prevent and resist the production of content that uses exaggerated titles that are inconsistent with the content, may incite racism or discrimination against geographic region, and propagates gossip and scandals. The network information content service platforms should fulfill the main responsibility of content management and establish an ecological governance mechanism of the network information, improve system for user registration, account management, information publishing review, and emergency response. The network information content service users, network information content producers and network information content service platforms should not, through manual or technical means, carry out acts, such as traffic falsification, traffic hijacking, false registration of account IDs, illegal trading of account IDs, or manipulation of user account IDs, that destroy network ecology.

The Cyberspace Administration of China launched a “Fan Group Chaos Rectification” special action on June 15, 2021, followed by the issuance of the Notice on Further Strengthening the Management of Chaos in Fan Groups on August 25, 2021. Both of the special action and notice are intended to curb inappropriate actions in online fan groups for celebrities, specifically, in various fans interactive features and functions to curb attacks, stigmatization, fans community fiction and hostilities and the spread of other harmful information. This notice requested the cancellation of all rankings of celebrities. The rankings of music, film and television works are still allowed, but the network platforms should optimize and adjust ranking rules to focus on the art works themselves and professional evaluation. Furthermore, minors are not allowed to make virtual gifting or spending money on supporting idols, or act as the organizer or manager of a fan group.

On October 26, 2021, the Cyberspace Administration of China issued the Notice on Further Strengthening the Regulation on Online Information of Entertainment Celebrities, which requests internet platforms to monitor information posted by celebrities online so as to timely identify hot topics that could involve illegal actions and to promptly report to the competent authorities in such event.

On June 27, 2022, the Cyberspace Administration of China promulgated the Administrative Provisions on the Account Information of Internet Users, with effect from August 1, 2022, which provides guidelines on registration and use of internet accounts by internet users and management of internet account information by internet information service providers. The internet information service providers shall be responsible for performing the management obligations of internet account information. These providers shall have adequate professional personnel and technical capacity commensurate with their service scales, and establish and strictly implement the management rules on verification of identity information, verification of account information, security of information content, ecological governance, emergency responses, and personal information protection.

On September 9, 2022, the Cyberspace Administration of China, the Ministry of Industry and Information Technology and State Administration for Market Regulation jointly issued the Administrative Provisions on Internet Pop-up Window Information Notification Services, with effect from September 30, 2022, which provides that internet pop-up window information notification services providers shall be responsible for the management of information content, and shall establish and improve management rules on information content review, ecological governance, data security, personal information protection and protection of minors.

To comply with these PRC laws and regulations, we have removed the function of star power list on our platform and adopted internal procedures to monitor content displayed on our platform, including a team of employees dedicated to screening and monitoring content uploaded on our platform and removing inappropriate or infringing content.

To the extent that PRC regulatory authorities find any content displayed on or through our platform objectionable, they may require us to limit or eliminate the dissemination or availability of such content on our platform or impose penalties, including the revocation of our operating licenses or the suspension or shutdown of our online operations. In addition, the costs of compliance with these regulations may increase as the volume of content and number of users on our website increase. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Regulation and censorship of information disseminated over the internet in China may adversely affect our business and subject us to liability for information displayed on Weibo.”

Regulations on Information Security

Internet content in China is regulated and restricted from a state security point of view. The Decision Regarding the Safeguarding of Internet Security, enacted by the Standing Committee of the National People’s Congress and amended in 2009, makes it unlawful to: (i) gain improper entry into a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information; or (v) infringe intellectual property rights.

The Administrative Measures for the Security Protection of International Connections to Computer Information Network, promulgated by the Ministry of Public Security in 1997 and amended in 2011, prohibit the use of the internet in ways that, among other things, result in a leakage of state secrets or the distribution of socially destabilizing content. Socially destabilizing content includes any content that incites defiance or violations of PRC laws or regulations or subversion of the PRC government or its political system, spreads socially disruptive rumors or involves cult activities, superstition, obscenities, pornography, gambling or violence. State secrets are defined broadly to include information concerning PRC’s national defense affairs, state affairs and other matters as determined by the PRC authorities.

The Provisions on Technological Measures for Internet Security Protection, promulgated by the Ministry of Public Security in 2005, require all internet content provision operators to keep records of certain information about their users (including user registration information, log-in and log-out times, IP addresses, content and time of posts by users) for at least 60 days. If an internet content provision operator violates these measures, the PRC government may revoke its Internet Content Provision License and shut down its websites.

In addition, the State Secrecy Bureau has issued provisions authorizing the blocking of access to any website it deems to be leaking state secrets or failing to comply with the legislation regarding the protection of state secrets.

On July 1, 2015, the Standing Committee of the National People's Congress issued the National Security Law, which came into effect on the same day. The National Security Law provides that the state shall safeguard the sovereignty, security and cyber security development interests of the state, and that the state shall establish a national security review and supervision system to review foreign investment, key technologies, internet and information technology products and services, and other important activities that are likely to impact national security of China.

On November 7, 2016, the Standing Committee of the National People's Congress issued the Cyber Security Law, which came into effect on June 1, 2017. The Cyber Security Law provides that network operators must set up internal security management systems that meet the requirements of a classified protection system for cyber security, including appointing dedicated cyber security personnel, taking technical measures to prevent computer viruses, network attacks and intrusions, taking technical measures to monitor and record network operation status and cyber security incidents, and taking data security measures such as data classification, backups and encryption. The Cyber Security Law also imposes a relatively vague but broad obligation to provide technical support and assistance to the public and state security authorities in connection with criminal investigations or for reasons of national security. The Cyber Security Law also requires network operators that provide network access or domain name registration services, landline or mobile phone network access, or that provide users with information publication or instant messaging services, to require users to provide a real identity when they sign up. The Cyber Security Law sets forth elevated security requirements for operators of "critical information infrastructure." These requirements include data localization, i.e., storing personal information and important business data in China, and national security review requirements for any network products or services that may have an impact on national security. Among other factors, "critical information infrastructure" is defined as critical information infrastructure, that will, in the event of destruction, loss of function or data leak, result in serious damage to national security, the national economy and people's livelihoods, or the public interest. Specific reference is made to key sectors such as public communication and information services, energy, transportation, water-resources, finance, public services and e-government. The Cyber Security Law also provides that the Cyberspace Administration of China and departments, upon discovery of any publication or transmission of information prohibited by laws or administrative regulations, shall request the network operators to stop the transmission, take disposal measures such as deletion, and keep records. The Cyberspace Administration of China will notify other departments to take technological and other measures to block the transmission of any information sourced from outside the territory of China.

On March 15, 2019, the Cyberspace Administration of China and the State Administration for Market Regulation jointly issued the Notice on App Security Certification and the Implementation Rules on Security Certification of Mobile Internet Application, which encourages mobile application operators to voluntarily obtain app security certification, and search engines and app stores are encouraged to recommend certified applications to users. The institution designated for this certification is the China Cybersecurity Review Technology and Certification Center. This institution has the right to appoint testing agencies to inspect technical capabilities and business operations for the certification.

On December 28, 2021, 12 PRC governmental authorities including the Cyberspace Administration of China issued the Measures for Cybersecurity Review, with effect from February 15, 2022, which provide detailed cybersecurity review procedures for the purchase of network products and services by operators of "critical information infrastructure" or the data processing activities by a network platform operator. According to these measures, "network products and services" primarily refer to core network equipment, important communication product, high-performance computers and servers, mass storage equipment, large databases and applications, network security equipment, cloud computing services, and other network products and services that may have an important impact on the security of critical information infrastructure, cyber security or data security.

According to the Measures for Cybersecurity Review, before purchasing any network products or services, an operator of "critical information infrastructure" shall assess potential national security risks that may arise from the launch or use of such products or services, and apply for a cybersecurity review with the Cybersecurity Review Office if national security will or may be affected. To apply for a cybersecurity review, the operator of "critical information infrastructure" shall submit (i) an application letter, (ii) a report to analyze the impact or the potential impact on national security, (iii) purchase documents, agreements and the draft contracts, and (iv) other necessary materials. The cybersecurity review will evaluate the potential impact on national security due to the purchase of network products and services, taking into consideration of the following factors, (i) the risk of any critical information infrastructure being illegally controlled, interfered, or sabotaged after using these products or services, (ii) the harm to the business continuity of any critical information infrastructure caused by the disruption of supply of these products and services, (iii) the security, openness, transparency and variety of sources of these products or services, the reliability of supply channels, as well as risks of supply interruptions due to factors such as politics, diplomacy and trade, and (iv) the risk of any core data, material data or a large amount of personal information being stolen, leaked, damaged illegally used, or illegally transferred abroad.

If the Cybersecurity Review Office deems it necessary to conduct a cybersecurity review, it should complete a preliminary review within 30 business days from the issuance of a written notice to the operator, or 45 business days for complicated cases. Upon the completion of a preliminary review, the Cybersecurity Review Office should reach a review conclusion suggestion and send the review conclusion suggestion to the implementing body for the cybersecurity review mechanism and the authorities for their comments. These authorities shall issue a written reply within 15 business days from the receipt of the review conclusion suggestion. If the Cybersecurity Review Office and these authorities reach a consensus, then the Cybersecurity Review Office shall inform the operator in writing, otherwise, the case will go through a special review procedure. The special review procedure should be completed within 90 business days, or longer for complicated cases.

On September 22, 2020, the Ministry of Public Security published the Guidelines on Cybersecurity Protection System and Critical Information Infrastructure Security Protection System, which require competent authorities of public communication and information services, energy, transportation, water conservancy, finance, public services, electric governmental services, national defense science, technology and industry and other important industries and fields to formulate rules to identify critical information infrastructure in their respective industries fields, and furnish a list of identified entities with the Ministry of Public Security. Specifically, key protected assets, such as basic networks, large private networks, core business systems, cloud platforms, big data platforms, internet of things, industrial control systems, intelligent manufacturing systems, new internet and emerging communication facilities that meet the requirements for identification should be identified as critical information infrastructure.

On June 10, 2021, the Standing Committee of the National People's Congress promulgated the Data Security Law, which took effect on September 1, 2021. The Data Security Law establishes a classified and tiered system for data protection based on the level of importance of the data in the economic and social development, as well as the level of danger of the data imposed on national security, public interests, or the legal interests of individuals and organizations upon any manipulation, destruction, leakage, illegal acquisition or illegal usage. Furthermore, it is specified that the Cyber Security Law applies to the security administration of the cross-border transfer of important data collected and generated by operators of "critical information infrastructure" during their operations in China.

On July 6, 2021, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Strictly Combating Illegal Securities Activities, which request improvement on the laws and regulations related to data security, cross-border data transfer and the management of confidential information, strengthening principal responsibility for the information security of overseas listed companies, strengthening standardized mechanisms for providing cross-border information, and improvement of cross-border audit regulatory cooperation in accordance with the law and the principle of reciprocity.

On July 30, 2021, the State Council promulgated the Regulations on Security Protection of Critical Information Infrastructure, effective on September 1, 2021. According to these regulations, a "critical information infrastructure" means an important network facility and information system in important industries such as public communications and information services, as well as other important network facilities and information systems that may seriously endanger national security, the national economy, the people's livelihood, or the public interests in the event of damage, loss of function, or data leakage. The governmental departments and supervision and management departments of these important industries will be responsible for (i) organizing the identification of critical information infrastructures in their respective industries in accordance with certain identification rules, and (ii) promptly notifying the identified operators and the public security department of the State Council of the identification results.

On August 20, 2021, the Standing Committee of the National People's Congress promulgated the PRC Personal Information Protection Law, effective from November 1, 2021. The PRC Personal Information Protection Law requires that (i) the processing of personal information should have a clear and reasonable purpose which should be directly related to the processing purpose, in a method that has the least impact on personal rights and interests, and (ii) the collection of personal information should be limited to the minimum scope necessary to achieve the processing purpose to avoid the excessive collection of personal information. Different types of personal information and personal information processing will be subject to various rules on consent, transfer, and security. Entities handling personal information shall be responsible for their personal information handling activities, and shall adopt necessary measures to safeguard the security of the personal information they handle. Violations of these rules may result in sanctions and penalties such as orders to correct, suspension or termination of the provision of services, confiscation of illegal income, and fines.

On November 14, 2021, the Cyberspace Administration of China published a discussion draft of Management Measures for Internet Data Security, which provides that data processors conducting the following activities shall apply for cybersecurity review: (i) merger, reorganization or separation of internet platform operators that have acquired a large number of data resources related to national security, economic development or public interests affects or may affect national security; (ii) listing abroad of data processors processing over one million users' personal information; (iii) listing in Hong Kong which affects or may affect national security; (iv) other data processing activities that affect or may affect national security. The Draft Measures for Internet Data Security also provided that operators of large internet platforms that set up headquarters, operation centers or R&D centers overseas shall report to the national cyberspace administration and competent authorities. In addition, this draft required data processors processing over one million users' personal information to comply with the regulations on important data processors, including appointing a person in charge of data security and establishing a data security management organization, filing with the competent authority within fifteen working days after identifying its important data, formulating data security training plans and organizing data security education and training for all staff every year, and that the education and training time of data security related technical and management personnel shall not be less than 20 hours per year. This draft also stated that data processors processing important data or going public overseas shall conduct an annual data security assessment by themselves or entrust a data security service institution to do so, and submit the data security assessment report of the previous year to the local branch of the Cyberspace Administration of China before January 31 of each year. Further, this draft required internet platform operators to establish platform rules, privacy policies and algorithm strategies related to data, and solicit public comments on their official websites and personal information protection related sections for no less than 30 working days when they formulate platform rules or privacy policies or makes any amendments that may have a significant impact on users' rights and interests. Further, platform rules and privacy policies formulated by operators of large internet platforms with more than 100 million daily active users, or amendments to such rules or policies by operators of large internet platforms with more than 100 million daily active users that may have significant impacts on users' rights and interests shall be evaluated by a third-party organization designated by the Cyberspace Administration of China and reported to local branch of the Cyberspace Administration of China for approval. The Cyberspace Administration of China solicited comments on this draft, but there is no timetable as to when it will be enacted.

On February 24, 2023, the CSRC together with other PRC governmental authorities issued the Provisions on Strengthening the Management of Confidentiality and Archives regarding Overseas Securities Offerings and Listings by Domestic Companies, with effect from March 31, 2023, pursuant to which, domestic companies, securities companies and securities service institutions involved in the overseas offerings and listings by PRC domestic companies, either in direct or indirect form, must establish a system of confidentiality and archival management to prevent disclosure of state secrets or harm to the state and public interests. These provisions require domestic companies involved in overseas offerings and listings to obtain approval from the competent authority and file with the secrecy administrative department at the same level before providing or publicly disclosing any document or material that involves state secrets or working secrets of state organizations. They must strictly follow the procedures in accordance with regulations to provide any document or material, the leakage of which may have adverse effects on national security or public interests. PRC domestic companies must provide statements to securities companies and securities service institutions indicating that they have followed these requirements. Additionally, domestic companies must enter into a confidentiality agreement with securities companies and securities service institutions to specify their confidentiality obligations and liabilities in accordance with laws and regulations. Working papers produced by securities companies and securities service institutions within the PRC for overseas offerings and listings shall also be stored within the PRC. These provisions also require domestic companies to complete necessary procedures before providing accounting archives to entities, including securities companies, securities service institutions, overseas regulators, and individuals. PRC domestic companies, securities companies and securities service institutions must obtain the necessary approval before providing documents and information in response to inspections and investigations by overseas regulators. These inspections and investigations should be conducted via the cross-border supervision mechanism whereby the PRC regulators will provide necessary assistance.

Because Weimeng is an internet content provision operator, we are subject to laws and regulations relating to information security. To comply with these laws and regulations, Weimeng has completed the mandatory security filing procedures with local public security authorities. We regularly update our information security and content-filtering systems based on any newly issued content restrictions, and maintain records of user information as required by the laws and regulations. We have also taken measures to delete or remove links to content that, to our knowledge, contains information that violates PRC laws and regulations.

If, despite the precautions, we fail to identify and prevent illegal or inappropriate content from being displayed on or through our platform, we may be subject to liability. In addition, these laws and regulations are subject to interpretation by the authorities, and it may not be possible to determine in all cases what content could result in liability. To the extent that PRC regulatory authorities find any content displayed on or through our platform objectionable, they may require us to limit or eliminate the dissemination or availability of such content or impose penalties, including the revocation of our operating licenses or the suspension or shutdown of our online operations. In addition, the costs of compliance with these regulations may increase as the volume of content and users on our website increase. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Regulation and censorship of information disseminated over the internet in China may adversely affect our business and subject us to liability for information displayed on Weibo."

Regulations on Algorithm Recommendations and Generative AI

On February 7, 2021, the Anti-Monopoly Commission of the State Council published the Anti-Monopoly Guidelines for the Internet Platform Economy Sector, which stipulates that online platform operators who use technological advantages, such as data and algorithms, to eliminate or restrict competition or impose price restrictions or exclusivity requirements on users may be deemed as committing an abuse of dominant market position.

On December 31, 2021, the Cyberspace Administration of China, together with the Ministry of Industry and Information Technology, the Ministry of Public Security and the State Administration for Market Regulation, jointly issued the Administrative Provisions on Algorithm Recommendation of Internet Information Services, with effect from March 1, 2022, which provides that algorithm recommendation service providers are not allowed to use algorithms to register false user accounts, block information, give excessive recommendations, and that users should be given an option to easily turn off algorithm recommendation services.

On November 25, 2022, the Cyberspace Administration of China, together with the Ministry of Industry and Information Technology, the Ministry of Public Security jointly issued the Administrative Provisions on Deep Synthesis of Internet Information Services, with effect from January 10, 2023, which require deep synthesis service providers having public opinion properties or social mobilization capacity to complete the filing procedures under the Administrative Provisions on Algorithm Recommendation of Internet Information Services.

On July 13, 2023, the Cyberspace Administration of China released the Interim Administrative Measures for Generative Artificial Intelligence Services, with effect from August 15, 2023, pursuant to which, any entity or individual that utilizes generative AI technology to provide texts, pictures, audio, video or other content generation services to the public within the territory of PRC shall assume the responsibility as a content producer for the content generated by generative AI technology. If personal information is involved, these providers are required to take the responsibility as the personal information processors and protect personal information. Furthermore, the providers providing generative AI services with attributes of public opinions or capable of social mobilization must apply for security assessments from the national cyberspace authority and follow algorithm filings procedures. These providers are also required to adhere to certain principles, including ensuring that the content created by generative AI aligns with societal morals and does not threaten national security, taking measures to avoid discrimination, ensuring the accuracy of generated content, and respecting intellectual property rights. If any illegal generated content is discovered, these providers must timely take measures such as termination of generation and transmission of inappropriate content, prevent the recurrence through model optimization training and other methods, and report to the authorities. These providers shall label pictures, videos, and other AI-generated content in accordance with the Administrative Provisions on Deep Synthesis of Internet Information Services.

We have been advised by our PRC counsel, Kewei Law Firm, that our current practices are in compliance with effective laws and regulations governing algorithm recommendation, deep synthesis and generative AI services in all material aspects as of the date of this annual report. However, since these laws and regulations are evolving rapidly, significant uncertainties still exist with their interpretation and implementation, and the potential impact on our business operations is still substantially uncertain. For a detailed discussion, please see “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—Our use of artificial intelligence (AI) or other emerging technologies could adversely impact our business and financial results.”

Regulations on Internet Security

In recent years, PRC government authorities have enacted legislation on internet use to protect personal information from any unauthorized disclosure. PRC law does not prohibit internet content provision operators from collecting and analyzing personal information from their users. However, the Administrative Measures on Internet Information Services prohibit an internet content provision operator from insulting or slandering a third party or infringing the lawful rights and interests of a third party.

The Several Provisions on Regulating the Market Order of Internet Information Services, promulgated by the Ministry of Industry and Information Technology and effective in 2012, stipulate that internet content provision operators must not, without user consent, collect user personal information, which is defined as user information that can be used alone or in combination with other information to identify the user, and may not provide any such information to third parties without prior user consent. Internet content provision operators may only collect user personal information necessary to provide their services and must expressly inform the users of the method, content and purpose of the collection and processing of such user personal information. In addition, an internet content provision operator may only use such user personal information for the stated purposes under the internet content provision operator's scope of service. Internet content provision operators are also required to ensure the proper security of user personal information, and take immediate remedial measures if user personal information is suspected to have been disclosed. If the consequences of any such disclosure are expected to be serious, ICP operators must immediately report the incident to the telecommunications regulatory authority and cooperate with the authorities in their investigations.

On December 28, 2012, the Standing Committee of the National People's Congress issued the Decision on Strengthening the Protection of Online Information. Most requirements under the decision that are relevant to internet content provision operators are consistent with the requirements already established under the Ministry of Industry and Information Technology provisions mentioned above, though often stricter and broader. Under the decision, if an internet content provision operator wishes to collect or use personal electronic information, it must do so in a legal and appropriate manner, and may do so only if it is necessary for the services it provides. It must disclose the purpose, method and scope of any such collection or use, and must seek consent from the relevant individuals. Internet content provision operators are also required to publish their policies relating to information collection and use, must keep such information strictly confidential, and must take technological and other measures to ensure the safety of such information. Internet content provision operators are further prohibited from divulging, distorting or destroying of any such personal electronic information, or selling or proving such information to other parties. The decision also requires that internet content provision operators providing information publishing services must collect from users their personal identification information, for registration. In very broad terms, the decision provides that violators may face warnings, fines, confiscation of illegal gains, license revocations, filing cancellations and website closures.

On July 16, 2013, the Ministry of Industry and Information Technology issued the Order for the Protection of Telecommunication and Internet User Personal Information. Most requirements under the order that are applicable to internet content provision operators are consistent with pre-existing requirements but the requirements under the order are often more stringent and have a wider scope. If an internet content provision operator wishes to collect or use personal information, it may do so only if such collection is necessary for the services it provides. Further, it must disclose to its users the purpose, method and scope of any such collection or use, and must obtain consent from its users whose information is being collected or used. Internet content provision operators are also required to establish and publish their rules relating to personal information collection or use, keep any collected information strictly confidential, and take technological and other measures to maintain the security of such information. When a user stops using the internet service, the internet content provision operators are required to cease any collection or use of the user personal information and de-register this user's account. Internet content provision operators are further prohibited from divulging, distorting or destroying any such personal information, or selling or providing such information unlawfully to other parties. In addition, if an internet content provision operator appoints an agent to undertake any marketing and technical services that involve the collection or use of personal information, the internet content provision operator is still required to supervise and manage the protection of the information. As to penalties, in very broad terms, the order states that violators may face warnings, fines, and disclosure to the public and, in most severe cases, criminal liability.

On November 7, 2016, the Standing Committee of the National People's Congress issued the Cyber Security Law, which came into effect on June 1, 2017. The Cyber Security Law imposes certain data protection obligations on network operators, including that network operators may not disclose, tamper with, or damage users' personal information that they have collected, and are obligated to delete unlawfully collected information and to amend incorrect information. Moreover, internet operators may not provide users' personal information to others without consent. Exempted from these rules is information irreversibly processed to preclude identification of specific individuals. Also, the Cyber Security Law imposes breach notification requirements that will apply to breaches involving personal information.

On January 23, 2019, the Cyberspace Administration of China, the Ministry of Industry and Information Technology, and the Ministry of Public Security, and the State Administration for Market Regulation jointly issued the Notice on Special Governance of Illegal Collection and Use of Personal Information via Apps, which restates the requirement of legal collection and use of personal information, encourages APP operators to conduct security certifications, and encourages search engines and APP stores to clearly mark and recommend those certified APPs.

On August 22, 2019, the Cyberspace Administration of China issued the Regulation on Cyber Protection of Children's Personal Information, effective on October 1, 2019. Network operators are required to establish special policies and user agreements to protect children's personal information, and to appoint special personnel in charge of protecting children's personal information. Network operators who collect, use, transfer or disclose personal information of children are required to, in a prominent and clear way, notify and obtain consent from children's guardians.

On November 28, 2019, the Cyberspace Administration of China, the Ministry of Industry and Information Technology, the Ministry of Public Security and State Administration for Market Regulation jointly issued the Measures to Identify Illegal Collection and Usage of Personal Information by APPs, which lists six types of illegal collection and usage of personal information, including "not publishing rules on the collection and usage of personal information" and "not providing privacy rules."

On May 28, 2020, the National People's Congress adopted the Civil Code of the PRC, effective on January 1, 2021. According to the Civil Code, individuals have the right of privacy. No organization or individual shall process any individual's private information or infringe on an individual's right of privacy, unless otherwise prescribed by law or with such individual's prior express consent. In addition, personal information is protected by the PRC laws. Any processing of personal information shall be subject to the principles of legitimacy, legality and necessity. An information processor must not divulge or falsify the personal information collected and stored by it, or provide the personal information of an individual to others without the consent of such individual.

On August 20, 2021, the Standing Committee of the National People's Congress promulgated the Personal Information Protection Law, which took effect on November 1, 2021. The Personal Information Protection Law enhances the protection requirements for processing personal information, and specifies the rules for processing sensitive personal information, which refers to personal information that, once leaked or illegally used, may easily cause harm to the dignity of natural persons or cause harm to the safety of people or property, including information on biometric characteristics, financial accounts, individual location tracking and others, as well as personal information of minors under the age of 14. Personal information processors shall bear responsibility for their personal information processing activities, and adopt necessary measures to safeguard the security of the personal information they process. Failure to comply with the Personal Information Protection Law may subject the personal information processors to orders to correct its operations, suspension or termination of the provision of services, confiscation of illegal income, fines or other penalties.

On July 7, 2022, the Cyberspace Administration of China promulgated the Outbound Data Transfer Security Assessment Measure, which took effect on September 1, 2022. Pursuant to these measures, a data processor shall apply for security assessment with the competent authority before any outbound data transfer if the transfer involves (i) important data; (ii) personal information transferred overseas by a critical information infrastructure operator and a data processor that has processed personal information of more than one million individuals; (iii) personal information transferred overseas by a data processor who has already provided personal information of 100,000 persons or sensitive personal information of 10,000 persons overseas since January 1 of the previous year; or (iv) other circumstances as requested by the Cyberspace Administration of China. Furthermore, on August 31, 2022, the Cyberspace Administration of China promulgated the Guidelines for filing the Outbound Data Transfer Security Assessment (Version 1), which provides that acts of outbound data transfer include (i) overseas transmission and storage by data processors of data generated during mainland China domestic operations; (ii) the access to, use, download or export of the data collected and generated by data processors and stored in mainland China by overseas institutions, organizations or individuals; and (iii) other acts as specified by the Cyberspace Administration of China.

On February 22, 2023, the Cyberspace Administration of China promulgated the Personal Information Outbound Transfer Standard Contract Measures, with effect from June 1, 2023. These measures apply to the provision of personal information to any overseas recipient by a personal information processor through executing standard contract for personal information outbound transfer with such overseas recipient. The personal information processor who provides personal information to any overseas recipient through standard contract shall meet the following criteria: (i) it is not a critical information infrastructure operator; (ii) it handles personal information of less than one million individuals; (iii) it provided personal information of less than 100,000 individuals in aggregate to overseas recipients since January 1 of the previous year; and (iv) it provided sensitive personal information of less than 10,000 individuals in aggregate to any overseas recipients since January 1 of the previous year. These measures also require a personal information processor to conduct a personal information protection impact assessment before providing any personal information to an overseas recipient and complete the filing with local cybersecurity authority within 10 working days from the effective date of the standard contract.

In March 2024, the Cyberspace Administration of China issued the Provisions on Promoting and Regulating Cross-border Data Flows, which required following types of cross-border data transfers to go through security assessments, (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the outbound transfer of personal information of over one million people or sensitive personal information of over 10,000 people in aggregate since January 1 of the relevant year. Furthermore, when data processors that are not critical information infrastructure operators engage in the outbound transfer of the personal information of over 10,000 people but less than one million people or the sensitive personal information of less than 10,000 people within one calendar year, the data processors must enter into a standard contract for cross-border transfer of personal information with the data recipient or obtain a certification for the protection of personal information. These provisions clarified that data processors do not need to treat any data as “important data” the outbound transfer of which requires security assessments if government authorities have not declared or notified them that the data are “important data.” Data processors are exempt from applying for data export security assessment, entering into personal information export standard contracts or passing personal information protection certification with respect to (i) the outbound transfer of data collected and generated during international trade, cross-border transportation, academic cooperation, transnational production and manufacturing, and marketing activities that do not include personal information or important data, and (ii) the personal information collected and generated abroad by data processors, which is then transmitted to domestic locations for processing before being transferred outbound and does not involve the introduction of domestic personal information or important data during the processing. The free trade pilot zones may independently formulate a list of data that requires data export security assessment, personal information export standard contracts, and personal information protection certification management.

To comply with these laws and regulations, we require our users to accept terms of services under which they agree to provide certain personal information to us, to have established information security systems protect user privacy and to have such information filed with the Ministry of Industry and Information Technology or its local branch as required. If Weimeng, which is an internet content provision operator, violates PRC laws in this regard, the Ministry of Industry and Information Technology or its local bureau may impose penalties and Weimeng may be liable for damages caused to their users. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—Privacy concerns relating to our products and services and the use of user information could damage our reputation, deter current and potential users and customers from using Weibo and negatively impact our business.”

On May 25, 2018, General Data Protection Regulation was promulgated for the protection of natural persons with regard to the processing of personal data and the free movement of such data. These regulations apply directly in all European Union member states from May 25, 2018 and apply to companies with an establishment in the European Economic Area, and to certain other companies not in the European Economic Area that offer or provide goods or services to individuals located in the European Economic Area or monitor individuals located in the European Economic Area. These regulations implement more stringent operational requirements for controllers of personal data, including, for example, expanded disclosures about how personal information is to be used, limitations on retention of information and pseudonymized data, increased cyber security requirements, mandatory data breach notification requirements and higher standards for controllers to demonstrate that they have obtained a valid legal basis for certain data processing activities.

The activities of data processors will be regulated for the first time, and companies undertaking processing activities are required to offer certain guarantees in relation to the security of such processing and the handling of personal data. Contracts with data processors will also need to be updated to include certain terms prescribed by the General Data Protection Regulation, and negotiating such updates may not be fully successful in all cases. Failure to comply with laws of the European Union, including failure under the General Data Protection Regulation and other laws relating to the security of personal data may result in fines up to €20,000,000 or up to 4% of the total worldwide annual turnover of the preceding financial year, if greater, and other administrative penalties including criminal liability.

Regulations on Anti-Monopoly and Anti-Unfair Competition

On September 2, 1993, the Standing Committee of the National People's Congress adopted the Anti-Unfair Competition Law of the PRC, which took effect on December 1, 1993, and was amended on April 23, 2019. According to the Anti-Unfair Competition Law, unfair competition refers to that the operator disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-Unfair Competition Law in the production and operating activities. Operators shall abide by the principle of voluntariness, equality, impartiality, integrity and adhere to laws and business ethics during market transactions. Operators in violation of the Anti-unfair Competition Law shall bear corresponding civil, administrative or criminal liabilities depending on the specific circumstances.

On September 11, 2020, the Anti-Monopoly Commission of the State Council issued Anti-Monopoly Compliance Guideline for Operators, which requires operators to establish anti-monopoly compliance management systems under the PRC Anti-Monopoly Law to manage anti-monopoly compliance risks.

On August 17, 2021, the State Administration for Market Regulation issued a discussion draft of Provisions on the Prohibition of Unfair Competition on the Internet, under which business operators should not use data or algorithms to hijack traffic or influence users' choices, or use technical means to illegally capture or use other business operators' data. Furthermore, business operators are not allowed to (i) fabricate or spread misleading information to damage the reputation of competitors, or (ii) employ marketing practices such as fake reviews or use coupons or "red envelopes" to entice positive ratings.

On February 7, 2021, the Anti-Monopoly Commission of the State Council published Anti-Monopoly Guidelines for the Internet Platform Economy Sector that specified circumstances where an activity of an internet platform will be identified as monopolistic act as well as concentration filing procedures for business operators, including those involving variable interest entities.

On December 24, 2021, the National Development and Reform Commission together with other eight governmental authorities jointly issued the Opinions on Promoting the Healthy and Sustainable Development of the Platform Economy, which provides that monopolistic agreements, abuse of market dominant position and illegal concentration of business operators in the platform economy will be strictly investigated and punished in accordance with the laws.

On June 24, 2022, the Standing Committee of the National People's Congress amended the PRC Anti-Monopoly Law, which came into effect on August 1, 2022. This law increases fines for illegal business concentration to a maximum of 10% of the operator's previous year's sales revenue if the concentration has the potential to exclude or limit competition. The fine could be up to RMB5 million if the concentration has no effect of excluding or limiting competition. This law also mandates that the PRC authorities can order operators to report concentration, even below the filing threshold, if there is evidence of potential anti-competitive harm.

On March 10, 2023, the State Administration for Market Regulation issued four implementing rules to provide further clarity on the new Anti-Monopoly Law. These rules include provisions for curbing abuse of administrative power, prohibiting monopoly agreements, preventing abuse of market dominance, and reviewing undertakings' concentration.

On January 22, 2024, the State of Council promulgated the amended Provisions of the State Council on Thresholds for Prior Notification of Concentration of Undertakings, which took effect upon release. Any transaction that satisfies either of the following standards must be filed with the anti-monopoly law enforcement agency under the State Council before its consummation: (i) during the previous fiscal year, the total worldwide turnover of all undertaking participants exceeded RMB12 billion and at least two of these participants each had a turnover of more than RMB800 million within China, or (ii) during the previous fiscal year, the total turnover within China of all undertaking participants exceeded RMB4 billion and at least two of these participants had a turnover of more than RMB800 million within China.

In 2021 and 2022, the State Administration for Market Regulation issued three administrative penalties on Weimeng Chuangke regarding alleged illegal concentration of business operators under the Anti-Monopoly Law, each of which resulted in a fine of RMB500,000 for concentration of business operators without prior filing pursuant to the Anti-Monopoly Law. Weimeng Chuangke has timely paid the fines as required. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any failure or perceived failure by us to comply with the Anti-Monopoly Guidelines for Internet Platforms Economy Sector and other PRC anti-monopoly laws and regulations may result in governmental investigations or enforcement actions, litigation or claims against us and could have an adverse effect on our business, financial condition and results of operations.”

Regulations on Internet Finance

In July 2015, ten PRC regulatory agencies, including the People’s Bank of China, the Ministry of Industry and Information Technology and the China Banking Regulatory Commission, which was re-organized into the China Banking and Insurance Regulatory Commission in March 2018, jointly issued the Guidelines on Promoting the Healthy Development of Internet Finance. These guidelines call for active government support for China’s internet finance industry, including the online peer-to-peer lending service industry, and clarify the division of responsibility among regulatory agencies. These guidelines specify that the China Banking and Insurance Regulatory Commission will have primary regulatory responsibility for the online peer-to-peer lending service industry in China and state that online peer-to-peer lending service providers shall act as an intermediary platform to provide information exchange, matching, credit assessment and other intermediary services, and must not provide credit enhancement services and/or engage in illegal fund-raising. These guidelines provide additional requirements for China’s internet finance industry, including the use of custodial accounts with qualified banks to hold customer funds as well as information disclosure requirements.

In August 2016, four PRC regulatory agencies, including the China Banking and Insurance Regulatory Commission, the Ministry of Industry and Information Technology, the Ministry of Public Security and Cyberspace Administration of China, published the Interim Measures for the Administration of Business Activities of Online Lending Information Intermediaries. These measures define online lending intermediaries as the financial information intermediaries that are engaged in online peer-to-peer lending information business and provide lenders and borrowers with lending information services, such as information collection and publication, credit rating, information interaction and loan facilitation. Consistent with the Guidelines, these measures prohibit online lending intermediaries from providing credit enhancement services and collecting funds directly or indirectly, and require that (i) online lending intermediaries intending to provide online lending information agency services, and their subsidiaries and branches, must make record-filing with local financial regulatory authorities with which they are registered after obtaining the business license; (ii) online lending intermediaries operating telecommunication services must apply for necessary telecommunication service licenses after the completion of the record-filing and registration with the local financial regulatory authority; and (iii) online lending intermediaries must materially specify the online lending information intermediary in their business scopes.

In October 2016, the China Banking and Insurance Regulatory Commission, the Ministry of Industry and Information Technology and the SAIC jointly published the Guidelines on the Administration of Record-filings of Online Lending Information Intermediary Agencies to establish and improve the record-filing mechanisms for online lending intermediaries. According to these guidelines, a newly established online lending intermediary shall make the record-filings with the local financial regulatory authority after obtaining the business license; while with respect to any online lending intermediary which is established and begins to conduct the business prior to the publication of these guidelines, the local financial regulatory authority shall, pursuant to the arrangement of specific rectification work for risks in online peer-to-peer lending, accept the application for record-filings submitted by a qualified online lending intermediary, or any online lending intermediary which has completed the rectification confirmed by the authorities.

In August 2017, the General Office of the China Banking and Insurance Regulatory Commission released the Guidelines on Information Disclosure of Business Activities of Online Lending Information Intermediaries. These disclosure guidelines emphasize the information disclosure requirement by an online lending intermediary and further, stipulate the details of the frequency and scope of such information disclosure. Any violation of the information disclosure guidelines by an online lending intermediary may subject it to certain penalties under the Administration of Business Activities of Online Lending Information Intermediaries. In addition, the information disclosure guidelines require online lending intermediaries that do not fully comply with the information disclosure guidelines in conducting their business to rectify within six months after the release of the information disclosure guidelines.

On March 28, 2018, the Office of the Leading Group for the Special Rectification of Internet Financial Risks issued the Notice on Strengthening the Remediation of Asset Management Business through the Internet and Carrying out Acceptance Work. Under this notice, asset management companies that have obtained the qualification for sales of asset management products shall only engage in public fund-raising from the sales of asset management products, and shall not participate in the “targeted entrustment plan,” “targeted financing plan,” “financial management plan,” “asset management plan,” or “transfer of income rights,” relying on the internet to issue and sell asset management products for public fund-raising without permission.

In March 2019, the Beijing Internet Finance Industry Association issued a Notice on the Launch of the Citywide Inspection Action and the Risk Reminder Letter on the Enterprises Providing Diversion Services to Non-Licensed Lending Institutions. This notice and letter summarized the findings of this association’s investigation into the online “Cash Loan” business. It was discovered that numerous internet and social media platforms, not licensed as lending institutions, engaged in unlicensed “Cash Loan” or “Excess-interest Loan” business via diversion practices undertaken in cooperation with licensed lenders. The Beijing internet Finance Industry Association ordered non-compliant enterprises to terminate all the selling of non-compliant “Cash Loan” products provided by associated institutions immediately and keep record of all historical data in that connection.

On September 7, 2020, the Notice of General Office of the China Banking and Insurance Regulatory Commission on Strengthening the Supervision and Administration of Microlending Companies was promulgated. Under this regulation, lending entities should adhere to the principle of petty sum and decentralization. Following such principle, microlending companies shall reasonably determine the amount and term of loans based on the income level, overall liabilities, asset status, actual needs and other factors of borrowers, so as to ensure that the repayment amount of the borrowers does not exceed their repayment capacity. The balance of the loans provided by a microlending company to the same borrower shall not exceed 10% of the company’s net assets; and the balance of the loans provided by a microlending company to the same borrower and its affiliated parties shall not exceed 15% of the company’s net assets. Local financial regulatory authorities may, in light of regulatory needs, lower the maximum balance of the aforesaid loans.

On December 29, 2020, the Reply by Supreme People’s Court to Issues Concerning the Scope of Application of the New Judicial Interpretation on Private Lending was issued. Pursuant to this interpretation, seven types of local financial organizations are considered to be “financial institutions established upon approval by financial regulatory authorities,” which included, including loan companies, financing guarantee companies, regional equity markets, pawnshops, financing lease companies, commercial factoring companies and local asset management companies under the regulation of local financial regulatory authorities. The new judicial interpretation on private lending is not applicable to the institution mentioned above in respect of disputes arising from their engagement in the financial businesses.

On February 19, 2021, the Notice of General Office of the China Banking and Insurance Regulatory Commission on Further Regulating the Internet Lending Business of Commercial Banks was issued. Under this regulation, if a commercial bank and a cooperative agency jointly contribute to the issuance of internet loans, (i) management requirements for the range of capital contribution proportion shall be strictly implemented, (ii) the capital contribution proportion of the cooperative party in a single loan shall not be less than 30%, and (iii) the bank’s balance of loans granted with a single cooperative party (including its affiliated parties) shall not exceed 25% of the net tier 1 capital of the bank. The balance of internet loans jointly issued by a commercial bank and a cooperative agency shall not exceed 50% of the bank’s balance of total loans granted by the bank. Also, this regulation imposes strict control over cross-regional operations. A local corporate bank that engages in internet lending business shall provide services for local clients and shall not carry out internet lending business beyond the jurisdiction of its registration place. However, a corporate bank that has no physical business outlets, mainly carries out its business online, and meets other conditions prescribed by the China Banking and Insurance Regulatory Commission is excluded.

On March 12, 2021, the People’s Bank of China issued the Announcement of the People’s Bank of China [2021] No. 3. Under this announcement, all loan products shall explicitly indicate their annualized loan interest rate by displaying to the borrower in a conspicuous manner when marketing it through any website, mobile application, poster or any other channel, as well as state such annualized interest rate in the loan contract executed, and all loan products may also have information such as the daily interest rate or the monthly interest rate displayed at the same time; *provided* that it is not in a manner more conspicuous than the annualized interest rate.

On January 13, 2021, the China Banking and Insurance Regulatory Commission and the People’s Bank of China issued the Circular of the General Office of the China Banking and Insurance Regulatory Commission and the General Office of the People’s Bank of China on Matters Relating to Regulating the Personal Deposit Business Conducted by Commercial Banks through the internet. Under such circular, commercial banks are prohibited to conduct time deposit or time-demand optional deposit business through any non-self-operating online platform, including, but not limited to, providing such services as marketing publicity, product display, information transmission, purchase access, and interest subsidy through a non-self-operated online platform.

On September 27, 2021, the People’s Bank of China issued the Credit Reporting Measures, which took effect on January 1, 2022. The Credit Reporting Measures prohibit financial institutions from carrying out commercial cooperation with market institutions that have not obtained the qualifications for credit reporting business in accessing credit information.

To comply with these laws and regulations on internet finance service, we have made necessary adjustments to the services available through Weibo wallet from time to time over the past several years. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business—We may face certain risks related to financial products available on our Weibo wallet.”

Regulations on Online Game Operations and Cultural Products

Online Cultural Products

The Provisional Regulations for the Administration of Online Culture, issued by the Ministry of Culture in 2003 and further revised in 2004, 2011 and 2017, apply to entities engaging in activities related to “internet cultural products,” which include cultural products that are produced specifically for internet use, such as online music and entertainment, online games, online plays, online performances, online works of art and Web animation, and other online cultural products that through technical means, produce or reproduce music, entertainment, games, plays and other art works for internet dissemination. According to these Regulations, commercial entities are required to apply to the local branch of the Ministry of Culture for an Online Culture Operating Permit if they engage in the production, duplication, importation, release or broadcasting of internet cultural products; the dissemination of online cultural products on the internet or the transmission of such products via internet or mobile phone networks to user terminals, such as computers, phones, television sets and gaming consoles, or internet surfing service sites such as internet cafes; or the holding or exhibition of contests related to internet cultural products.

The Administrative Measures for Content Self-review by Internet Culture Business Entities, which were issued by the Ministry of Culture on August 12, 2013, and took effect on December 1, 2013, require internet culture business entities to review the content of products and services before providing them to the public. The content management system of an internet culture business entity is required to specify the responsibilities, standards and processes for content review as well as accountability measures, and is required to be filed with the local provincial branch of the Ministry of Culture.

Weimeng currently holds an Online Culture Operating License issued by the Beijing Municipal Bureau of Culture and Tourism on January 2, 2024 and valid through December 30, 2026.

Internet Publication

The Rules for the Administration of Electronic Publications, which were issued by the General Administration of Press and Publication in 2008 and further amended in 2015, regulate the production, publishing and importation of electronic publications in the PRC and outline a licensing system for business operations involving electronic publishing. Under these rules and other regulations issued by the General Administration of Press and Publication, online games are classified as a type of electronic production and publishing of online games is required to be done by licensed electronic publishing entities with standard publication codes. If a PRC company is contractually authorized to publish foreign electronic publications, it must obtain the approval of, and register the copyright license contract with, the State Administration for Press, Publication, Radio, Film and Television, which was formed when the General Administration of Press and Publication was combined with the State Administration for Radio, Film and Television in March 2013.

The Administrative Provisions on Online Publishing Services, which were jointly issued by the Ministry of Industry and Information Technology and the State General Administration of Press, Publication, Radio, Film and Television in 2016, and took effect on March 10, 2016. These provisions define “online publishing services” as providing online publications to the public through information networks. Any online publishing services provided in the territory of the PRC is subject to these provisions. Any internet publishing services provider is required to obtain an online publishing service license to engage in online publishing services. Online publications refer to digital works which have publishing features such as having been edited, produced or processed and which are made available to the public through information networks, including written works, pictures, maps, games, cartoons, audio/video reading materials and others. Any online game shall obtain approval from the regulator before it is launched online. According to the negative list, foreign investment is prohibited from entering into the publishing service industry.

Online Games

The Notice Regarding the Consistent Implementation of the “Stipulations on ‘Three Provisions’ of the State Council and the Relevant Interpretations of the State Commission Office for Public Sector Reform and the Further Strengthening of the Administration of Pre-examination and Approval of Internet Games and the Examination and Approval of Imported Internet Games,” also known as Circular 13, was jointly published by the General Administration of Press and Publication, the National Copyright Administration and the National Office of Combating Pornography and Illegal Publications in 2009. Circular 13 expressly states that foreign investors are not permitted to participate in the operation of online games via wholly owned, equity joint venture or cooperative joint venture investments in China, and from controlling and participating in such businesses directly or indirectly through contractual or technical support arrangements. In addition, according to Circular 13, the approval of the General Administration of Press and Publication is required for publishing any imported online games. Although Circular 13 was issued several years ago, it is not yet clear what impact, if any, it will have on the operation of online games in China.

According to the Interim Administrative Measures for Internet Games, issued by the Ministry of Culture on June 3, 2010 and last amended on December 15, 2017, any entity engaging in online game operations must obtain an Online Culture Operating License. On July 10, 2019, this measure was abolished by the Ministry of Culture and Tourism. As a result, the Ministry of Culture and Tourism is no longer responsible for regulating the online game industry in China and has ceased to grant or renew any Online Culture Operating License relating to game operations. The issued Online Culture Operating License relating to game operations, however, will remain valid until each of their original expiration dates.

On August 30, 2021, the National Press and Publication Administration issued the Notice on Further Strict Management to Prevent Minors from Indulging in Online Games, which requires all online game operators to provide services to minors only on any Friday, Saturday, Sunday and statutory holidays from 8:00 p.m. to 9:00 p.m., i.e., for one hour, and not to provide online games in any form to users who have not registered or logged in with their real names. In addition to the real-name registration system already in place, we have adjusted the systems in the games that we operated to comply with the requirements under this notice.

On December 22, 2023, the National Press and Publication Administration promulgated the Administrative Measures for Internet Games (Draft for Comment), which provide that the national publishing regulatory authority oversees online game publishing activities nationwide while local authorities at county level and above are responsible for supervision within their respective administrative regions. Online games should set spending limits and ban daily log-in rewards according to these draft measures. These draft measures also propose to ban large tips for rewards to players who livestream their games and prohibits online games from offering probability-based luck draw features to minors. As of the date of this annual report, these draft measures have not been formally adopted.

Virtual Currency

The Notice on the Reinforcement of the Administration of Internet Cafes and Online Games, jointly issued by the Ministry of Culture, the People's Bank of China and other government authorities in 2007, directs the People's Bank of China to strengthen the administration of virtual currency in online games to avoid any adverse impact on the real economic and financial systems. This notice provides that the total amount of virtual currency issued by online game operators and the amount purchased by individual users should be strictly limited, with a strict and clear division between virtual transactions and real e-commerce transactions. This notice also provides that virtual currency should only be used to purchase virtual items.

The Notice on the Strengthening of Administration on Online Game Virtual Currency, jointly issued by the Ministry of Culture and the Ministry of Commerce in 2009, broadly defined virtual currency as a type of virtual exchange instrument issued by internet game operation enterprises, purchased directly or indirectly by the game user by exchanging legal currency at a certain exchange rate, saved outside the game programs, stored in servers provided by the internet game operation enterprises in electronic record format and represented by specific numeric units. Virtual currency is used to exchange internet game services provided by the issuing enterprise for a designated extent and time, and is represented by several forms, such as online prepaid game cards, prepaid amounts or internet game points, and does not include game props obtained from playing online games. In 2009, the Ministry of Culture further promulgated the Filing Guidelines on Online Game Virtual Currency Issuing Enterprises and Online Game Virtual Currency Trading Enterprises, which specifically defines "issuing enterprise" and "trading enterprise" and stipulates that a single enterprise may not operate both types of business.

On December 22, 2023, the National Press and Publication Administration promulgated the Administrative Measures for Internet Games (Draft for Comment), which stipulated that (i) in-game currency shall be used only for exchanging in-game products and services provided by the operator, and shall not be used to pay for or purchase physical objects or exchange products and services of other entities; (ii) online game publishers shall not exchange the virtual items of online games obtained by users into legal tender; and (iii) where online game virtual items can be exchanged for small-value physical objects, the contents and value of such physical objects shall comply with the national laws and regulations. As of the date of this annual report, this draft has not been formally adopted.

Regulations on Protection of Minors

In 2007, the General Administration of Press and Publication and several other governmental authorities issued a circular requiring the implementation of an "anti-fatigue system" and a real-name registration system by all PRC online game operators, in an effort to curb addictive online game play behaviors of minors. Under the anti-fatigue system, three hours or less of continuous play by minors is considered to be "healthy," three to five hours to be "fatiguing," and five hours or more to be "unhealthy." Game operators are required to reduce the value of in-game benefits to a game player by half if the game player has reached "fatiguing" level, and to zero in the case of "unhealthy" level.

The Notice on Initializing the Verification of Real-name Registration for Anti-Fatigue System on Internet Games, issued by the General Administration of Press and Publication, the Ministry of Industry and Information Technology, the Ministry of Education and five other governmental authorities in 2011, imposes stringent penalties on online game operators that do not implement the required anti-fatigue and real-name registration measures properly and effectively. Its main focus is to prevent minors from using an adult ID to play internet games. The operation of an online game may be terminated if the operator is found to be in violation of this notice.

The Implementation of Online Game Monitoring System of the Guardians of Minors, a circular jointly issued by the Ministry of Culture, the Ministry of Industry and Information Technology and six other central government authorities in 2011, aimed to provide specific protective measures to monitor the online game activities of minors and curb addictive online game play behavior by minors. Under this circular, online game operators are required to adopt various measures to maintain a system to communicate with the parents or other guardians of minors playing online games and online game operators are required to monitor the online game activities of minors, and must suspend the account of a minor if so requested by the minor's parents or guardians. The monitoring system was formally implemented on March 1, 2011.

The Work Plan for the Integrated Prevention of Minors' Online Game Addiction, jointly issued by the General Administration of Press and Publication, the Ministry of Education, the Ministry of Culture, the Ministry of Industry and Information Technology and 11 other PRC government authorities on February 5, 2013, implemented integrated measures by different authorities to prevent minors from becoming addicted to online games. Under the work plan, the current regulations regarding online games will be further clarified and additional implementation rules will be issued, and as a result, online game operators will be required to implement additional measures to protect minors.

On October 25, 2019, the General Administration of Press and Publication issued the Notice on Preventing Minor's Addiction to Online Games, which requires all online game players to register accounts with their valid identity information and all game companies to stop providing game services to users who fail to do so. Furthermore, minors are prohibited from playing games exceeding a certain period of time per day or putting money into their accounts exceeding a certain amount.

On October 17, 2020, the Standing Committee of the National People's Congress revised and promulgated the Law of the PRC on the Protection of Minors (2020 Revision), which took effect on June 1, 2021. Law of the PRC on the Protection of Minors (2020 Revision) added a new section entitled "Online Protections" which stipulates a series of provisions to further protect minors' interests on the internet, including (i) online product and service providers are prohibited from providing minors with products and services that would induce minors to indulge, (ii) online service providers for products and services such as gaming, live streaming, audio-video, and social networking are required to establish special management systems of user duration, access authority and consumption for minors, (iii) online gaming service providers must request minors to register and log into online games with their valid identity information, (iv) online gaming service providers must categorize games according to the PRC rules and standards, notify users about the appropriate ages for the players of the games, and take technical measures to keep minors from accessing inappropriate games or gaming functions, and (v) online gaming service providers may not provide online game services to minors from 10:00 p.m. to 8:00 a.m. the next day.

On May 7, 2022, Cyberspace Administration of China, together with three other authorities, jointly issued the Opinions on Regulating Live Streaming Rewards and Strengthening Minor Protections, which stipulate the requirements for live streaming platforms in respect of strengthening real-name registration, prohibiting minors from virtual gifting and restrictions on providing live streamer services to minors. Pursuant to these opinions, online platforms are not allowed to rank, introduce or recommend any live streaming performers solely by the monetary value of virtual gifts that they have received from users, or to rank users based on the monetary value of virtual gifts that they have sent to live streaming performers. Online platforms shall procure that, during the peak hours (from 8.00 p.m. to 10.00 p.m.) every day, no live streaming performer shall engage in "PKs" (i.e., a real-time interactive competitive game between two performers) against another performer for more than twice.

Weimeng has been communicating with the government authority for the application of an internet publishing permit. We have adopted our anti-fatigue and real name registration systems.

On December 22, 2023, the National Press and Publication Administration issued the Administrative Measures for Internet Games (Draft for Comment), which provided detailed regulations for the protection of minors in online gaming operations. These rules include, but are not limited to: (i) strict control over the duration and time minors spend playing online games, (ii) prohibition of minors from accessing games that may easily lead to addiction or contain inappropriate content for minors, and (iii) prohibition of the provision of certain services to minors, such as account rental and sale, in-game currency and virtual item trading, game boosting or game levelling services, and probability-based luck draw features. As of the date of this annual report, the draft has not been formally adopted.

On September 20, 2023, the State Council promulgated the Regulation on the Protection of Minors in Cyberspace, effective on January 1, 2024. These measures impose additional obligations on network platform service providers who have significant number of minor users or significant impact on the minor population. For example, these service providers are required to (i) consider the characteristics of the physical and mental development of minors when designing, researching, developing and operating network platform services and regularly assess the impact of the protection of minors in cyberspace, (ii) set up a special mode or zone for minors that allows minors to access products or services beneficial for their physical and mental well-being, and (iii) form an independent body primarily composed of external members to supervise the protection of minors in the cyberspace. Network services providers who provide the services of information publishing and instant messaging to minors shall require the minors or their guardians to provide the minors' identity information in accordance with laws. Online games, live-streaming, online audio and video, social networking and other network service providers should set reasonable limitations on the amount minors at different ages can spend per transaction and per day in total in the use of their services and should not provide paid services to minors incompatible with their civil capacity. The personal information processor shall conduct a compliance audit on its compliance with laws and administrative regulations regarding the processing of personal information of minors every year, and promptly report the audit results to the regulatory authorities.

Regulations on Broadcasting Audio/Video Programs through the Internet

On December 20, 2007, the State Administration for Radio, Film and Television and the Ministry of Industry and Information Technology jointly issued the Rules for the Administration of Internet Audio and Video Program Services, commonly known as Circular 56, which came into effect as of January 31, 2008 and was later amended in 2015. Circular 56 reiterates the requirement set forth in the earlier rules that online audio/video service providers must obtain an internet audio/video program transmission license from the State Administration for Radio, Film and Television. Furthermore, Circular 56 requires all online audio/video service providers to be either wholly state-owned or state-controlled companies. According to official answers to press questions published on the website of State Administration for Radio, Film and Television on February 3, 2008, officials from the State Administration for Radio, Film and Television and the Ministry of Industry and Information Technology clarified that online audio/video service providers that already had been operating lawfully prior to the issuance of Circular 56 may re-register and continue to operate without becoming state-owned or controlled; *provided* that such providers have not engaged in any unlawful activities. This exemption will not be granted to online audio/video service providers established after Circular 56 was issued. These policies have been reflected in the Application Procedure for Audio/Video Program Transmission License. Failure to obtain the internet audio/video program transmission license may subject an online audio/video service provider to various penalties, including fines of up to RMB30,000, seizure of related equipment and servers used primarily for such activities and even suspension of its online audio/video services.

On December 16, 2016, the State Administration of Press, Publication, Radio, Film and Television of the PRC issued the Rules for the Administration of Video and Audio Programs on Weibo, WeChat and other Social Media Platforms. This circular requires that any organizations that provide online streaming through social media platforms such as Weibo or WeChat should obtain an internet audio/video program transmission license. For organizations and individuals that do not hold license, the hosting social networking platform shall be responsible for supervising the content of the posted programs, and the scope of the programs must not exceed the scope stated on the platform's audio/video program transmission license. Similarly, film and TV dramas broadcasted through social media are required to obtain a license for public airing, and social media platforms are not allowed to repost user-generated video or audio programs featuring political news.

On November 18, 2019, the Cyberspace Administration of China, the Ministry of Culture and Tourism and the National Radio and Television Administration, jointly issued the Administrative Provisions on Online Audio-Visual Information Services, effective from January 1, 2020, which provides that online audio-visual information service providers are the principals responsible for information content security management, and should establish and improve their internal policies in relation to user registration, scrutiny of information publication, and information safety management. Organizations and individuals are prohibited from using online audio-visual information services and related information technology to carry out illegal activities and infringe legal rights and interests of others. The Provisions further set out requirements for utilization of new applications driven by new technology (such as deep learning and virtual reality) to produce, publish and disseminate audio-visual information, for example, audio-visual information service providers are required to conduct safety evaluation, identify and label fraudulent audio-visual information, and to defeat rumors, false news and content violating user agreements.

Regulations on Producing Audio/Video Programs

On July 19, 2004, the State Administration of Radio, Film and Television promulgated the Administrative Measures on the Production and Operation of Radio and Television Programs, effective as of August 20, 2004 and last amended in 2020. These measures provide that anyone who wishes to produce or operate radio or television programs must first obtain an operating permit. Applicants for this permit must meet several criteria, including having a minimum registered capital of RMB3.0 million. Weimeng holds a permit for radio and television program production and operation, with a permitted scope of production and distribution of radio and television programs (excluding political news and similar topics and columns), valid until June 30, 2025.

On January 9, 2019, China Network Audio-Visual Program Service Association issued the Detailed Rules for Reviewing Network Short Video Contents, which was amended on December 15, 2021 and sets out 100 types of contents that are restricted from short-video programs.

Regulations on Online Live-streaming Services

On November 4, 2016, the Cyberspace Administration of China promulgated the Regulations on the Administration of Online Live-streaming Services, which became effective on December 1, 2016. These regulations provide that online live-streaming service providers and distributors must legally obtain the qualification for internet news information services before providing such services on the internet, and engage in online news information services to the licensed extent. Online live-streaming service providers must review all live internet news information and interactions before publishing them, and set up their “chief editor” position if they provide live-streaming services of internet news information. These regulations also stipulate that online live-streaming service providers must carry out their subject responsibility, arrange professionals commensurate with its service size, establish and improve various management systems, and have the technical capability to immediately cut online live-streaming, and its technical plans shall comply with the national standards. In addition, online live-streaming service providers must conduct graded and categorized management according to the content category and user scale of online live-streaming, and establish a credit rating management system for online live-streaming distributors as well as a blacklist management system.

On December 2, 2016, the Ministry of Culture issued the Administrative Measures for Business Activities of Online Performances, which took effect on January 1, 2017, and provide that the online performances must not involve six types of content, such as “those infringing upon others’ legitimate rights and interests by taking candid photographs or using a hidden recorder.” Entities engaging in online performances must require and verify the registration of performers with their own valid IDs and real names. Moreover, these measures stress that entities engaging in online performances must improve their own user registration systems, maintain the information provided by users for registration, and take active actions to safeguard the safety of users’ information.

On August 1, 2018, the Cyberspace Administration of China and the other five PRC governmental authorities jointly issued the Circular on Tightening the Administration of Online Live-streaming Services, which specifies respective duties of online live-streaming service providers, network access service providers and application stores, aiming to prompt internet-based enterprises to fulfill their responsibilities. This circular provides that an online live-streaming service provider must make a record filing with the competent telecommunications authority as an internet content provider (ICP). Online live-streaming service providers are also required to apply for a permit with the local authorities if it engages in telecommunications business, live streaming business for internet news information, online performance, and/or online visual-audio programs. Online live-streaming service providers must make record filings with the local public security authorities within 30 days after live-streaming services have been published on the internet. In addition, online live-streaming service providers are required to implement real name verification system for users, intensify administration of online anchors, establish blacklist system for online anchors, optimize the system of watching and censoring livestreamed content for regulatory purposes, and improve measures to better respond to harmful content.

On November 6, 2020, the State Administration for Market Regulation issued the Guidelines on Strengthening Supervision of Online Live Streaming Marketing Activities, pursuant to which a network platform will assume the responsibility and obligation as an e-commerce platform operator according to the E-Commerce Law; *provided* that this platform provides operators, who sell goods or provide services via internet live streaming, with services such as internet operation place, transaction matchmaking and information publication in order for the transaction parties to independently complete their transaction activities.

On November 12, 2020, the National Radio and Television Administration issued the Notice on Strengthening the Management of Online Show Live Streaming and E-commerce Live Streaming, pursuant to which live streaming platforms for online shows are requested to strengthen positive value guidance and enable those tasteful, meaningful, interesting and warm live streaming programs to have good traffic, and to prevent the spread of the trends of wealth flaunting, money worshiping and vulgarity. The Notice 78 requests the live streaming platforms for online shows and e-commerce to register in the National Internet Audio-Visual Platforms Information Management System, and we have completed such registration as requested, which is valid until September 25, 2022 and is subject to annual renewal. In addition, the number of content reviewers a platform is required to keep must in principle be no less than 1:50 of the number of live streaming rooms. Live streaming platforms for online shows need to manage the hosts and users making virtual gifting based on the real-name registration system, and users who have not registered with real names or who are minors are prohibited from virtual gifting. The live streaming platforms are required to implement real-name registration system by real-name verification, face recognition, manual review and other measures to prevent minors from virtual gifting. The platform shall limit the maximum amount of rewards each user may give per time, day and month. Live streaming platforms for e-commerce shall not illegally produce and broadcast, beyond their business scope of e-commerce, any commentary programs unrelated to sales of goods.

According to the Law of the PRC on the Protection of Minors (2020 Revision), which took effect on June 1, 2021, live streaming service providers are not allowed to provide minors under age 16 with online live streaming publisher account registration service, and must obtain the consent from parents or guardians and verify the identity of the minors before allowing minors aged 16 or above to register live streaming publisher accounts.

On March 12, 2022, the National Development and Reform Commission and the Ministry of Commerce jointly issued the Negative List for Market Access (2022 Version), which provides that non-state-capitalized entities shall not engage in live streaming of political, economic, military, diplomatic, major social, cultural, scientific and technological, health, education, sports and other activities and events related to political direction, public opinion orientation and value orientation. The scope of live streaming business under this list is relatively broad and vague, and is subject to further clarifications and interpretations by the regulator.

On March 25, 2022, the Cyberspace Administration of China, the SAT and the State Administration for Market Regulation jointly issued the Opinions on Further Regulating the For-Profit Activities in Online Live Streaming to Promote a Healthy Development of the Industry, which require live streaming platforms to strictly comply with the laws and regulations and the principle of real-name verification at the back end and voluntary registration at the front end. Live streaming publishers must be authenticated and registered based on their identity card information and unified social credit codes. Live streaming platforms must report required information to the local provincial-level cyberspace administration and the competent tax authority every six months, including the identity information, remuneration account, type of revenue, and profit-earning details of live streaming publishers.

Regulations on Online Music

On November 20, 2006, the Ministry of Culture issued Several Suggestions of the Ministry of Culture on the Development and Administration of internet Music, which became effective immediately upon its issuance. These suggestions reiterate the requirement for an internet service provider to obtain an internet culture business permit to carry out any business relating to internet music products. In addition, foreign investors are prohibited from operating internet culture businesses. However, the laws and regulations on internet music products are still evolving, and there have not been any provisions stipulating whether or how music videos will be regulated by these suggestions.

On August 18, 2009, the Ministry of Culture promulgated the Notice on Strengthening and Improving the Content Review of Online Music. According to this notice, only “internet culture operating entities” approved by the Ministry of Culture may engage in the production, release, dissemination (including providing direct links to music products) and importation of online music products. On October 23, 2015, the Ministry of Culture promulgated the Circular on Further Strengthening and Improving the Administration of Content of Online Music, which became effective on January 1, 2016. According to the circular, the content of online music shall be reviewed by or filed with the Ministry of Culture. Internet culture operating entities should establish a strict self-monitoring system of online music content and set up a special department in charge of such monitoring. Weimeng has obtained an Online Culture Operating Permit, the scope of which covers online music operations.

Regulations on Internet News Dissemination

On April 28, 2015, the Cyberspace Administration of China issued the Provisions on the Questioning Procedures for Internet News Service Providers, which took effect on June 1, 2015. These provisions provide the Cyberspace Administration of China and its local branches with a formal procedure for bringing in key personnel from internet news service providers for questioning as well as giving oral warnings, identifying problems and ordering rectifications in certain circumstances specified in these provisions such as the failure to deal with illegitimate information in a timely fashion and when circumstances are severe. If the Cyberspace Administration of China or its local branches orders an internet news service provider to rectify a problem through the questioning procedures and it fails to do so, then the internet news service provider may be subject to administrative action including a written warning, fine, temporary suspension of operations or the revocation of licenses. Internet news service providers are also subject to enhanced penalties for several violations under the questioning procedures. Additionally, the Cyberspace Administration of China and its local branches may publicize information related to the questioning procedures that it conducted against internet news service providers.

On May 2, 2017, the Cyberspace Administration of China issued the Administrative Provisions for Internet News Information Services, which became effective on June 1, 2017. These provisions are intended to help solidify the jurisdiction of Cyberspace Administration of China over internet news information services. These provisions require that internet websites, apps, forums, blogs, microblogs, official accounts, instant messaging tools, network-based broadcasts and other similar means that provide internet news information services obtain a permit for internet news information services. These provisions also broaden the scope of internet news information services to include (i) services of collecting, editing, and releasing internet news information; (ii) reposting such news information; and (iii) providing a platform to spread such news information. To apply for such a permit, the applicant must satisfy requirements such as that it be a legal entity established in China and that its principal or chief editor be a Chinese citizen. In addition, all internet news providers are explicitly required to review and self-censor the content published by them and to take measures to cease transmission and remove content if inappropriate content is discovered, as well as maintain records and report such matters to the competent regulators.

On March 12, 2022, the National Development and Reform Commission issued the Negative List for Market Access (2022 Version), which provides that non-state-capitalized entities shall not conduct the business of news collecting, editing, releasing and reporting. Weibo does not collect, edit, release or report news by itself. Weibo holds an Internet News and Information Service License, which allows it to provide the service of reposting news information and operating a platform to disseminate news information.

Weimeng provides a platform for our users to post news, current topics and social events and it has obtained an Internet News Publication License on July 30, 2022 for providing news republishing and broadcasting platform services, which is valid through July 29, 2025.

Internet Mapping Services

Under the Surveying and Mapping Law promulgated by the National People's Congress in 1992 and amended in 2002 and 2017, entities engaged in surveying and mapping services should obtain a surveying and mapping qualification certificate and comply with the state's surveying and mapping criteria. According to the amended Administrative Rules of Surveying Qualification Certificate and the amended Standard for Surveying Qualification Certificate issued by the former National Administration of Surveying, Mapping and Geo-information in 2021, respectively, non-surveying and mapping enterprise is subject to the approval of this authority and requires a surveying and mapping qualification certificate to provide internet mapping services.

On November 26, 2015, the State Council enacted the Administrative Regulations on Maps, which took effect on January 1, 2016. These regulations require entities engaging in internet mapping services, such as geographic positioning, the uploading of geographic information or markings, and the development of a public map database, to obtain a qualification certificate for surveying and mapping. These regulations require entities engaging in online map services to use mapping data approved by the governmental authorities, host servers storing map data within the PRC, and establish a management system as well as protection measures for the data security of the online maps. The mapping data must not contain any content prohibited by these regulations, and no entities or individuals are allowed to upload or mark such prohibited content online. Further, entities engaging in internet mapping services shall keep confidential any information involving state secrets and trade secrets acquired during their work.

Weimeng holds a surveying and mapping qualification certificate (Class B) issued by Beijing Municipal Commission of Planning and Natural Resources, valid through October 11, 2026.

Regulations on Internet Drug Information Services

According to the Provisions on the Administration of Internet Drug Information Services, promulgated by the State Food and Drug Administration and most recently amended in November 2017, an enterprise publishing drug-related information must obtain a qualification certificate from the provincial-level food and drug administration before it applies for the ICP license or files with the Ministry of Industry and Information Technology or its local provincial-level counterpart. An ICP service operator that provides information regarding drugs or medical devices must obtain an Internet Drug Information Service Qualification Certificate from the applicable provincial level administrative authority. We have completed the filing for the drug-related information available on our platform, including information from those using our platform to promote their products and services and drug-related information shared on our platform.

Regulations on Intellectual Property Rights

China has adopted legislation governing intellectual property rights, including trademarks, patents and copyrights. China is a signatory to the major international conventions on intellectual property rights and became a member of the Agreement on Trade Related Aspects of Intellectual Property Rights upon its accession to the World Trade Organization in December 2001.

Patent. The Patent Law was adopted in 1984 and amended in 1992, 2000, 2008 and 2020. The amended version in 2020 came into effect on June 1, 2021. The purpose of the Patent Law is to protect lawful interests of patent holders, encourage invention, foster applications of invention, enhance innovative capabilities and promote the development of science and technology. To be patentable, invention or utility models must meet three conditions: novelty, inventiveness and practical applicability. Patents cannot be granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds, nuclear transformation method and substances obtained by the method of nuclear transformation or a design which has major marking effect on the patterns or colors of graphic print products or a combination of both patterns and colors. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining and approving patent applications. A patent is valid for a term of twenty years in the case of an invention and a term of ten years in the case of utility models and a term of fifteen years in the case of designs. A third-party user must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement of patent rights.

We have registered 313 patents and applied for 75 patents with the PRC State Intellectual Property Office as of December 31, 2023.

Copyright. The Copyright Law was adopted in 1990 and amended in 2001, 2010 and 2020. The amended version in 2020 came into effect on June 1, 2021. The amended Copyright Law extends copyright protection to internet activities, products disseminated over the internet and software products. In addition, there is a voluntary registration system administered by the China Copyright Protection Center. The amended Copyright Law also requires registration of a copyright pledge.

According to the Copyright Law, an infringer will be subject to various civil liabilities, which include stopping the infringement, eliminating the damages, apologizing to the copyright owners and compensating the losses of copyright owners. The Copyright Law further provides that the infringer must compensate the actual loss suffered by the copyright owner. If the actual loss of the copyright owner is difficult to calculate, the illegal income received by the infringer as a result of the infringement will be deemed as the actual loss or if such illegal income is also difficult to calculate, the court can decide the amount of the actual loss up to RMB5,000,000.

To address the problem of copyright infringement related to the content posted or transmitted over the internet, the National Copyright Administration and the Ministry of Industry and Information Technology jointly promulgated the Measures for Administrative Protection of Copyright Related to the Internet in 2005.


The Protection of the Right of Communication through Information Networks was promulgated by the State Council in 2006 and amended in 2013. Under this regulation, with respect to any information storage space, search or link services provided by an internet service provider, if the legitimate right owner believes that the works, performance or audio or video recordings pertaining to that service infringe his or her rights of communication, the right owner may give the internet service provider a written notice containing the required information along with preliminary materials proving that an infringement has occurred, and requesting that the internet service provider delete, or disconnect the links to, such works or recordings. The right owner will be responsible for the truthfulness of the content of the notice. Upon receipt of the notice, the internet service provider must delete or disconnect the links to the infringing content immediately and forward the notice to the user that provided the infringing works or recordings. If the written notice cannot be sent to the user due to the unknown IP address, the contents of the notice shall be publicized via information networks. If the user believes that the subject works or recordings have not infringed others' rights, the user may submit to the internet service provider a written explanation with preliminary materials proving non-infringement, and a request for the restoration of the deleted works or recordings. The internet service provider should then immediately restore the deleted or disconnected content and forward the user's written statement to the right owner.

Under the Civil Code of the PRC effective from January 1, 2021, both internet users and internet service providers may be liable for the wrongful acts of users who infringe the lawful rights of other parties. If an internet user utilizes internet services to commit a tortious act, the party whose rights are infringed may request the internet service provider to take measures, such as removing or blocking the content, or disabling the links thereto, to prevent or stop the infringement. If the internet service provider does not take necessary measures after receiving such notice, it shall be jointly liable for any further damages suffered by the rights holder. Furthermore, if an internet service provider fails to take necessary measures when it knows that an internet user utilizes its internet services to infringe the lawful rights and interests of other parties, it shall be jointly liable with the internet user for damages resulting from the infringement.

To address issues related to the hearing of civil disputes concerning the infringement of the right of communication through information networks, the PRC Supreme People's Court issued the Provisions on Several Issues Concerning the Application of Law in Hearings of Civil Dispute Cases on the Infringement of Information Networking Transmission Rights, which took effect as of January 1, 2013 and was amended in 2020. This document provides more detailed guidance as to the circumstances in which the provision by network users or network service providers of other's works, performances, and audio or video products without permission from the rights owner constitutes infringement of information network transmission rights. This document provides that internet service providers will be jointly liable if they assist in infringing activities or fail to remove infringing content from their websites once they know of the infringement or receive notice from the rights holder. This document also provides that where a network service provider obtains economic advantage directly from the works, performances, and sound or visual recordings provided by the network service provider, it must pay close attention to infringement of network information transmission rights by network users.

In order to further implement the Computer Software Protection Regulations promulgated by the State Council on December 20, 2001 and amended on January 30, 2013, the National Copyright Administration of the PRC issued Computer Software Copyright Registration Procedures on February 20, 2002, which apply to software copyright registration, license contract registration and transfer contract registration.

In compliance with, and in order to take advantage of, the above rules, we have registered 623 software copyrights as of December 31, 2023.

Trademark. The Trademark Law, adopted in 1982 and revised in 1993, 2001, 2013 and 2019, protects registered trademarks. The Trademark Law has adopted a “first-to-file” principle with respect to trademark registration. Where a trademark for which a registration has been made is identical or similar to another trademark that has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Any person applying for the registration of a trademark must not prejudice the existing right of others obtained by priority, nor may any person register in advance a trademark that has already been used by another person and has already gained a “sufficient degree of reputation” through that person’s use. After receiving an application, the Trademark Office, which is under the National Intellectual Property Administration and handles trademark registration affairs in China, will make a public announcement if the trademark passes the preliminary examination. Within three months after such public announcement, any person may file an objection against a trademark that has passed a preliminary examination. The PRC Trademark Office’s decisions on rejection, objection or cancellation of an application may be appealed to the National Intellectual Property Administration, whose decision may be further appealed through judicial proceedings. If no objection is filed within three months after the public announcement period or if the objection has been overruled, the PRC Trademark Office will approve the registration and issue a registration certificate, at which point the trademark is deemed to be registered and will be effective for a renewable ten-year period, unless otherwise declared invalid or revoked. The licensor shall file the trademark licensing with the Trademark Office for record. The licensing of a trademark that has not been filed for record may not be used against a bona fide third party. “新浪微博” and “” are registered trademarks of SINA’s subsidiaries in China and are exclusively licensed to us for use.

Domain Names. On August 24, 2017, the Ministry of Industry and Information Technology promulgated the Measures for Administration of Domain Names. These measures regulate the registration of domain names, including the domain name “.CN.” On November 27, 2017, the Ministry of Industry and Information Technology promulgated the Notice on Regulating the Use of Domain Names in Providing Internet-based Information Services, which became effective on January 1, 2018. Pursuant to this notice, the domain name used by an internet-based information service provider in providing internet-based information services must be registered and owned by such provider in accordance with the law. If the internet-based information service provider is an entity, the domain name registrant must be the entity (or any of the entity’s shareholders), or the entity’s principal or senior executive. We have registered domain names including weibo.com, weibo.cn, and weibo.com.cn.

Anti-Unfair Competition. Under the Anti-Unfair Competition Law, effective in 1993 and revised in 2017 and 2019, a business operator is prohibited from carrying out acts intending to cause confusion, which would mislead others into thinking that its products belong to another party or that there is an association with another party, by:

- using without permission, a mark that is identical with or similar to product names, packaging or decoration of others with a certain degree of influence;
- using without permission, the name of an enterprise, a social organization or an individual with a certain degree of influence;
- using without permission, the main element of a domain name, website name or webpage with a certain degree of influence; and
- carrying out confusing acts that are intended to mislead others into thinking that a product belongs to another party or there is an affiliation with another party.

See “Item 3. Key Information—D. Risk factors—Risks Relating to Our Business—We may not be able to adequately protect our intellectual property, which could cause us to be less competitive.”

Regulations on Foreign Exchange

Under the 2008 Foreign Currency Administration Rules, if documents certifying the purposes of the conversion of RMB into foreign currency are submitted to the foreign exchange conversion bank, the RMB will be convertible for current account items, including the distribution of dividends, interest and royalties payments, and trade and service-related foreign exchange transactions. Conversion of RMB for capital account items, such as direct investment, loans, securities investment and repatriation of investment, however, is subject to the approval of SAFE or its local counterparts.

Under the 1996 Administration Rules of the Settlement, Sale and Payment of Foreign Exchange, foreign-invested enterprises may only buy, sell and/or remit foreign currencies at banks authorized to conduct foreign exchange business after providing valid commercial documents and, in the case of capital account item transactions, obtaining approval from SAFE or its local counterparts. Capital investments by PRC entities outside of China, after obtaining the required approvals from regulatory authorities, such as the Ministry of Commerce and the National Development and Reform Commission or their local counterparts, are also required to register with SAFE or its local counterparts.

SAFE promulgated a circular on November 19, 2012 that tightens the examination on the authenticity of settlement of net proceeds from an offering and requires that the settlement of net proceeds shall be in accordance with the description in its prospectus.

On March 30, 2015, the SAFE issued the Circular on Reform of the Administrative Rules of the Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises, or SAFE Circular 19, which became effective on June 1, 2015. Pursuant to SAFE Circular 19, foreign-invested enterprises may either continue to follow the current payment-based foreign currency settlement system or elect to follow the “conversion-at-will” regime of foreign currency settlement. Where a foreign-invested enterprise follows the conversion-at-will regime of foreign currency settlement, it may convert part or all of the amount of the foreign currency in its capital account into Renminbi at any time. The converted Renminbi will be kept in a designated account labeled as settled but pending payment, and if the foreign-invested enterprise needs to make payment from such designated account, it still needs to go through the review process with its bank and provide necessary supporting documents. SAFE Circular 19, therefore, has substantially lifted the restrictions on the usage by a foreign-invested enterprise of its RMB registered capital converted from foreign currencies. According to SAFE Circular 19, such Renminbi capital may be used at the discretion of the foreign-invested enterprise and the SAFE will eliminate the prior approval requirement and only examine the authenticity of the declared usage afterwards.

On June 9, 2016, SAFE issued the Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts, or SAFE Circular 16, which became effective on the same day. Pursuant to SAFE Circular 16, enterprises registered in China may convert their foreign debts from foreign currency to RMB on discretionary basis. SAFE Circular 16 provides an integrated standard for conversion of foreign exchange under capital account items (including, but not limited to, foreign currency capital and foreign debts) on discretionary basis which applies to all enterprises registered in China. SAFE Circular 16 reiterates the principle that RMB converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC laws or regulations, while such converted RMB shall not be provided as loans to its non-affiliated entities, or used for construction and purchase of non-self-used real estate (excluding real estate enterprises) or unless otherwise expressly provided in law, directly or indirectly used in securities investment or other financial management excluding the bank capital preservation products. As SAFE has not provided detailed guidelines with respect to its interpretation or implementation, it is uncertain how these rules will be interpreted and implemented.

On October 23, 2019, SAFE issued the Notice of the State Administration of Foreign Exchange on Further Facilitating Cross-border Trade and Investment, which allows all foreign-invested companies to use RMB converted from foreign currency-denominated capital for equity investments in China, for so long as there is a truthful equity investment, and such equity investment does not violate applicable laws and does comply with the negative list on foreign investment.

In utilizing the proceeds, we received from our offerings or debt financings, as an offshore holding company with a PRC subsidiary, we may (i) make additional capital contributions to our PRC subsidiaries, (ii) establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, (iii) make loans to our PRC subsidiaries, or (iv) acquire offshore entities with business operations in China in offshore transactions. However, most of these uses are subject to PRC regulations and/or approvals. For example, loans we make to our PRC subsidiaries, which are foreign-invested enterprises, to finance their activities cannot exceed statutory limits and must be registered with SAFE or its local branches.

See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—PRC regulations of loans to PRC entities and direct investment in PRC entities by offshore holding companies may delay or prevent us from using offshore funds to make loans or additional capital contributions to our PRC subsidiaries.”

Regulations on Employee Stock Options Plans

In 2012, SAFE promulgated the Notice on the Administration of Foreign Exchange Matters for Domestic Individuals Participating in the Stock Incentive Plans of Overseas Listed Companies to replace the former procedures. This notice simplifies the requirements and procedures for the registration of stock incentive plan participants, especially with respect to the required application documents and the absence of strict requirements on offshore and onshore custodian banks, as were stipulated in the former procedures. The purpose of both the former procedures and the new notice is to regulate the foreign exchange administration of PRC resident individuals who participate in employee stock holding plans or share option plans of overseas listed companies.

Under these rules, for PRC resident individuals who participate in stock incentive plans of overseas publicly listed companies, which includes employee stock ownership plans, stock option plans and other incentive plans permitted by the laws and regulations, a PRC domestic qualified agent or the PRC subsidiary of such overseas listed company must file on behalf of such resident an application with SAFE or its local counterpart to obtain approval for an annual allowance with respect to the purchase of foreign exchange in connection with the stock holding or exercise of share options, as PRC residents may not directly use overseas funds to purchase shares or exercise share options. In addition, within three months after any substantial changes to any such stock incentive plan, including for example, any changes due to a merger or acquisition or changes to the domestic or overseas custodian agent, the domestic agent must update the registration with SAFE.

Under the Foreign Currency Administration Rules, as amended in 2008, the foreign exchange proceeds of domestic entities and individuals can be remitted into China or deposited abroad, subject to the terms and conditions to be issued by SAFE. However, the implementing rules with respect to depositing foreign exchange proceeds abroad have not been issued by SAFE. The foreign exchange proceeds from the sales of shares can be converted into RMB or transferred to such individuals' foreign exchange savings account after the proceeds have been remitted back to the special foreign exchange account opened at the PRC domestic bank. If share options are exercised in a cashless exercise, the PRC domestic individuals are required to remit the proceeds to special foreign exchange accounts.

Many issues with respect to the new notice require further interpretation. We and our PRC employees who have participated in an employee stock ownership plan or share option plan are subject to the new notice. If we or our PRC employees fail to comply with the new notice, we and our PRC employees may face sanctions imposed by the PRC foreign exchange authority or any other PRC government authorities, including restrictions on foreign currency conversions and additional capital contributions to our PRC subsidiaries.

In addition, the State Administration of Taxation has issued circulars concerning employee share options. Under these circulars, our employees working in China who exercise share options will be subject to PRC individual income taxes. Our PRC subsidiaries have obligations to file documents related to employee share options with the tax authorities and withhold individual income taxes of employees who exercise their share options.

See "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Failure to comply with PRC regulations regarding the registration requirements for stock ownership plans or stock option plans may subject PRC plan participants or us to fines and other legal or administrative sanctions."

Labor Laws and Social Insurance

Pursuant to the PRC Labor Law and the PRC Labor Contract Law, employers must execute written labor contracts with full-time employees. All employers must compensate their employees with wages equal to at least the local minimum wage standards. All employers are required to establish a system for labor safety and sanitation, strictly abide by state rules and standards and provide employees with workplace safety training. Violations of the PRC Labor Contract Law and the PRC Labor Law may result in the imposition of fines and other administrative liabilities. Criminal liability may arise for serious violations.

In addition, according to the PRC Social Insurance Law and the Regulations on the Administration of Housing Provident Funds, employers in China are obliged to provide employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing funds.

To comply with these laws and regulations, we have caused all of our full-time employees to enter into labor contracts and provide our employees with the proper welfare and employment benefits. If we are made subject to severe penalties or incur significant liabilities in connection with labor disputes or investigations, our business and results of operations may be adversely affected.

Regulations on Concentration in Merger and Acquisition Transactions and Overseas Listings

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors established procedures and requirements that could make merger and acquisition activities by foreign investors more time-consuming and complex. The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors require that the Ministry of Commerce be notified in advance of any change-of-control transaction in which a foreign investor will take control of a PRC domestic enterprise or a foreign company with substantial PRC operations, if certain thresholds under the Provisions on Thresholds for Prior Notification of Concentrations of Undertakings are triggered.

On February 7, 2021, the Anti-Monopoly Commission of the State Council published the Anti-Monopoly Guidelines for the Internet Platform Economy Sector, which reinforces antitrust merger review for internet platform related transactions and clarifies at the first time the filing procedures is applicable to the transactions involving variable interest structures.

On June 24, 2022, the Standing Committee of the National People's Congress adopted the Anti-Monopoly Law, which came into effect on August 1, 2022. This law increases fines for illegal business concentration to a maximum of 10% of the operator's previous year's sales revenue if the concentration has the potential to exclude or limit competition. The fine could be up to RMB5 million if the concentration has no effect of excluding or limiting competition. This law also mandates that the PRC authorities can order operators to report concentration, even below the filing threshold, if there is evidence of potential anti-competitive harm.

On March 10, 2023, the State Administration for Market Regulation issued four implementing rules to provide further clarity on the new Anti-Monopoly Law. These rules include provisions for curbing abuse of administrative power, prohibiting monopoly agreements, preventing abuse of market dominance, and reviewing undertakings' concentration.

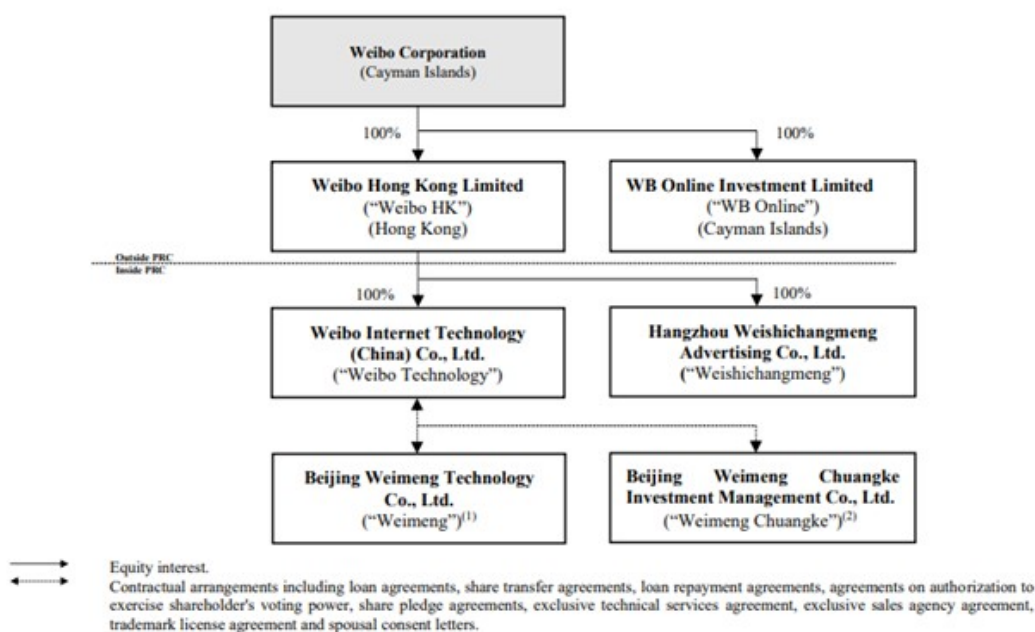
On January 22, 2024, the State of Council adopted new merger controlling filing thresholds by promulgating the amended Provisions of the State Council on Thresholds for Prior Notification of Concentration of Undertakings, which took effect upon release. These new provisions substantially increased the turnover thresholds to trigger merger filings in China. Any transaction that satisfies either of the following standards must be filed with the anti-monopoly law enforcement agency under the State Council before its consummation: (i) during the previous fiscal year, the total worldwide turnover of all undertaking participants exceeded RMB12 billion and at least two of these participants each had a turnover of more than RMB800 million within China, or (ii) during the previous fiscal year, the total turnover within China of all undertaking participants exceeded RMB4 billion and at least two of these participants had a turnover of more than RMB800 million within China.

On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies, with effect from March 31, 2023, and five supporting guidelines. Under these measures, PRC domestic enterprises conducting overseas securities offering and listing, either directly or indirectly, shall complete filings with the CSRC within three working days following the submission of an application for initial public offering or listing. Starting from March 31, 2023, enterprises that have been listed overseas or satisfy all of the following conditions shall be deemed as "Grandfathered Issuers" and are not required to complete the overseas listing filing immediately. The supporting guidelines further provide that the examination and determination of an indirect offering and listing will be conducted on a substance-over-form basis, and an offering and listing shall be deemed as a PRC company's indirect overseas offering and listing if the issuer meets both of the following conditions: (i) any of the operating income, gross profit, total assets, or net assets of the PRC companies in the most recent fiscal year was more than 50% of the relevant line item in the issuer's audited consolidated financial statement for that year; and (ii) senior management personnel responsible for business operations and management are mostly PRC citizens or are ordinarily resident in the PRC, or the principal place of business is in the PRC or carried out in the PRC. In all such cases, the issuer or its designated principal operating PRC entity, as the case may be, shall file with the CSRC for its initial public offering, follow-on offering and other equivalent offering activities. Particularly, the issuer shall submit a filing with respect to its initial public offering and listing within three business days after its initial filing of the listing application and submit a filing with respect to its follow-on offering within three business days after the completion of the follow-on offering. The issuer shall also submit a report with respect to the following material events within three business days after the occurrence and announcement of such event: (i) change of control rights; (ii) being investigated or punished by overseas securities regulatory authorities or the competent authorities; (iii) change of listing status or listing board; and (iv) voluntary or mandatory termination of the listing. The supporting guidelines clarify that "control relationship" or "control right" under the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies refer to the actual control of the company by means of equity, voting rights, trusts, agreements and other arrangements, either individually or jointly, directly or indirectly. Therefore, the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies are interpreted to apply to PRC companies that use a variable interest entity structure. Issuers are not allowed to pursue overseas offerings and listings in the following circumstances, (i) explicit prohibition from financing through listing by laws or administrative regulations; (ii) recognition by the competent department of the State Council that the issuer's overseas offering and listing may harm national security; (iii) commission of criminal offenses, such as embezzlement, bribery, misappropriation of property, or disruption of market orders by the domestic companies, its controlling shareholder, or the actual controller within the past three years; (iv) ongoing investigation by law enforcement agencies for suspected criminal or significant illegal and irregular activities without any clear conclusion yet; and (v) material ownership disputes over shares held by the controlling shareholder or by other shareholders that are controlled by controlling shareholder and/or actual controller. Additionally, the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies impose certain compliance requirements for issuers, such as compliance with national security laws, regulations and provisions on foreign investment, cyber security and data security, and address that security review procedures, if involved, shall be carried out in accordance with the laws prior to submitting the application for overseas offering and listing.

Complying with these requirements could affect our ability to expand our business or maintain our market share. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—PRC laws and regulations establish more complex procedures for some acquisitions of Chinese companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.”

C. Organizational Structure

Weibo Corporation is the offshore holding company of our group and conducts business operations in China through wholly owned and partially owned subsidiaries, and the VIEs and VIEs’ subsidiaries. The following diagram illustrates our corporate structure, including our major subsidiaries and the VIEs, as of the date of this annual report:



(1) The shareholders of Weimeng are four PRC employees of us or SINA, namely, Yunli Liu, Wei Wang, Wei Zheng and Zenghui Cao, holding 29.70%, 29.70%, 19.80% and 19.80% of Weimeng’s equity interests, respectively, and WangTouTongDa (Beijing) Technology Co., Ltd., a third-party minority stake holder, holding 1% of Weimeng’s equity interest. See also “Item 4. Information on the Company—C. Organizational Structure—Minority Investment in Weimeng.”

(2) The shareholders of Weimeng Chuangke are two PRC employees of us or SINA, namely, Yunli Liu and Wei Wang, holding 50% and 50% of Weimeng Chuangke’s equity interests, respectively.

Contractual Arrangements with the VIEs and Their Respective Individual Shareholders.

In order to comply with the PRC government’s foreign investment restrictions on internet information services and other laws and regulations, we conduct all our internet information services and value-added telecommunication services in China via our significant domestic VIEs. Our consolidated affiliated Chinese entities hold the licenses and assets that are important to our business operations including the Internet Content Provision License, the Online Culture Operating Permit and domain names held by Weimeng and our investments held by Weimeng Chuangke.

The capital investments in both Weimeng and Weimeng Chuangke were funded through Weibo Technology and recorded as interest-free loans to the respective shareholders of Weimeng and Weimeng Chuangke. As of December 31, 2023, the total amount of interest-free loans to the shareholders of Weimeng was RMB555.0 million (US\$78.0 million) and to the shareholders of Weimeng Chuangke was RMB30.0 million (US\$4.2 million). Under various contractual agreements, the shareholders of our consolidated VIEs are required to transfer their ownership in the VIEs to our wholly owned subsidiary in China, Weibo Technology, when permitted by PRC laws and regulations, or to our designees at any time for the amount of the outstanding loans, and all voting rights of our consolidated VIEs are assigned to Weibo Technology. Through Weibo Technology, we have also entered into an exclusive technical services agreement and other service agreements with each of our consolidated VIEs, under which Weibo Technology provides technical services and other services to these VIEs in exchange for substantially all of their economic benefits. In addition, the shareholders of our consolidated VIEs have pledged their shares in these VIEs as collateral for repayment of loans and payment of fees on technical and other services due to us.

Weibo Technology recognized service fees from all the VIEs in the amount of US\$1,026.2 million, US\$745.1 million and US\$714.8 million for the years ended December 31, 2021, 2022 and 2023 in consideration for services provided to the VIEs. Net revenues from VIEs and VIEs' subsidiaries accounted for 80.7%, 83.9% and 87.0% of our net revenues for the years ended December 31, 2021, 2022 and 2023. The contractual arrangements currently in force in relation to Weimeng were first established on October 11, 2010 and certain agreements were subsequently entered into on January 19, 2018. The contractual arrangements currently in force in relation to Weimeng Chuangke were first established on April 9, 2014 and certain agreements were subsequently entered into on February 17, 2020.

The following is a summary of the VIE agreements with Weimeng. The VIE agreements with Weimeng Chuangke are substantially the same as those described below:

Loan Agreements

Weibo Technology has granted interest-free loans to the shareholders of Weimeng with the sole purpose of providing funds necessary for those shareholders to make capital injections to Weimeng. The term of the loans is 10 years and Weibo Technology has the right, at its own discretion, to shorten or extend the term of the loans if necessary. In our consolidated financial statements, these loans are eliminated with the capital of Weimeng during consolidation.

Share Transfer Agreements

Each shareholder of Weimeng has granted Weibo Technology an option to purchase his shares in Weimeng at a purchase price equal to the amount of capital injection. Weibo Technology may exercise such option at any time until it has acquired all shares of Weimeng, subject to applicable PRC laws. The options will be effective until the earlier of (i) Weibo Technology and the shareholders of Weimeng have fully performed their obligations under these agreements, and (ii) Weibo Technology and the shareholders of Weimeng agree in writing to terminate these agreements.

Loan Repayment Agreements

Each shareholder of Weimeng has agreed with Weibo Technology that the interest-free loans under the loan agreements shall only be repaid through share transfers. Once the share transfers are completed, the purchase price for the share transfer will be set off against the loan repayment. These agreements will be effective until the earlier of (i) Weibo Technology and the shareholders of Weimeng have fully performed their obligations under these agreements, and (ii) Weibo Technology and the shareholders of Weimeng agree in writing to terminate these agreements.

Agreement on Authorization to Exercise Shareholder's Voting Power

Each shareholder of Weimeng has authorized Weibo Technology to exercise all his voting power as a shareholder of the applicable VIE on all matters requiring shareholders' approval under PRC laws and regulations and the articles of association of Weimeng, including, without limitation, appointment of directors, transfer, mortgage or disposal of Weimeng's assets, transfer of any equity interest in Weimeng, and merger, split, dissolution and liquidation of Weimeng. The authorizations are irrevocable and will not expire until Weimeng dissolves.

Share Pledge Agreements

Each shareholder of Weimeng has pledged all of his shares in Weimeng and all other rights relevant to his rights in those shares to Weibo Technology as security for his obligations to pay off all debts to Weibo Technology under the loan agreement. In the event of default of such obligations, Weibo Technology will be entitled to certain rights, including transferring the pledged shares to itself and disposing of the pledged shares through sale or auction. During the term of the agreements, Weibo Technology is entitled to receive all dividends and distributions paid on the pledged shares. The pledges will be effective until the earlier of (i) the third anniversary of the due date of the last guaranteed debt, (ii) Weimeng and its shareholders have fully performed their obligations under these agreements, and (iii) Weibo Technology consents to terminate these agreements. We have completed registration of equity pledges with the office of the administration for industry and commerce in accordance with the PRC Civil Code.

Exclusive Technical Services Agreement, Exclusive Sales Agency Agreement and Trademark License Agreement

Weimeng has entered into an exclusive technical services agreement, an exclusive sales agency agreement and a trademark license agreement with Weibo Technology. Under the exclusive technical services agreement, Weibo Technology is engaged to provide technical services for Weimeng's online advertising and other related businesses. Under the exclusive sales agency agreement, Weimeng has granted Weibo Technology the exclusive right to distribute, sell and provide agency services for all the products and services provided by Weimeng. Due to its control over Weimeng, Weibo Technology has the right to determine the service fee to be charged to Weimeng under these agreements by considering the technical complexity of the services, the actual cost that may be incurred for providing such services, the operations of Weimeng, applicable tax rates, planned capital expenditure and business strategies. These agreements can only be prematurely terminated by Weibo Technology, and will not expire until Weimeng dissolves. Under the trademark license agreement, Weibo Technology has granted Weimeng trademark licenses to use the trademarks held by or licensed to Weibo Technology in specific areas, and Weimeng is obligated to pay license fees to Weibo Technology. The term of this agreement is one year and is automatically renewed provided there is no objection from Weibo Technology.

Spousal Consent Letters

Each of the spouses of the shareholders of Weimeng, namely Yunli Liu, Wei Wang, Wei Zheng and Zenghui Cao, signed the spousal consent letters. Yunli Liu, Wei Wang, Wei Zheng and Zenghui Cao collectively hold 99% equity interest in Weimeng. Pursuant to the spousal consent letters, each signing spouse unconditionally and irrevocably agreed that the spouse is aware of the abovementioned loan agreements, share transfer agreements, loan repayment agreements, agreement on authorization to exercise shareholder's voting power and share pledge agreements and has read and understood the contractual arrangements. Each signing spouse has committed not to make any assertions in connection with the equity interests of the relevant shareholder's interest in Weimeng to execute all necessary documents and take all necessary actions to ensure appropriate performance of the abovementioned agreements, and, if the spouse obtains any equity interests of Weimeng, to be bound by the abovementioned agreements, comply with the obligations thereunder as a shareholder of Weimeng and sign a series of written documents in substantially the same format and content as the abovementioned agreements.

Minority Investment in Weimeng

In April 2020, WangTouTongDa (Beijing) Technology Co., Ltd. made an investment of RMB10.7 million in Weimeng for 1% of Weimeng's enlarged registered capital. Such third party minority stake holder is entitled to customary economic rights in proportion to its equity ownership, and certain minority shareholder rights such as the right to appoint a director to Weimeng's three-member board of directors, and veto rights over certain matters related to content decision, and certain future financings of Weimeng.

The third party minority stake holder is not a party to the contractual arrangements that are currently in effect among Weimeng, Weibo Technology and Weimeng's other shareholders. As such, despite the fact that we are still able to enjoy economic benefits and exercise effective control over Weimeng and its subsidiaries, we are not able to purchase or have the third party minority stake holder pledge its 1% equity interests in Weimeng in the same manner as agreed under existing contractual arrangements, nor are we granted the authorization of voting rights over these 1% equity interests. We believe Weibo Technology, our wholly owned PRC subsidiary, still controls and is the primary beneficiary of Weimeng (for accounting purpose only) as it continues to have a controlling financial interest in Weimeng pursuant to ASC 810-10-25-38A after the issuance of such 1% equity interests.

Although we have been advised by our PRC counsel, Kewei Law Firm, that our arrangements with Weimeng are not in conflict with current PRC laws and regulations, we cannot assure you that we will not be required to restructure our organization and operations in China to comply with the changing and new PRC laws and regulations. Restructuring of our operations may result in disruption to our business. If PRC tax authorities were to determine that the VIE structure was not done on an arm's-length basis and therefore constitutes favorable transfer pricing, they could request Weimeng to adjust its taxable income upward for PRC tax purposes. Such a pricing adjustment may not reduce the tax expenses of Weibo Technology but could adversely affect us by increasing Weimeng's tax expenses, which could subject Weimeng to late payment fees and other penalties for tax under-payment and/or could result in the loss of tax benefits available to Weibo Technology in China. Any of these measures may result in adverse tax consequences to us and adversely affect our results of operations.

D. Property, Plants and Equipment

Our headquarters and our principal product development facilities are located in Beijing. As of December 31, 2023, we have leased approximately 34,000 square meters of office space mainly in Beijing, Shanghai and Zhengzhou. These leases have various expiration dates. In December 2022, Weibo Hong Kong Limited, our wholly owned subsidiary, entered into an agreement to purchase 100% of the equity interests of Sina.com Technology (China) Co., Ltd., the owner of SINA Plaza in Beijing, for an aggregate consideration of approximately RMB1.5 billion.

The servers that support our products and services are primarily maintained at China Telecommunications Corporation, China Unicom branches, Ali Cloud and Huawei Cloud services in cities across China, as well as servers located in Hong Kong. We share the use of certain domestic servers with SINA during the ordinary course of our business. See "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Our Relationship with SINA."

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act, as amended including, without limitation, statements regarding our expectations, beliefs, intentions or future strategies that are signified by the words "expect," "anticipate," "intend," "believe," the negative of such terms or other comparable terminology. All forward-looking statements included in this annual report are based on information available to us on the date hereof and we undertake no obligation to update any such forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. We caution you that our business and repetitive financial performance are subject to substantial risks and uncertainties, including the factors identified in "Item 3. Key Information—D. Risk Factors," that could cause actual results to differ materially from those in the forward-looking statements.

A. Operating Results

Overview

As a leading social media platform for people to create, discover and distribute content in China and the global Chinese communities, Weibo combines the means of public self-expression in real time with a powerful platform for social interaction, content creation and distribution. Our MAUs increased from 573 million in December 2021 to 586 million in December 2022, and further to 598 million in December 2023. Our average DAUs increased from 249 million in December 2021 to 252 million in December 2022, and further to 257 million in December 2023. The ratio of average DAUs to MAUs remained stable at 43% during the periods presented above.

We offer a wide range of advertising and marketing solutions to our customers, ranging from large brand advertisers to small medium-sized enterprises, enabling them to promote their brands, products and services to our users. Advertising and marketing services contribute the majority of our revenues, mainly including the sale of social display and promoted feeds advertisements. We have developed and are continually refining our interest-based recommendation engine, which enables our customers to perform social marketing and target audiences based on user demographics, social relationships and interests to achieve greater relevance, engagement and marketing effectiveness on Weibo.

The value we create for our users and customers is enhanced by our platform partners, which include content creators such as key opinion leaders, media outlets and other organizations with media rights, multi-channel networks, which are professional agencies for influencers, self-medias and app developers. Our platform partners contribute a vast amount of content to Weibo, which generates user engagement and is virally distributed across the platform, enriching user experience and increasing Weibo's monetization opportunities. We have revenue-sharing arrangements with some of our platform partners, such as live streaming agencies, influencers, multi-channel networks and game developers.

Weibo began monetization in 2012 primarily through the sale of advertising and marketing services and to a lesser extent, through value added services, mainly including membership and game related services. We place great emphasis on product innovation and our steady stream of introductions of new advertisement products has led to solid and healthy revenue growth since our IPO, except that our revenues and business were adversely impacted by the outbreaks of COVID-19 in 2020 and subsequent surges driven by various variants of COVID-19 in 2022. Our revenues in 2021, 2022 and 2023 were US\$2,257.1 million, US\$1,836.3 million and US\$1,759.8 million, respectively. We had a net income attributable to Weibo's shareholders of US\$428.3 million in 2021, US\$85.6 million in 2022 and US\$342.6 million in 2023.

Factors Affecting Our Results of Operations

Our business and operating results are affected by general factors affecting the social media industry in China, which include:

- the extent to which social media continues to grow in popularity and becomes further integrated into people's everyday lives in China;
- the intensity of competition both for the time and attention of internet users and for the advertising and marketing spending of brands and businesses that market to consumers;
- the changes in China's or global economies, policies, and regulatory environment; and
- continued infrastructure development.

Unfavorable changes in any of these general factors could negatively affect demand for our products and services and adversely affect the results of our operations. In addition to the general factors affecting the social media industry in China, the specific factors affecting our results of operations include the following:

Scale and Engagement of Our User Base. Our revenues are ultimately affected by the scale of our user base, and the strategies we pursue to achieve user growth may affect our costs and expenses and results of operations. We have experienced solid user growth since our inception in 2009. As the size of our user base increases to an even larger scale and as we achieve higher market penetration in China's internet population, we have experienced, and expect to continue to experience, fluctuations and declines in our user growth rate. Due to the size and scale we have achieved, our user base may decrease, not continue to grow as quickly or at all. Due to the media nature of our platform, the growth of our users may not be linear. In general, the penetration of Weibo among internet users in the more economically developed tier 1 and tier 2 cities in China who use Weibo is higher than in other parts of China. Our ability to grow our active user base will depend in part on the success of our strategies to attract additional users from lower-tier cities and towns in China while maintaining or growing our user base in tier 1 and tier 2 cities.

Changes in user engagement could affect our results of operations, especially since we began adding monetization features to our social platform. We need to motivate our users to engage actively on our platform to secure an abundant supply of user-generated content, to entice content creators to share even more content, and to ensure that we have a broad audience for our advertising and marketing services. Video, particularly in the form of short video and live streaming, is gaining more popularity in China and has become an important way for our users to engage and interact on Weibo. Our ability to provide an easy-to-use infrastructure for our users to create and share video as well as consume video will largely impact our user experience.

We plan to continue to enhance Weibo's user experience and engagement by improving our product features, offering new products, expanding our content offerings through collaboration with platform partners, developing and integrating with applications and continuing to refine Weibo's SIG recommendation engine to improve content relevance and advertisement targeting capabilities.

Products and Services Innovation. Social media is an innovative and fast-changing field, and we must develop innovative products and services that meet the disparate needs of users, advertising and marketing customers and platform partners and roll them out on a timely basis while controlling our product development expenses. We plan to continue to make significant investments in product development and refining the capabilities of Weibo's SIG recommendation engine, and we may invest in or acquire businesses or assets to enhance our products, services and technical capabilities.

Content Ecosystem. Our success depends on our ability to provide users with interesting and useful content, which in turn depends on the content contributed by our users. Content creators, especially key opinion leaders, contribute content to Weibo to grow their fan base and enhance their influence. We provide content creators with the opportunity to monetize their social assets on Weibo through advertising, e-commerce, subscription, tipping and other means. If content creators do not see significant value from their social marketing activities on Weibo and find monetization on Weibo inadequate, we may have to subsidize them through direct content cost payout, which may have an adverse and material impact on our business, financial condition and operating results. Alternatively, content creators may choose to contribute less or no content to Weibo, which may cause our user base and user engagement to decline and our customers to view our products and services as less attractive for advertising and marketing purposes. If that were to occur, our customers would reduce their spending on our platform.

Monetization. We generate revenues primarily from customers who purchase advertising and marketing services and, to a lesser extent, from value-added services. Our monetization model is evolving and sophisticated. Therefore, we are unable to gauge the period-to-period growth of our revenues based on any particular user traffic metric. Furthermore, our ability to monetize our user traffic depends to a large degree on how well the demographic profile and social interests of our users fit the audience profile that our advertising and marketing customers hope to reach at any given time. Our advertising and marketing customers may seek a full spectrum of online advertising and marketing services ranging from brand awareness to interest generation, sales conversion and loyalty marketing. We plan to increase the monetization of our platform by growing our user base and user engagement, and managing advertisement inventory and advertising load more effectively without adversely affecting user experience. Meanwhile, in order to continue to increase the efficiency of monetization, we need to stay innovative to improve the targeting capabilities of our advertising and marketing offerings and develop new advertisement products, formats and capabilities. We also plan to further diversify our monetization through growing value-added services.

We have been exploring various ways of monetization since 2012. For example, in 2017 and 2020, we initiated two rounds of comprehensive revamp on our advertisement system to drive bidding efficiency as well as diversify our advertising offerings. We generate revenues from value-added services primarily by providing membership and online game services. We have been exploring monetization opportunities in value-added services through investment in various areas, including our acquisition of a company operating several online interactive entertainment apps in China including “Pocket Werewolves” in 2020.

Investment in Technology Infrastructure. Our technology infrastructure is critical to providing users, customers and platform partners access to our platform, particularly during major events when activities on our platform increase substantially. We must continue to upgrade and expand our technology infrastructure to keep pace with the growth of our business and to ensure that technical difficulties do not detract from user experience or deter new users, customers or platform partners from accessing our platform. For example, our users share and consume a lot of content in rich media format, such as photo, video and live streaming, which require more infrastructure capacity, and costs to support, than text feeds. To further expand our capabilities to satisfy technology infrastructure demands, especially those arising from major media events and increasing video usage, we work with third-party service providers to procure bandwidth and other infrastructure services. Our ability to derive greater cost efficiency from infrastructure demands will depend on factors including our ability to negotiate a lower unit price with third-party vendors over time and the mix of services provided by third-party vendors and SINA, our controlling shareholder.

Marketing and Brand Promotion. Our brand recognition is key to our growth in both user scale and engagement to achieve platform expansion. On top of user base expansion, we have optimized our channel investment strategy along with our product and operational efforts, to focus on enhancing user engagement, which resulted in higher user acquisition efficiency with disciplined sales and marketing spending.

Investment in Talent. Our employee headcount has increased significantly since our inception. There is heavy demand in China’s internet industry for talented technical, sales and marketing, management and other personnel with necessary experience and expertise. We must recruit, retain and motivate talented employees while controlling our personnel-related expenses, including stock-based compensation.

Taxation

We generate the majority of our operating income from our PRC operations and have recorded income tax provisions for the periods presented.

Cayman Islands

According to Maples and Calder (Hong Kong) LLP, our Cayman Islands counsel, the Cayman Islands currently levies no taxes on corporations based upon profits, income, gains or appreciation. There are no other taxes likely to be material to us levied by the Government of the Cayman Islands, except for stamp duties, which may be applicable on instruments executed in, or after execution brought within, the jurisdiction of the Cayman Islands. The Cayman Islands is not a party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Hong Kong

Our subsidiary incorporated in Hong Kong, Weibo HK, is subject to 16.5% Hong Kong profit tax on its taxable income generated from operations in Hong Kong. The first HK\$2 million of profits earned by entities incorporated in Hong Kong will be taxed at the rate of 8.25% while the remaining profits will be taxed at the rate of 16.5%. Hong Kong does not impose a withholding tax on dividends. As of December 31, 2023, Weibo HK had a net operating loss of US\$2.4 million, which can be carried forward indefinitely to offset future taxable income. In the fourth quarter of 2023, the WFOE distributed cash dividend of US\$406.1 million (in equivalent of RMB2.97 billion) to Weibo Hong Kong Limited, including withholding tax of US\$20.5 million directly paid to the PRC tax authorities, based on partial of the accumulated net profits of the WFOE related to the years before 2023. In addition to the withholding tax paid in 2023, Weibo HK accrued additional withholding tax of US\$23.1 million on retained earnings generated in 2023 by Weibo Technology, because Weibo Technology's earnings are to be remitted to Weibo HK in the foreseeable future to fund its future cash demand, including demand on U.S. dollars in business operations, payments of dividends and debts and potential investments.

PRC

Our PRC subsidiaries, the VIEs and the VIEs' subsidiaries are incorporated in mainland China and are subject to enterprise income tax on their taxable income in mainland China at a standard rate of 25% if they are not eligible for any preferential tax treatment. Taxable income is based on the entity's global income as determined under PRC tax laws and accounting standards. Preferential tax treatments will be granted to companies conducting businesses in certain encouraged sectors and to entities qualified as a "software enterprise," "key software enterprise" and/or "High and New Technology Enterprise."

Weibo Technology is entitled to a preferential tax rate of 15% because of its qualification as a "High and New Technology Enterprise." This status will expire in 2025 unless renewed. The "High and New Technology Enterprise" qualification is subject to annual evaluation and a three-year review by the authorities in China. In addition, certain of our other PRC entities also qualify as a "software enterprise," and/or "High and New Technology Enterprise," and currently enjoy the respective preferential tax treatments.

According to the PRC laws and regulations, enterprises engaging in research and development activities were entitled to claim 150% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year. The PRC State Taxation Administration announced in September 2018 that enterprises engaging in research and development activities would be entitled to claim 175% of their research and development expenses from January 1, 2018 to December 31, 2020, which was further extended to December 31, 2023 as the PRC State Taxation Administration announced in March 2021. In March 2023, the PRC State Taxation Administration announced that enterprises engaging in research and development activities can claim 200% of their research and development expenses as R&D deduction since January 1, 2023.

Our PRC subsidiaries, VIEs and VIEs' subsidiaries are also subject to value-added tax and related surcharges at a combined rate of 6.7%. Our advertising and marketing revenues are also subject to cultural business construction fees at a rate of 3%, which has been reduced to 1.5% since July 1, 2019, valid until December 31, 2024. Moreover, as part of the measures taken by the government to ease the negative impact from COVID-19 pandemic, the cultural business construction fees were exempted for the fiscal years of 2021 and restored to 1.5% since the fiscal year of 2022.

Dividends paid by our subsidiary in China, Weibo Technology, to our intermediary holding company in Hong Kong, Weibo HK, will be subject to PRC withholding tax at a rate of 10% unless they qualify for a reduced tax rate. If Weibo HK satisfies all the requirements under the Arrangement between the PRC and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income and receives approval from the tax authority, dividends paid by Weibo Technology to Weibo HK will be subject to a withholding tax rate of 5% instead. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition."

If our holding company in the Cayman Islands, Weibo Corporation, were deemed to be a “PRC resident enterprise” under the Enterprise Income Tax Law, it would be subject to enterprise income tax on its global income at a rate of 25%. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—We and/or our Hong Kong subsidiary may be classified as a ‘PRC resident enterprise’ for PRC enterprise income tax purposes. Such classification would likely result in unfavorable tax consequences to us and our non-PRC shareholders and have a material adverse effect on our results of operations and the value of your investment.”

If Weibo Corporation were regarded as a “PRC non-resident enterprise” and Weibo HK were deemed to be a “PRC resident enterprise” under the Enterprise Income Tax Law, dividends payable by Weibo HK to Weibo Corporation may become subject to 10% PRC dividend withholding tax. Furthermore, the dividends distributed from Weibo Technology to Weibo HK will not be subject to dividend withholding tax, and Weibo HK would be subject to PRC enterprise income at a rate of 25%. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition.”

Recent Accounting Pronouncements

A list of recently issued accounting pronouncements that are relevant to us is included in “2. Significant Accounting Policies” of our audited consolidated financial statements included elsewhere in this annual report.

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the periods presented. This information should be read together with our audited consolidated financial statements and related notes included elsewhere in this annual report on Form 20-F.

	For the Year Ended December 31,		
	2021	2022	2023
(In US\$ thousands, except for per share and per ADS data)			
Consolidated Statements of Operations Data:			
Revenues:			
Advertising and marketing revenues:			
Third parties	1,633,242	1,392,723	1,344,354
Alibaba ⁽¹⁾	181,241	107,197	111,608
SINA	96,359	56,206	45,319
Other related parties	69,953	40,524	32,733
Subtotal	1,980,795	1,596,650	1,534,014
Value-added services revenues	276,288	239,682	225,822
Total revenues	2,257,083	1,836,332	1,759,836
Costs and expenses:			
Cost of revenues ⁽²⁾	403,841	400,585	374,279
Sales and marketing ⁽²⁾	591,682	477,107	461,421
Product development ⁽²⁾	430,673	415,190	333,628
General and administrative ⁽²⁾	133,475	52,806	117,574
Impairment of intangible assets	—	10,176	—
Total costs and expenses	1,559,671	1,355,864	1,286,902
Income from operations	697,412	480,468	472,934
Income (loss) from equity method investments	14,217	(24,069)	13,392
Realized gain (loss) from investments	3,243	1,591	(766)
Fair value changes through earnings on investments, net	(72,787)	(243,619)	43,002
Investment related impairment and provision	(106,800)	(71,081)	(23,642)
Interest income	77,280	105,434	118,209
Interest expense	(71,006)	(71,598)	(120,070)
Other income (loss), net	9,159	(49,040)	(277)
Income before income tax expenses	550,718	128,086	502,782
Less: income tax expenses	138,841	30,277	145,287
Net income	411,877	97,809	357,495
Less: Net income (loss) attributable to non-controlling interests and redeemable non-controlling interests	(16,442)	12,254	2,095
Accretion to redeemable non-controlling interests	—	—	12,802
Net income attributable to Weibo's shareholders	428,319	85,555	342,598
Shares used in computing net income per share attributable to Weibo's shareholders:			
Basic	228,814	235,164	235,560
Diluted	230,206	236,407	239,974
Income per ordinary share:			
Basic	1.87	0.36	1.45
Diluted	1.86	0.36	1.43
Income per ADS ⁽³⁾ :			
Basic	1.87	0.36	1.45
Diluted	1.86	0.36	1.43

(1) For the years ended December 31, 2021, 2022 and 2023, we recorded US\$139.6 million, US\$107.0 million and US\$111.6 million, respectively, in advertising and marketing revenues from Alibaba as an advertiser. Moreover, one of Alibaba's subsidiaries engaged in the business of advertising agency and contributed another US\$41.7 million and US\$0.2 million to our total revenues for the years ended December 31, 2021 and 2022, respectively. The subsidiary of Alibaba did not provide advertising agent service to us for the year ended December 31, 2023.

(2) Stock-based compensation was allocated in costs and expenses as follows:

	For the Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Cost of revenues	8,112	9,417	8,933
Sales and marketing	15,292	18,910	16,528
Product development	43,622	55,294	51,441
General and administrative	20,970	28,092	24,229
Total	87,996	111,713	101,131

(3) Each ADS represents one Class A ordinary share.

Revenues

We generate the majority of our revenues from advertising and marketing services, such as social display advertisements, and promoted marketing. We also generate revenues from value-added services, mainly including membership and online game services.

2023 Compared to 2022

Our total net revenues decreased by 4% from US\$1,836.3 million in 2022 to US\$1,759.8 million in 2023. The decrease was mainly due to the unfavorable impact from the overall depreciation of RMB against the U.S. dollars in 2023 compared to 2022.

- *Advertising and Marketing Revenues.* Advertising and marketing revenues decreased by 4% from US\$1,596.7 million in 2022 to US\$1,534.0 million in 2023. The total number of advertisers was 0.7 million in 2023, compared to 1.0 million in 2022, while the average spending per advertiser (excluding Alibaba) increased by 38% from US\$1,552 in 2022 to US\$2,142 in 2023, both of which were primarily due to the churn of individual customers with relatively lower advertising budgets.

Revenues from advertising customers (excluding Alibaba) decreased by 5% from US\$1,489.7 million in 2022 to US\$1,422.4 million in 2023, mainly attributable to the unfavorable impact from the overall depreciation of RMB against the U.S. dollars on a year-over-year basis. Revenues generated from Alibaba as an advertiser increased by 4% from US\$107.0 million in 2022 to US\$111.6 million in 2023. The advertising spending from Alibaba highly correlates to its own business operation, especially its marketing strategies, which fluctuates from time to time.

- *Value-added Services Revenues.* Value-added services revenues decreased by 6% from US\$239.7 million in 2022 to US\$225.8 million in 2023, primarily as a result of unfavorable impact from the overall depreciation of RMB against the U.S. dollars in 2023 compared to 2022.

2022 Compared to 2021

Our total net revenues decreased by 19% from US\$2,257.1 million in 2021 to US\$1,836.3 million in 2022. We have encountered various challenges in 2022, such as the unfavorable impact from the overall depreciation of RMB against the U.S. dollars in 2022 compared to 2021 and subsequent surges driven by various variants of COVID-19 in 2022 which had negative impacts on our customers.

- *Advertising and Marketing Revenues.* Advertising and marketing revenues decreased by 19% from US\$1,980.8 million in 2021 to US\$1,596.7 million in 2022. The total number of advertisers kept relatively stable at 1.0 million in 2021 and 2022. The average spending per advertiser (excluding Alibaba) decreased by 17% from US\$1,860 in 2021 to US\$1,552 in 2022, primarily due to conservative advertising budget from advertisers which have been influenced by macroeconomic factors and disruptions stemming from COVID-19 infections.

Revenues from advertising customers (excluding Alibaba) decreased by 19% from US\$1,841.2 million in 2021 to US\$1,489.7 million in 2022. The decline was mostly due to nationwide Omicron outbreaks that disrupted economic activities and caused macro economy to be volatile, which negatively impacted the overall advertising demand. Revenues generated from Alibaba as an advertiser was US\$107.0 million in 2022, compared to US\$139.6 million in 2021. The advertising spending from Alibaba highly correlates to its own business operation, especially its marketing strategies, which fluctuates from time to time.

- *Value-added Services Revenues.* Value-added services revenues decreased by 13% from US\$276.3 million in 2021 to US\$239.7 million in 2022, mostly due to the decline in revenues from membership service from US\$127.7 million in 2021 to US\$93.4 million in 2022. In June 2022, we adjusted our strategy for live streaming business and decided to transfer the operation of Yizhibo business to a related party with the ownership of all the intellectual properties unchanged. We recognized immaterial revenues from live streaming since the second quarter of 2022.

Costs and Expenses

Our costs and expenses consist of cost of revenues, sales and marketing, product development, general and administrative expenses and impairment of intangible assets, including costs and expenses allocated from SINA during the presented periods. Cost of revenues consists mainly of costs associated with the maintenance of our platform, such as bandwidth and other infrastructure costs, as well as personnel-related expenses, stock-based compensation, content licensing fees, revenue-share cost, advertisement production cost and turnover taxes levied on our revenues. Sales and marketing expenses consist primarily of marketing and promotional expenses, personnel-related expenses, including commissions, outside services fees and stock-based compensation. Product development expenses consist primarily of personnel-related expenses, stock-based compensation, depreciation expense, outside services fees and infrastructure cost incurred for new product development, product enhancements and back-end systems. General and administrative expenses consist primarily of personnel-related expenses, stock-based compensation professional services fees and provision of allowance for credit losses.

2023 Compared to 2022

Our costs and expenses decreased by 5% from US\$1,355.9 million in 2022 to US\$1,286.9 million in 2023. The decrease was primarily attributable to the impact from the overall depreciation of RMB against the U.S. dollar on a year-over-year basis and the decrease of personnel-related costs. We expect our costs and expenses to increase in the absolute amount in the foreseeable future.

- *Cost of Revenues.* Cost of revenues decreased by 7% from US\$400.6 million in 2022 to US\$374.3 million in 2023. The decrease was primarily due to a decrease of US\$21.4 million in labor cost and a decrease of US\$15.9 million in bandwidth expenditure, partially offset by an increase of US\$16.3 million in advertisement production cost.
- *Sales and Marketing.* Our sales and marketing expenses decreased by 3% from US\$477.1 million in 2022 to US\$461.4 million in 2023. The decrease mainly resulted from a decrease of US\$9.7 million in personnel-related expenses and a decrease of US\$8.1 million in marketing and promotional expenses.
- *Product Development.* Our product development expenses decreased by 20% from US\$415.2 million in 2022 to US\$333.6 million in 2023. The decrease was mostly attributable to a decrease of US\$50.0 million in personnel-related expenses.
- *General and Administrative.* Our general and administrative expenses increased by 123% from US\$52.8 million in 2022 to US\$117.6 million in 2023. The increase was mostly caused by the reversal of US\$58.8 million compensation costs recorded in 2022 as Shanghai Jiamian Information Technology Co., Ltd. failed to meet the performance conditions provided in the share purchase agreements signed when we acquired the majority equity interests of this company.

2022 Compared to 2021

Our costs and expenses decreased by 13% from US\$1,559.7 million in 2021 to US\$1,355.9 million in 2022.

- *Cost of Revenues.* Cost of revenues decreased by 1% from US\$403.8 million in 2021 to US\$400.6 million in 2022. The decrease was primarily due to a decrease in advertisement production cost of US\$37.6 million, a decrease in revenue sharing cost of US\$27.2 million and a decrease in bandwidth cost of US\$3.8 million, partially offset by an increase of US\$29.7 million in labor cost, an increase of US\$20.1 million in turnover taxes and an increase of US\$15.6 million in content cost.
- *Sales and Marketing.* Our sales and marketing expenses decreased by 19% from US\$591.7 million in 2021 to US\$477.1 million in 2022. The decrease mainly resulted from a decrease of US\$107.6 million in marketing spend and promotional activities due to more disciplined channel investments, and a decrease of US\$10.3 million in personnel-related expenses.

- *Product Development.* Our product development expenses decreased by 4% from US\$430.7 million in 2021 to US\$415.2 million in 2022. The decrease was mostly attributable to a decrease of US\$13.2 million in personnel-related expenses and a decrease of US\$10.0 million in infrastructure cost, partially offset by an increase of US\$11.7 million in stock-based compensation.
- *General and Administrative.* Our general and administrative expenses decreased by 60% from US\$133.5 million in 2021 to US\$52.8 million in 2022. The decrease was primarily due to a decrease of US\$59.4 million in personnel-related expenses, resulting from the reversal of US\$58.8 million in compensation costs as Shanghai Jiamian Information Technology Co., Ltd. failed to meet the performance conditions defined in the share purchase agreements signed when we acquired the majority equity interest in it. The decrease was also caused by a decline of US\$15.7 million in provision of allowance for credit losses. The decrease was partially offset by an increase of US\$7.1 million in stock-based compensation.

Investment Related Impairment and Provision

We perform impairment assessments of our investments and determine if an investment is impaired due to the changes in quoted market price or other impairment indicators. For a detailed description of accounting treatment of our investment related impairment and the performance of the investments, see “Note 2. Significant Accounting Policies” in the accompanying notes to consolidated financial statements included in this annual report on Form 20-F. We recorded US\$106.8 million, US\$71.1 million and US\$23.6 million in investment related impairment and provision charges in 2021, 2022 and 2023, respectively, due to the unsatisfied financial performance of these investments with no obvious upturn or potential financing solutions in the foreseeable future or them incapable of making repayments in accordance with the respective agreements.

The impairment charges primarily included the full write-downs of US\$75.3 million on investment in Yixia Tech in 2021, a US\$15.4 million write-off on a community software and an impairment charge of US\$14.2 million to a company operating a business social platform in 2022, and the impairment charge of US\$15.9 million on an online education company in 2023.

Interest Income and Interest Expense

	For the Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Interest income	77,280	105,434	118,209
Interest expense	(71,006)	(71,598)	(120,070)

2023 Compared to 2022

The increase in interest expense was mainly caused by the 2027 Loans, which was withdrawn in the fourth quarter of 2022. The increase was partially offset by the decrease in interest expense from our 1.25% convertible notes due 2022, which was fully repaid in November 2022 upon its maturity. The increase in interest income in 2023 compared to 2022 was in line with the increase in the balance of cash and cash equivalents and short-term investments.

2022 Compared to 2021

The increase in interest income was mainly caused by higher interest rates offered for USD-denominated bank time deposits. The interest expense remained stable from 2021 to 2022.

Provision of Income Taxes

The following table sets forth the income of Weibo Corporation, its subsidiaries, the VIEs and the VIEs' subsidiaries as a group before income taxes.

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands, except percentage)		
Loss from non-China operations	(232,830)	(422,860)	(145,244)
Income from China operations	783,548	550,946	648,026
Total income before income tax expenses	<u>550,718</u>	<u>128,086</u>	<u>502,782</u>
Income tax expense (benefits) applicable to non-China operations	1,355	(14,176)	45,441
Income tax expense applicable to China operations	137,486	44,453	99,846
Total income tax expenses	<u>138,841</u>	<u>30,277</u>	<u>145,287</u>
Effective tax rate for China operations	17.5 %	8.1 %	15.4 %
Effective tax rate for the Group ⁽¹⁾	25.2 %	23.6 %	28.9 %

Note:

(1) Weibo Corporation, its subsidiaries, the VIEs and VIEs' subsidiaries together are referred to as "the Group."

We recorded income tax expenses of US\$138.8 million, US\$30.3 million and US\$145.3 million in 2021, 2022 and 2023, respectively. The provision for income taxes for China operations differs from the amounts computed by applying the statutory enterprise income tax rate mostly due to the preferential tax treatment that Weibo Technology enjoyed as a qualified "High and New Technology Enterprise" during the periods presented. Weibo Technology was entitled to a tax reduction of US\$55.1 million, US\$26.9 million and US\$42.2 million for the "High and New Technology Enterprise" status in 2021, 2022 and 2023, respectively. Weibo Technology recognized tax benefits of research and development super deduction of US\$41.4 million, US\$26.9 million and US\$22.2 million in 2021, 2022 and 2023, respectively.

The increase of income tax expenses in 2023 compared to 2022 was mainly driven by the withholding tax paid and accrued in 2023 related to the WFOE's earnings distributed and to be distributed to Weibo Hong Kong Limited in the foreseeable future, which may be used to fund its demand for, including, without limitation, U.S. dollars in business operations, payments of dividends and debts and potential investments, and to a lesser extent, the reversal recorded in the fourth quarter of 2022 of previously recognized tax liabilities related to uncertain tax positions.

Our loss from non-China operations primarily included stock-based compensation, fair value changes through earnings on investments, investment-related impairment and interest expenses recorded by our non-China entities. The substantial majority of these items were recognized by our non-China entities in the Cayman Islands, which is a tax free jurisdiction.

B. Liquidity and Capital Resources

Cash Flows and Working Capital

The following table sets forth the movements of our cash and cash equivalents for the periods presented:

	For the Year Ended December 31,		
	2021	2022	2023
	(in US\$ thousands)		
Net cash provided by operating activities	814,020	564,104	672,820
Net cash used in investing activities	(423,960)	(33,014)	(736,846)
Net cash provided by (used in) financing activities	189,442	(91,141)	21,690
Effect of exchange rate changes on cash and cash equivalents	29,357	(172,884)	(63,797)
Net increase (decrease) in cash and cash equivalents	608,859	267,065	(106,133)
Cash and cash equivalents at the beginning of year	1,814,844	2,423,703	2,690,768
Cash and cash equivalents at the end of year	2,423,703	2,690,768	2,584,635

As of December 31, 2021, 2022 and 2023, our total cash, cash equivalents and short-term investments were US\$3,134.8 million, US\$3,171.2 million and US\$3,225.7 million, respectively. Our principal sources of liquidity have been net proceeds from cash from operations, issuance of unsecured senior notes and convertible senior notes, public offerings of our ordinary shares, long-term loans, and other financing activities.

- The increase in our cash, cash equivalents and short-term investments as of December 31, 2023 compared to that of December 31, 2022, was primarily due to US\$672.8 million in cash provided by operating activities, proceeds from disposal of/refund of prepayment on long-term investments of US\$347.8 million and proceeds from the offering of 2030 Convertible Notes (net of issuance cost paid) of US\$321.7 million, partially offset by cash paid on long-term investments of US\$602.7 million, cash paid for acquisitions (net of cash acquired) of US\$243.4 million, dividends paid to shareholders of US\$200.1 million and repayment of 2027 Loans of US\$100.0 million. As of December 31, 2023, our consolidated affiliated entities within China held US\$1,877.8 million of cash, cash equivalents and short-term investments, including US\$661.4 million held by the VIEs and the subsidiaries of VIEs. The remaining cash and short-term investments balance of US\$1,347.9 million was held by our entities outside China.
- The increase in our cash, cash equivalents and short-term investments as of December 31, 2022 compared to that of December 31, 2021, was primarily due to US\$564.1 million in cash provided by operating activities, proceeds from 2027 Loans, net of issuance cost of US\$880.4 million, partially offset by US\$900.0 million cash paid upon the maturity of our 1.25% convertible notes due 2022 and cash paid to investments of US\$193.8 million. As of December 31, 2022, our consolidated affiliated entities within China held US\$1,826.4 million of cash, cash equivalents and short-term investments, including US\$711.4 million held by the VIEs and the subsidiaries of VIEs. The remaining cash and short-term investments balance of US\$1,344.8 million was held by our entities outside China.

We believe that our existing cash, cash equivalents and short-term investments balance as of December 31, 2023 is sufficient to fund our operating activities, capital expenditures and other obligations for at least the next twelve months. However, we may decide to enhance our liquidity position or increase our cash reserve for future expansions and acquisitions through additional capital and/or finance funding. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

In utilizing the cash that we hold offshore, we may (i) make additional capital contributions to our PRC subsidiaries, (ii) establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, (iii) make loans to our PRC subsidiaries, or (iv) acquire and/or invest in offshore entities with business operations in China in offshore transactions. However, most of these uses are subject to PRC regulations and/or approvals. For example, loans we make to our PRC subsidiaries, which are foreign-invested enterprise, to finance their activities cannot exceed statutory limits and must be registered with SAFE or its local branches. See “Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Foreign Exchange.”

Substantially all of our future revenues are likely to continue to be in the form of RMB. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our PRC subsidiary is allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, approval from or registration with competent government authorities is required where the RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Restrictions on the remittance of RMB into and out of China and governmental control of currency conversion may limit our ability to pay dividends and other obligations, and affect the value of your investment.”

Operating Activities

Net cash provided by operating activities in 2023 was US\$672.8 million. The difference between net cash provided by operating activities and our net income of US\$357.5 million in 2023 was primarily due to a non-cash charge of US\$101.1 million of stock-based compensation, a non-cash charge of US\$58.5 million of depreciation and amortization, an increase of US\$40.7 million in income taxes payable, a decrease of US\$30.7 million in amount due from SINA, a non-cash charge of US\$24.0 million deferred income taxes, a non-cash investment related impairment and provision of US\$23.6 million, an increase of US\$19.7 million in accounts payable, and a non-cash charge of US\$19.1 million of provision of allowance for credit losses, partially offset by a non-cash gain of US\$43.0 million from fair value change of investments.

Net cash provided by operating activities in 2022 was US\$564.1 million. The difference between net cash provided by operating activities and our net income of US\$97.8 million in 2022 was primarily due to a non-cash loss of US\$243.6 million from fair value change of investments, a non-cash charge of US\$111.7 million of stock-based compensation, a non-cash investment related impairment and provision of US\$71.1 million, foreign exchange loss of US\$67.0 million, a non-cash charge of US\$54.7 million of depreciation and amortization, a decrease of US\$159.4 million in accounts receivable due from third parties partially offset by a decrease of US\$79.6 million in income tax payable, an increase of US\$47.3 million in amount due from SINA, a decrease of US\$38.1 million in accrued and other current liabilities and a decrease of US\$35.5 million in accounts payable. The decrease in accounts receivable due from third parties was in line with the trend of revenues from third parties.

Net cash provided by operating activities in 2021 was US\$814.0 million. The difference between net cash provided by operating activities and our net income of US\$411.9 million in 2021 was primarily due to a non-cash investment related impairment of US\$106.8 million, a non-cash charge of US\$88.0 million of stock-based compensation, a non-cash loss of US\$72.8 million from fair value change of investments, a non-cash charge of US\$55.0 million of depreciation and amortization, an increase of US\$274.8 million in accrued and other liabilities, a decrease of US\$49.0 million in accounts receivable due from Alibaba, an increase of US\$41.8 million in accounts payable, an increase of US\$38.9 million in income taxes payable, partially offset by an increase of US\$273.7 million in accounts receivable due from third parties and a decrease of US\$56.2 million in deferred revenues. The increase in accrued and other liabilities mainly resulted from the increased payable for sales rebate and personnel-related expenses. The increase in accounts receivable due from third parties was in line with the growth of revenue from third parties.

Investing Activities

Net cash used in investing activities in 2023 was US\$736.8 million. This was primarily attributable to cash paid on long-term investments of US\$602.7 million, purchases of bank time deposits and wealth management products of US\$755.3 million, net cash paid for acquisitions of US\$243.4 million, partially offset by maturities of bank time deposits and wealth management products of US\$585.5 million and proceeds from the disposal and refund of prepayment on long-term investments of US\$347.8 million.

Net cash used in investing activities in 2022 was US\$33.0 million. This was primarily attributable to purchases of bank time deposits and wealth management products of US\$629.9 million, cash paid on long-term investments of US\$193.8 million, prepayment for purchase of SINA Plaza of US\$153.6 million, purchase of property and equipment of US\$43.1 million, partially offset by US\$859.1 million in cash from maturities of bank time deposits and wealth management products and proceeds from the disposal and refund of prepayment on long-term investments of US\$141.8 million.

Net cash used in investing activities in 2021 was US\$424.0 million. This was primarily attributable to cash paid on long-term investments of US\$1,593.9 million, purchases of bank time deposits and wealth management products of US\$1,170.1 million, prepayment for purchase of SINA Plaza of US\$132.5 million, net cash paid for acquisitions of US\$61.2 million, partially offset by maturities of bank time deposits and wealth management products of US\$2,040.6 million, proceeds from the disposal and refund of prepayment on long-term investments of US\$447.4 million, and net repayment of loan by SINA of US\$80.4 million.

Financing Activities

Net cash provided by financing activities in 2023 was US\$21.7 million, which primarily consisted of proceeds from the offering of 2030 Convertible Notes (net of issuance cost) of US\$321.7 million, partially offset by dividends paid to shareholders of US\$200.1 million and repayment of 2027 Loans of US\$100.0 million.

Net cash used in financing activities in 2022 was US\$91.1 million, which primarily consists of US\$900.0 million cash paid upon the maturity of our 1.25% convertible notes due 2022, cash of US\$57.7 million paid for repurchase of ordinary shares, partially offset by proceeds from 2027 Loans, net of issuance cost of US\$880.4 million.

Net cash provided by financing activities in 2021 was US\$189.4 million, which primarily consists of net proceeds from our Global Offering in connection with our listing on the Hong Kong Stock Exchange, after deducting estimated underwriting fees and other offering expenses.

The loans to SINA were presented under investing activities in the consolidated statements of cash flows. Cash payment for billings from SINA for costs and expenses allocated was presented under operating activities in the consolidated statements of cash flows.

Material cash requirements

Our material cash requirements as of December 31, 2023 primarily include our capital expenditures, operating lease obligations, purchase commitments, and obligations under our 2024 Senior Notes, 2030 Senior Notes, 2027 Loans and 2030 Convertible Notes.

Our capital expenditures primarily consist of purchases of servers, computers, and other office equipment. Our capital expenditures were US\$35.1 million in 2021, US\$43.1 million in 2022 and US\$36.8 million in 2023. We will continue to make capital expenditures to meet the expected growth of our business.

Our operating lease obligations consist of the commitments under the lease agreements for our office premises. We lease our office facilities under non-cancelable operating leases with various expiration dates. Our leasing expense was US\$17.7 million, US\$21.9 million and US\$19.5 million, for the years ended December 31, 2021, 2022 and 2023, respectively. The majority of our operating lease commitments are related to our office lease agreements in China.

Purchase commitments primarily consist of minimum commitments for marketing activities and internet connection. As of December 31, 2023, our purchase commitments were US\$705.5 million.

2024 Senior Notes represents future maximum commitment relating to the principal amount and interests in connection with the issuance of US\$800 million in aggregate principal amount of senior notes bearing an annual interest rate of 3.50%, which will mature on July 5, 2024.

2030 Senior Notes represents future maximum commitment relating to the principal amount and interests in connection with the issuance of US\$750 million in aggregate principal amount of senior notes bearing an annual interest rate of 3.375%, which will mature on July 8, 2030.

In August 2022, we signed a five-year US\$1.2 billion term and revolving facilities agreement with a group of 23 arrangers. The facilities consist of a US\$900 million five-year bullet maturity term loan and a US\$300 million five-year revolving facility. Each loan bears a floating rate of interest per annum benchmarked against secured overnight financing rate (SOFR) plus 1.28%. We refer to these together as the 2027 Loans. We have fully withdrawn the US\$900 million bullet maturity term loan and partially withdrawn US\$5 million under the revolving facility as of December 31, 2023, and repaid US\$100 million bullet maturity term loan in the fourth quarter of 2023. The proceeds from the facilities were used for refinancing of the indebtedness existing then, general corporate purposes and payment of transaction related fees and expenses.

2030 Convertible Notes represents future maximum commitment relating to the principal amount, interests and cash upon conversion in connection with the issuance of US\$330 million in aggregate principal amount of convertible senior notes bearing an annual interest rate of 1.375%, which will mature on December 1, 2030. In order to facilitate the short positions by some holders of the 2030 Convertible Notes for purposes of hedging their investment in these notes, we lent 6,233,785 ADSs to an affiliate of the initial purchaser of our 2030 Convertible Notes.

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

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties that have or are reasonably likely to have any effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources. We have not retained or contingent interests in assets transferred. We have not entered into contractual arrangements that support the credit, liquidity or market risk for transferred assets. We do not have obligations that arise or could arise from variable interests held in an unconsolidated entity, or obligations related to derivative instruments that are both indexed to and classified in our own equity, or not reflected in the statement of financial position.

Other than as discussed above, we did not have any significant capital and other commitments, long-term obligations or guarantees as of December 31, 2023.

Holding Company Structure

Weibo Corporation is a holding company that conducts its operations primarily through Weibo Technology (WFOE), the VIEs and their subsidiaries, all of which are incorporated in China. As a result, our ability to pay dividends depends upon dividends paid to us by Weibo Technology, our PRC subsidiary. If Weibo Technology or any newly formed subsidiaries of our company incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, Weibo Technology is permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under the PRC law, each of our PRC subsidiaries, the VIEs and their subsidiaries is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. In addition, each of our PRC subsidiaries, the VIEs and their subsidiaries may allocate a portion of its after-tax profits based on PRC accounting standards to staff welfare and bonus funds, a discretionary surplus fund and an enterprise expansion fund at its discretion or in accordance with its articles of association. These reserve funds and staff welfare and bonus funds are not distributable as cash dividends. As of December 31, 2023, the amount restricted, including paid-in capital, as determined in accordance with PRC accounting standards and regulations, was US\$567.2 million. In the fourth quarter of 2023, the WFOE distributed cash dividend of US\$406.1 million (in equivalent of RMB2.97 billion) to Weibo Hong Kong Limited, including withholding tax of US\$20.5 million directly paid to the PRC tax authorities, based on partial of the accumulated net profits of the WFOE related to the years before 2023. The WFOE reinvested the remaining accumulated net profits in its PRC operations for the development and growth of the business. Distributions made by the WFOE to Weibo Hong Kong Limited is subject to a 5% withholding tax under the Enterprise Income Tax Law, due to the tax treaty arrangement between mainland China and Hong Kong. The WFOE has not paid dividends in the years ended December 31, 2021 and 2022.

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

Our success has benefited from our continuous efforts in protecting our intellectual property, including patents, trademarks, copyrights and trade secrets. See “Item 4. Information on the Company—B. Business Overview—Intellectual Property” for a description on the protection of our intellectual property.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the period since January 1, 2024 that are reasonably likely to have a material effect on our revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP, which requires our management to make estimates that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the balance sheet dates, as well as the reported amounts of revenues and expenses during the reporting periods. To the extent that there are material differences between these estimates and actual results, our financial condition or results of operations would be affected. We base our estimates on our own historical experience and other assumptions that we believe are reasonable after taking account of our circumstances and expectations for the future based on available information. We evaluate these estimates on an ongoing basis.

We consider an accounting estimate to be critical if: (i) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (ii) changes in the estimate that are reasonably likely to occur from period to period or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations. There are other items within our financial statements that require estimation but are not deemed critical, as defined above. Changes in estimates used in these and other items could have a material impact on our financial statements.

For a detailed discussion of our significant accounting policies and related judgments, see “Note 2. Significant Accounting Policies” in the accompanying notes to consolidated financial statements included in this annual report on Form 20-F.

Allowance for credit losses—Loans to and interest receivable from other related parties

Nature of the estimates required. Effective January 1, 2020, we adopted Accounting Standards Update (ASU) No. 2016-13, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,” which requires us to record the full amount of expected credit losses for the life of a financial asset at the time it is originated or acquired, and adjusted for changes in expected lifetime credit losses subsequently, which requires earlier recognition of credit losses.

Assumptions and Approach Used. We make periodic collective assessments as well as individual assessment on the recoverability based on historical settlement records and past experiences incorporating forward-looking information. Our management estimates the allowance for credit losses on loans and interest receivable not sharing similar risk characteristics on an individual basis. The key assumptions used in the process of estimating the provision for credit losses include portfolio composition, probability of default, loss given default, and application of macroeconomic forecasts. The key factors considered when determining the above allowances for credit losses include the estimated loan collection schedule, discount rate, and assets and financial performance of the borrowers.

Sensitivity Analysis. The estimate of expected credit losses is sensitive to our assumptions in these factors. When one of our estimates of probability of default and loss given default and application of macroeconomic forecasts decreased or increased by 2% while holding all other estimates constant, there would be no significant impact to our consolidated results of operations.

For the year ended December 31, 2023, we recognized reversal of US\$2.1 million credit losses on loans to and interest receivable from other related parties based on the expected collection schedule of these loans. For more information regarding expected credit losses and for additional information regarding the allowance for credit losses for loans to and interest receivable from other related parties, see “Note 10. Related Party Transactions” and “Note 2. Significant Accounting Policies” in the accompanying notes to consolidated financial statements included in this annual report on Form 20-F.

Goodwill Impairment Assessments

Nature of Estimates Required. Goodwill is subject to periodic assessments of impairment. We test goodwill for impairment annually, or when an event occurs or circumstances change that indicate the asset may be impaired. We assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test, by taking into consideration of macroeconomics, overall financial performance, industry and market conditions and our share price. If determined to be necessary, the quantitative impairment test shall be used to identify goodwill impairment and measure the amount of a goodwill impairment loss to be recognized, if any.

We have two reporting units, namely, the advertising and marketing reporting unit and the value-added services reporting unit. As of December 31, 2023, goodwill balance associated with the advertising and marketing reporting unit were US\$74.8 million and goodwill balance associated with the value-added services reporting unit were US\$91.6 million.

Assumptions and Approach Used. The application of a goodwill impairment assessment involves significant management judgment, particularly in assessing the fair value of the reporting units. We utilize a discounted cash flow model to ascertain the fair value of these reporting units. Key assumptions utilized in estimating the fair value of the reporting units include revenue growth rates and discount rates. Changes in these assumptions could materially affect the determination of the fair value for each reporting unit.

Sensitivity Analysis. The estimate of fair value of the reporting units are sensitive to our assumptions in these factors. When one of our estimates of revenue growth rates and discount rates decreased or increased by 2% while holding all other estimates constant, there would be no significant impact to our consolidated results of operations.

For the year ended December 31, 2023, a sustained decrease of our stock price was deemed as an impairment indicator, and we performed quantitative analyses as of June 30, 2023 and December 31, 2023. A third-party valuation firm was engaged to help management determine the fair value of the two reporting units by applying a discounted cash flow model. We concluded that there was no impairment of goodwill as of June 30, 2023 and December 31, 2023.

Safe Harbor

This annual report on Form 20-F contains forward-looking statements that relate to future events, including our future operating results and conditions, our prospects and our future financial performance and condition, all of which are largely based on our current expectations and projections. The forward-looking statements are contained principally in the sections entitled “Item 3. Key Information —D. Risk Factors,” “Item 4. Information on the Company” and “Item 5. Operating and Financial Review and Prospects.” These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as “may,” “will,” “expect,” “anticipate,” “future,” “intend,” “plan,” “believe,” “estimate,” “is/are likely to” or other and similar expressions. Forward-looking statements involve inherent risks and uncertainties. You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this annual report on Form 20-F relate only to events or information as of the date on which the statements are made in this annual report on Form 20-F. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this annual report on Form 20-F completely and with the understanding that our actual future results may be materially different from what we expect.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The following table provides information with respect to our directors and executive officers as of the date of this annual report. There are no family relationships among any of the directors or executive officers of our company.

Name	Age	Position
Charles Guowei Chao	58	Chairman of the Board of Directors
Hong Du	52	Director
Bo Liu	43	Director
Pochin Christopher Lu	65	Independent Director
Pehong Chen	66	Independent Director
Gaofei Wang	45	Director and Chief Executive Officer
Yan Wang	51	Independent Director
Fei Cao	49	Chief Financial Officer
Wei Wang	50	Chief Operating Officer
Zenghui Cao	46	Senior Vice President, Operation
Jingdong Ge	51	Senior Vice President, Advertising Business

Charles Guowei Chao has served as our Chairman of the board of directors since our inception. He has served as Chairman of the board of directors of SINA from August 2012 to March 2021 and continues to serve as the director of SINA since March 2021. He has been SINA's Chief Executive Officer since May 2006. He served as SINA's President from September 2005 to February 2013, Chief Financial Officer from February 2001 to May 2006, Co-Chief Operating Officer from July 2004 to September 2005. Prior to joining SINA, Mr. Chao served as an audit manager at PricewaterhouseCoopers, LLP. Prior to that, Mr. Chao was a news correspondent at Shanghai Media Group. Mr. Chao has served as a director of Leju Holdings Ltd. since 2014. Mr. Chao holds a B.A. in Journalism from Fudan University in Shanghai, China, an M.A. degree from the University of Oklahoma and a Master of Professional Accounting degree from the University of Texas at Austin.

Hong Du has served as our director since January 2014. Since February 2013, Ms. Du has served as SINA's Co-President and Chief Operating Officer. Ms. Du joined SINA in November 1999 and worked in Business Development until April 2004. From May 2004 to January 2005, Ms. Du served as Deputy General Manager of 1Pai.com, a joint venture between SINA and Yahoo! Ms. Du rejoined SINA in January 2005 and served as the General Manager of Sales Strategy from January 2005 to March 2005, General Manager of Sales from April 2005 to August 2005, Vice President of Sales from September 2005 to February 2007, Senior Vice President of Sales and Marketing from February 2007 to February 2008, and Chief Operating Officer from February 2008 to February 2013. Ms. Du is a director of Playtika Holding Corp. (Nasdaq: PLTK) since January 2022. Ms. Du holds a B.S. in Applied Chemistry from Harbin Institute of Technology and an M.S. in Business Administration from Lincoln University.

Bo Liu has served as our director since August 2023. Mr. Liu is currently the President of Tmall business group of Alibaba's Taobao and Tmall Group. He was appointed as the Vice President of Alibaba Group in March 2020. He joined Alibaba in 2005 and held various positions, including the head of Alimama business group of Alibaba's Taobao and Tmall Group, the head of Taobao and Tmall Marketing Department, the President of Taobao University, General Manager of Juhuasuan, and General Manager of Tmall's Operations Division. Mr. Liu received his bachelor's degree in Aviation Mechanical Design from Zhengzhou University of Aeronautics and held an EMBA degree in Business Administration from the Chinese University of Hong Kong.

Pochin Christopher Lu has served as our independent director since August 2020. Mr. Lu has served as the Executive Director at Foxconn Interconnect Technology Ltd., a company listed on the Hong Kong Stock Exchange (HKEX: 6088) and global leader in the supply of precision components, since March 16, 2015. Mr. Lu is also the Global Cooperating Officer and Chief Financial Officer of Foxconn Interconnect Technology Ltd. From January 1981 to December 2014, Mr. Lu served multiple executive positions at Deloitte Touche Tohmatsu Limited, including the Chief Executive Officer of Deloitte China and a member of the Deloitte Touche Tohmatsu Limited Global Executive Committee. Mr. Lu is an independent non-executive director at Honma Golf Limited, a Hong Kong Stock Exchange-listed company (HKEX: 6858) that manufactures and distributes golf products. He is a member of the American Institute of Certified Public Accountants and the Chinese Institute of Certified Public Accountants. Mr. Lu obtained a Bachelor of Science degree in accounting and a master of accounting science degree from the University of Illinois at Urbana-Champaign, USA, in 1980 and 1981, respectively.

Pehong Chen has served as our independent director since January 2016. Before that he served as a director of SINA between March 1999 and December 2015. Dr. Pehong Chen is Founder and Chairman of BroadVision Group, a global holding company that incubates and invests in cloud, AI, fintech, medtech, biotech, health-tech, and other innovative technologies and digital transformation initiatives. Previously, he was Founder, President, and CEO of BroadVision, Inc. (acquired by Aurea Software in 2020) from 1993 to 2020 and of Gain Technology, Inc. (acquired by Sybase in 1992) from 1988 to 1992. Mr. Chen received a B.S. in engineering from National Taiwan University, a master of science degree from Indiana University and a Ph.D. in Computer Science from the University of California at Berkeley.

Gaofei Wang has served as our Chief Executive Officer since February 2014 and our director since August 2020. Since our inception, Mr. Wang has had various product and business development roles at Weibo and was promoted to General Manager in December 2012. Mr. Wang joined SINA in August 2000 and worked in the product development department until early 2004 when he transferred to the SINA Mobile division. He served as General Manager of SINA Mobile division from November 2006 to November 2012. Mr. Wang is a director of DiDi Global Inc. since June 2021. Mr. Wang holds a B.S. degree in Computer Science from Peking University and an EMBA degree from Guanghua School of Management of Peking University.

Yan Wang has served as our independent director since May 2021. Previously, he had served as a director of SINA since May 2003, including as SINA's Vice Chairman of the board and Chairman of the board from May 2006 to August 2012 and as an independent director of SINA from August 2012 to March 2021. Before that, he served as SINA's Chief Executive Officer from May 2003 to May 2006, its President from June 2001 to May 2003, its General Manager of China operations from September 1999 to May 2001 and as its Executive Deputy General Manager for production and business development in China from April 1999 to August 1999. In April 1996, Mr. Wang founded the SRSnet.com division of Beijing Stone Rich Sight Limited (currently known as Beijing SINA Information Technology Co., Ltd.), one of SINA's subsidiaries. From April 1996 to April 1999, Mr. Wang served as the Head of SINA's SRS Internet Group. Mr. Wang has also served as the independent non-executive director, the Chairman of the remuneration committee, the member of the audit committee and the nomination committee of a Hong Kong Stock Exchange-listed company, Viva Goods Company Limited (HKEX: 0933) (formerly known as Viva China Holdings Limited), since July 2017. Mr. Wang holds a B.A. in Law and Master in International Relations from the Université Paris-Panthéon-Assas (formerly known as University of Paris II).

Fei Cao has served as our Chief Financial Officer since March 2021. Ms. Cao served as our Vice President, Finance from August 2017 to March 2021. Prior to that, Ms. Cao was a Vice President of SINA from January 2017 to July 2017, overseeing SINA's finance department. Ms. Cao joined SINA in 2005 and served as the company's Corporate Controller for more than ten years. Prior to joining SINA, she was an audit manager at the PricewaterhouseCoopers in Beijing. Ms. Cao is currently a director of Tian Ge Interactive Holdings Limited, a Hong Kong Stock Exchange-listed (HKEX: 1980) live social video company in China, and a director of INMYSHOW Digital Technology (Group) Co., Ltd., a Shanghai Stock Exchange-listed company (SSE: 600556) providing social and new media marketing services. Ms. Cao holds a B.S. in engineering and an EMBA degree from Shanghai Jiao Tong University. She is a certified public accountant in China and a member of the China Institute of Certified Public Accountants.

Wei Wang has served as our Chief Operating Officer since March 2021. Mr. Wang has been in charge of SINA Mobile's business since January 2019. From January 2016 to December 2018, he served as Chief Information Officer of SINA. Mr. Wang joined SINA in March 2000 and served as the General Manager of Information Systems Department until December 2015. Prior to joining SINA, he worked at PricewaterhouseCoopers, LLP. Mr. Wang holds a B.A. in German from Fudan University.

Zenghui Cao has served as our Senior Vice President, Operation since April 2018. Mr. Cao joined us in September 2009 and served as Director of Operation from September 2009 to March 2013, General Manager of Operation from April 2013 to March 2015, and Vice President of Operation from April 2015 to September 2017. Mr. Cao joined SINA in September 2002 and served as Chief Editor and other roles in SINA Technology Channel from September 2002 to August 2009. Prior to joining SINA, Mr. Cao worked at Sohu. Mr. Cao holds a B.S. in Electrical Engineering and Automation from Hebei University of Technology.

Jingdong Ge has served as our Senior Vice President, Advertising Business since April 2021. Mr. Ge served as our Vice President, Advertising from March 2020 to April 2021. Previously, Mr. Ge joined SINA in 2000 and held multiple positions, including SINA's Vice President, Sales from June 2015 and Vice President and General Manager in charge of automobile business from March 2017 to December 2018. Mr. Ge holds an M.B.A. degree from the University of Hong Kong.

Conflict of Interest

Two directors of our company are also executive officers of SINA and another director of our company is an executive officer of Alibaba. These relationships could create, or appear to create, conflicts of interest when these persons are faced with decisions with potentially different implications for SINA/Alibaba and us. If we have any conflicts of interest with SINA or Alibaba, we may not resolve such conflicts on favorable terms for us because of their significant ownership interest in us and the overlapping director and officer positions at both companies.

Mr. Bo Liu was appointed as a director of our company pursuant to the Shareholders Agreement by Ali WB, SINA and us.

B. Compensation

For the year ended December 31, 2023, we paid an aggregate of approximately US\$3.9 million in cash and benefits to our executive officers, and we did not pay any cash compensation to our non-executive directors. For share incentive grants to our officers and directors, see "Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plans." We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors.

Our PRC subsidiaries, the VIEs and their subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Employment Agreements

We have entered into employment agreements with our senior executive officers. Pursuant to these agreements, we will be entitled to terminate a senior executive officer's employment for cause at any time without remuneration for certain acts of the officer, such as being convicted of any criminal conduct, any act of gross or willful misconduct or any serious, willful, grossly negligent or persistent breach of any employment agreement provision, or engaging in any conduct which may make the continued employment of such officer detrimental to our company. In connection with the employment agreement, each senior executive officer has entered into an intellectual property ownership and confidentiality agreement and agreed to hold all information, know-how and records in any way connected with the products of our company, including, without limitation, all software and computer formulae, designs, specifications, drawings, data, manuals and instructions and all customer and supplier lists, sales and financial information, business plans and forecasts, all technical solutions and the trade secrets of our company, in strict confidence perpetually. Each officer has also agreed that we shall own all the intellectual property developed by such officer during his or her employment.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party we received and for which we have confidential obligations.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment. Specifically, each executive officer has agreed not to (a) approach our clients, advertisers or contacts or other persons or entities introduced to the executive officer for the purpose of doing business with such persons or entities that will harm our business relationships with these persons or entities; (b) assume employment with or provide services to any of our competitors, or engage, whether as principal, partner, licensor or otherwise, any of our competitors; or (c) seek directly or indirectly, to solicit the services of any of our employees who is employed by us on or after the date of the executive officer's termination, or in the year preceding such termination.

Share Incentive Plans

We adopted our 2023 Share Incentive Plan, or the 2023 Plan, in March 2023. Concurrent with the adoption of our 2023 Plan, we terminated a share incentive plan adopted in 2014, or the 2014 Plan, and all ordinary shares reserved but unissued as of February 28, 2023 under the 2014 Plan were transferred to the 2023 Plan. The awards previously granted and outstanding under the 2014 Plan and the evidencing original award agreements survived the termination of the 2014 Plan and will remain effective until the expiration of their original terms, as may be amended from time to time. Since the adoption of the 2023 Plan, we have not issued and will not issue any share incentive awards under the 2014 Plan.

The maximum aggregate number of shares which may be issued pursuant to all awards under the 2023 Plan is 11,622,313, being the sum of 10,000,000 shares and all ordinary shares reserved but unissued as of February 28, 2023 under the 2014 Plan.

As of March 31, 2024, an aggregate of 5,049,241 options and 3,765,502 restricted share units were granted and outstanding under the 2014 Plan and the 2023 Plan.

The following paragraphs summarize the terms of the 2023 Plan.

Types of Awards. The 2023 Plan permits the awards of options, restricted shares and restricted share units.

Plan Administration. Our board or a committee of one or more members of our board duly authorized for the purpose of the 2023 Plan can act as the plan administrator.

Award Agreement. Options, restricted shares or restricted share units granted under the 2023 Plan are evidenced by an award agreement that sets forth the terms, conditions and limitations for each grant.

Exercise Price and Purchase Price. The exercise price in respect of any option shall be determined by the plan administrator and set forth in the award agreement which may be a fixed or variable price related to the fair market value of the shares. The exercise price per share subject to an option may be amended or adjusted in the absolute discretion of the plan administrator, the determination of which shall be final, binding and conclusive.

Eligibility. We may grant awards to our employees, consultants or directors, employees of our parent company and subsidiaries.

Term of the Awards. The 2023 Plan shall be valid and effective for a period of ten years from the date of effectiveness. The term of each option grant shall not exceed ten years from the date of the grant.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is set forth in the award agreement with each award recipient.

Transfer Restrictions. Unless otherwise provided by applicable law and by the award agreement, awards under the 2023 Plan may not be transferred in any manner by the award holders and may be exercised only by such holders, subject to limited exceptions.

Termination. The plan administrator may at any time terminate the operation of the 2023 Plan.

The following table summarizes, as of March 31, 2024, the outstanding options and restricted share units that we granted to our directors, executive officers and other grantees in the aggregate under the 2014 Plan and the 2023 Plan:

Name	Ordinary Shares Underlying Outstanding Options and Restricted Share Units	Exercise Price (US\$/Share)	Grant Date	Expiration Date
Charles Chao	*	US\$21.15	March 16, 2022	March 17, 2029
Hong Du	* (1)	—	July 27, 2021	—
Bo Liu	—	—	—	—
Pehong Chen	* (1)	—	January 6, 2023	—
Pochin Christopher Lu	* (1)	—	August 13, 2020	—
Gaofei Wang			From July 27, 2021 to March 1, 2023	—
	* (1)	—		
	*	US\$21.15	March 16, 2022	March 17, 2029
Yan Wang	* (1)	—	May 10, 2021	—
Fei Cao			From August 14, 2020 to March 1, 2023	—
	* (1)	—		
	*	US\$21.15	March 16, 2022	March 17, 2029
Wei Wang			From July 27, 2021 to March 1, 2023	—
	* (1)	—		
	*	US\$21.15	March 16, 2022	March 17, 2029
Zenghui Cao			From August 14, 2020 to March 1, 2023	—
	* (1)	—		
	*	US\$32.68	August 14, 2020	August 14, 2027
	*	US\$21.15	March 16, 2022	March 17, 2029
	*	US\$3.87	July 6, 2023	July 7, 2030
Jingdong Ge			From August 14, 2020 to March 1, 2023	—
	* (1)	—		
	*	US\$32.68	August 14, 2020	August 14, 2027
	*	US\$21.15	March 16, 2022	March 17, 2029
	*	US\$3.87	July 6, 2023	July 7, 2030
Other grantees			From June 3, 2019 to January 30, 2024	—
	* (1)	—		
	*	US\$32.68	August 14, 2020	August 14, 2027
	*	US\$21.15	March 16, 2022	March 17, 2029
			From July 6, 2023 to October 23, 2023	From July 7, 2030 to October 24, 2030
	*	US\$3.87		
Total	8,814,743			

* Less than one percent of our total outstanding shares.

(1) Restricted share units.

C. Board Practices

Our board of directors consists of seven directors. A director is not required to hold any shares in our company to qualify to serve as a director. A director who to his/her knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with our company is required to declare the nature of his/her interest at the meeting of our board at which the question of entering into the contract or arrangement is first considered, if he/she knows his/her interest then exists, or in any other case at the first meeting of our board after he/she knows that he/she is or has become so interested. Following such a declaration being made, subject to any separate requirement for audit committee approval under applicable law or the Listing Rules of Nasdaq, and unless disqualified by the chairman of any specific board meeting, a director may vote in respect of any contract or proposed contract or arrangement in which such director is interested and may be counted in the quorum at such meeting. Our board of directors may exercise all our powers of the company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of our company and to mortgage or charge our undertaking, property and assets (present and future) and uncalled capital or any part thereof.

Committees of the Board of Directors

We have established an audit committee and a compensation committee under the board of directors and adopted a charter for each of these committees. Each committee's members and functions are described below.

Audit Committee. Our audit committee consists of Mr. Pochin Christopher Lu and Mr. Pehong Chen, and is chaired by Mr. Lu. Mr. Lu and Mr. Chen satisfy the "independence" requirements of Rule 5605(c)(2) of the Listing Rules of The Nasdaq Stock Market and meet the independence standards under Rule 10A-3 under the Exchange Act. We have determined that Mr. Lu qualifies as an "audit committee financial expert." As a Cayman Islands company, we are permitted to rely on the home country exemption under Nasdaq rules to reduce the size of our audit committee to two members. An audit committee of two independent directors would satisfy Rule 5605(c)(2). We have elected to follow home country practice in terms of the number of audit committee members. The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- selecting the independent registered public accounting firm and pre-approving all auditing and non-auditing services permitted to be performed by the independent registered public accounting firm;
- reviewing with the independent registered public accounting firm any audit problems or difficulties and management's response;
- reviewing and approving all proposed related party transactions, as defined in Item 404 of Regulation S-K under the Securities Act;
- discussing the annual audited financial statements with management and the independent registered public accounting firm;
- reviewing major issues as to the adequacy of our internal control and any special audit steps adopted in light of material control deficiencies;
- annually reviewing and reassessing the adequacy of our audit committee charter;
- meeting separately and periodically with management and the independent registered public accounting firm; and
- reporting regularly to the board.

Compensation Committee. Our compensation committee consists of Mr. Pehong Chen and Mr. Yan Wang, and is chaired by Mr. Chen. Mr. Chen and Mr. Wang satisfy the “independence” requirements of Rule 5605(a)(2) of the Listing Rules of The Nasdaq Stock Market. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- reviewing and recommending to the board for its approval, the total compensation package for our chief executive officers and the other executive officers;
- approving and overseeing the total compensation package for our non-employee directors;
- reviewing the compensation of our directors and making recommendations to the board with respect to it; and
- periodically reviewing and approving any long-term incentive compensation or equity plans, programs or similar arrangements, annual bonuses, and employee pension and welfare benefit plans.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors also have a duty to exercise the skill they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association and the class rights vested thereunder in the holders of the shares. We have the right to seek damages if a duty owed by our directors is breached. In limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached. You should refer to “Item 10. Additional Information—B. Memorandum and Articles of Association—Differences in Corporate Law” for additional information on our standard of corporate governance under Cayman Islands law.

Terms of Directors and Executive Officers

Our officers are elected by and serve at the discretion of the board. Our directors may be appointed by the board or by the shareholders through ordinary resolutions. Any director appointed by the board to fill a vacancy or as a new addition to the board shall hold office only until our first annual general meeting after his or her appointment and shall then be eligible for re-election at that meeting. After the completion of our initial public offering, at each annual general meeting of our company, one-third of our directors at the time, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall be determined by lot, unless they otherwise agree between themselves. A retiring director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election at the annual general meeting. A director (including a managing director or executive director) may be removed at any time before the expiration of this director’s term of office by an ordinary resolution of our shareholders. A director will be removed from office automatically if, among other things, the director (1) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; (2) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the board of directors resolves that his office be vacated; (3) without leave, is absent from meetings of the board for a continuous period of 12 months, and the board resolves that his office be vacated; (4) ceases to be or is prohibited from being a director by law or by virtue of any provisions in our articles of association; or (5) is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of our directors (including himself) then in office. In addition, Ali WB Investment Holding Limited has obtained certain board representation rights. See “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Our Relationship with Alibaba.”

Board Diversity Matrix

Board Diversity Matrix (As of March 31, 2024)				
Country of Principal Executive Offices:	People’s Republic of China			
Foreign Private Issuer	Yes			
Disclosure Prohibited Under Home Country Law	No			
Total Number of Directors	7			
	Female	Male	Non-Binary	Did Not Disclose Gender
Part I: Gender Identity				
Directors	1	6	0	0
Part II: Demographic Background				
Underrepresented Individual in Home Country Jurisdiction	—			
LGBTQ+	—			
Did Not Disclose Demographic Background	—			

D. Employees

We had 6,147, 5,935 and 5,268 employees, respectively as of December 31, 2021, 2022 and 2023. Our employees are mainly based in Beijing, Shanghai, Tianjin and Xi’an. The following table sets forth the numbers of our employees categorized by function as of December 31, 2023:

Function:	Number of Employees
Operations	1,336
Sales, customer service and marketing	1,483
Product development	2,284
General administration and human resources	165
Total	5,268

The employee numbers in this “Item 6. Directors, Senior Management and Employees—D. Employees” section do not include employees of SINA who spend part of their time working for our business and who have part of their staff-related expenses allocated to us.

As required by laws and regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments, including housing, pension, medical insurance and unemployment insurance. We are required under Chinese law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time.

We typically enter into standard confidentiality and non-compete agreements with our management and product development personnel. These contracts include a standard non-compete covenant that prohibits the employee from competing with us, directly or indirectly, during his or her employment and up to two years after the termination of his or her employment; *provided* that we pay compensation as specified under the agreement during the restriction period after the termination.

From time to time we employ independent contractors to support our production, engineering, marketing and sales departments. The staff expenses related to the independent contractors recorded in 2023 was not significant.

We believe that we maintain a good working relationship with our employees and labor union in Beijing, and we have not experienced any material labor disputes.

E. Share Ownership

The following table sets forth information concerning the beneficial ownership of our ordinary shares as of March 31, 2024, by:

- each of our directors and executive officers; and
- each person known to us to beneficially own more than 5% of our total ordinary shares issued and outstanding.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant, or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

The calculations in the table below are based on 243,314,778 ordinary shares issued and outstanding as of March 31, 2024, comprising of 155,492,754 Class A ordinary shares and 87,822,024 Class B ordinary shares.

	Ordinary Shares Beneficially Owned			% of Total Ordinary Shares ⁽¹⁾	% of Aggregate Voting Power ⁽²⁾
	Class A Ordinary Shares	Class B Ordinary Shares	Total Ordinary Shares		
Directors and Executive Officers:**					
Charles Chao ⁽³⁾	*	87,822,024	88,405,034	36.3 %	63.0 %
Hong Du	*	—	*	*	*
Bo Liu	—	—	—	—	—
Pochin Christopher Lu	*	—	*	*	*
Pehong Chen	*	—	*	*	*
Gaofei Wang	*	—	*	*	*
Yan Wang	*	—	*	*	*
Fei Cao	*	—	*	*	*
Wei Wang	*	—	*	*	*
Zenghui Cao	*	—	*	*	*
Jingdong Ge	*	—	*	*	*
All directors and executive officers as a group	3,364,173	87,822,024	91,186,197	37.4 %	63.6 %
Principal Shareholders:					
SINA Corporation ⁽⁴⁾	—	87,822,024	87,822,024	36.1 %	62.9 %
Ali WB Investment Holding Limited ⁽⁵⁾	67,883,086	—	67,883,086	27.9 %	16.2 %

Notes:

* Less than 1% of our total outstanding shares.

** The business address for Charles Chao and Hong Du is No. 8 SINA Plaza, Courtyard 10, the West, Xibeiwang E. Road Haidian District, Beijing 100193, People's Republic of China.

(1) For each person and group included in this column, percentage ownership is calculated by dividing the number of ordinary shares beneficially owned by such person or group, including shares that such person or group has the right to acquire within 60 days after March 31, 2024, by the sum of (i) 243,314,778 which is the total number of ordinary shares outstanding as of March 31, 2024 and (ii) the number of ordinary shares that such person or group has the right to acquire within 60 days after March 31, 2024.

- (2) For each person or group included in this column, the percentage of total voting power represents voting power based on both Class A and Class B ordinary shares held by such person or group with respect to all of our outstanding Class A and Class B ordinary shares as one class as of March 31, 2024. Each holder of Class A ordinary shares is entitled to one vote per share, and each holder of Class B ordinary shares is entitled to three votes per share on all matters subject to a shareholders' vote. Our Class B ordinary shares are convertible at any time by the holder into Class A ordinary shares on a one-for-one basis, whereas Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances.
- (3) Represents (i) 87,822,024 Class B ordinary shares held by SINA Corporation, (ii) 545,510 Class A ordinary shares in the form of ADSs held by Charles Chao, and (iii) 37,500 Class A ordinary shares issuable upon the exercise of options exercisable within 60 days after March 31, 2024 held by Charles Chao.
- (4) Represents 87,822,024 Class B ordinary shares held by SINA Corporation. SINA Corporation is incorporated in the Cayman Islands. The business address of SINA Corporation is SINA Plaza, No. 8 Courtyard 10, the West Xibeiwang E. Road, Haidian District, Beijing 100193, People's Republic of China. On March 22, 2021, New Wave Mergersub Limited (a wholly owned subsidiary of Sina Group Holding Company Limited, formerly known as New Wave Holdings Limited) merged with and into SINA, with SINA continuing as the surviving company. As a result of this merger, SINA became a wholly owned subsidiary of Sina Group Holding Company Limited, which is a wholly owned subsidiary of New Wave MMXV Limited, a business company incorporated in the British Virgin Islands and controlled by Mr. Charles Chao. As of the date of this document, New Wave MMXV Limited was owned as to 61.2% by Mr. Charles Chao, 30.0% by Mr. Yunli Liu and the remaining shares were held by other senior management members of SINA and Weibo, including Ms. Hong Du, Mr. Gaoferi Wang and Ms. Bonnie Yi Zhang, each of whom held less than 5% of the total share capital of New Wave MMXV Limited. All the voting shares in New Wave MMXV Limited were held by Mr. Charles Chao, and the rest were all non-voting shares. Following the completion of the merger, SINA has ceased to be a reporting company under the Exchange Act and its shares have ceased trading on Nasdaq.

In March 2023, SINA entered into a facility agreement with, among others, Goldman Sachs Bank USA as mandated lead arranger and bookrunner, and Citicorp International Limited as facility agent and as security agent, under which SINA is entitled to borrow up to US\$300 million. Shortly thereafter, SINA pledged all of the Class B ordinary shares held by it in our company in favor of the security agent. In the event that SINA defaults under the facility agreement governing SINA's loan, the security agent may exercise its rights and remedies in respect of the pledge, including the right to sell and/or foreclose on the shares subject to the pledge, which potentially could cause a change in control in our company. Please see "Risk Factors—Risks Relating to Our Relationship with SINA—SINA has pledged all of the Class B ordinary shares held by it in our company to secure a syndicate loan, and if SINA defaults on the underlying loan, we could experience a change in control."

- (5) Represents (i) 58,883,086 Class A ordinary shares and (ii) 9,000,000 Class A ordinary shares represented by ADSs. Such shareholding information is based on the information contained in the Schedule 13D filed by Ali WB with the SEC on September 9, 2016.

To our knowledge, as of March 31, 2024, we had 34,141,459 ordinary shares outstanding on an as converted basis that were held by 27 record holders in the United States, including the depository of our ADS program. The number of beneficial owners of our ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States. None of our shareholders has informed us that it is affiliated with a registered broker-dealer or is in the business of underwriting securities. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

Our ordinary shares are divided into Class A ordinary shares and Class B ordinary shares. Each holder of Class A ordinary shares is entitled to one vote per share, and each holder of Class B ordinary shares is entitled to three votes per share on all matters subject to a shareholders' vote. Our Class B ordinary shares are convertible at any time by the holder into Class A ordinary shares on a one-for-one basis, whereas Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances.

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

Not applicable.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

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

B. Related Party Transactions

SINA and Ali WB are currently the two largest shareholders of our company. Below are summaries of our relationship with these two shareholders.

Our Relationship with SINA

We are a controlled subsidiary of SINA. On March 22, 2021, New Wave Mergersub Limited (a wholly owned subsidiary of Sina Group Holding Company Limited, formerly known as New Wave Holdings Limited) merged with and into SINA, with SINA continuing as the surviving company. As a result of this merger, SINA became a wholly owned subsidiary of Sina Group Holding Company Limited, which is a wholly owned subsidiary of New Wave MMXV Limited, a business company incorporated in the British Virgin Islands and controlled by Mr. Charles Chao. Following the completion of the merger, SINA has ceased to be a reporting company under the Exchange Act and its shares have ceased trading on Nasdaq.

We have entered into agreements with SINA with respect to various ongoing relationships between us after our initial public offering. These agreements that are still in effect include a master transaction agreement, a non-competition agreement, and a sales and marketing services agreement. The following are summaries of these agreements and of an intellectual property license agreement that we entered into with SINA in April 2013.

Master Transaction Agreement

The master transaction agreement contains provisions relating to our carve-out from SINA. Pursuant to this agreement, we are responsible for all financial liabilities associated with the current and historical social media business and operations that have been conducted by or transferred to us, and SINA is responsible for financial liabilities associated with all of SINA’s other current and historical businesses and operations, in each case regardless of the time those liabilities arise. The master transaction agreement also contains indemnification provisions under which we and SINA indemnify each other with respect to breaches of the master transaction agreement or any related intercompany agreement.

In addition, we have agreed to indemnify SINA against liabilities arising from misstatements or omissions in our prospectus dated April 16, 2014 or the registration statement of which it is a part, except for misstatements or omissions relating to information that SINA provided to us specifically for inclusion in our prospectus dated April 16, 2014 or the registration statement of which it forms a part. We also have agreed to indemnify SINA against liabilities arising from any misstatements or omissions in our subsequent SEC filings and from information we provide to SINA specifically for inclusion in SINA’s annual reports or other SEC filings following the completion of our initial public offering, but only to the extent that the information pertains to us or our business or to the extent SINA provides us prior written notice that the information will be included in its annual reports or other subsequent SEC filings and the liability does not result from the action or inaction of SINA. Similarly, SINA will indemnify us against liabilities arising from misstatements or omissions in its subsequent SEC filings or with respect to information that SINA provided to us specifically for inclusion in our prospectus dated April 16, 2014, the registration statement of which our prospectus dated April 16, 2014 forms a part, or our annual reports or other SEC filings following the completion of our initial public offering.

The master transaction agreement also contains a general release, under which the parties will release each other from any liabilities arising from events occurring on or before the initial filing date of the registration statement of which our prospectus dated April 16, 2014 forms a part, including in connection with the activities to implement of our initial public offering. The general release does not apply to liabilities allocated between the parties under the master transaction agreement or the other intercompany agreements.

Furthermore, under the master transaction agreement, we have agreed to use our reasonable best efforts to use the same independent certified public accounting firm selected by SINA and to maintain the same fiscal year as SINA until the first SINA fiscal year-end following the earlier of (1) the first date when SINA no longer owns at least 20% of the voting power of our then outstanding securities and (2) the first date when SINA ceases to be the largest beneficial owner of our then outstanding voting securities (without considering holdings by certain institutional investors). We refer to this earlier date as the control ending date. We also have agreed to use our reasonable best efforts to complete our audit and provide SINA with all financial and other information on a timely basis so that SINA may meet its deadlines for its filing of annual and quarterly financial statements.

Under the master transaction agreement, the parties also agree to cooperate in sharing information and data collected from each party's business operation, including, without limitation, user information and data relating to user activities. The parties agree not to charge any fees for their cooperation provided under the agreement unless they separately and explicitly agree otherwise.

The master transaction agreement will automatically terminate five years after the first date upon which SINA ceases to own in aggregate at least 20% of the voting power of our then outstanding securities; *provided* that the agreement on sharing information and data will terminate on the earlier of (1) the fifteenth anniversary of the commencement of the cooperation period or (2) five years after the first date upon which SINA ceases to own in aggregate at least 20% of the voting power of our then outstanding securities. This agreement can be terminated early or extended by mutual written consent of the parties. The termination of this agreement will not affect the validity and effectiveness of the non-competition agreement and the sales and marketing services agreement.

Non-competition Agreement

Our non-competition agreement with SINA provides for a non-competition period beginning upon the completion of our initial public offering and ending on the later of (1) five years after the first date upon which members of SINA and its subsidiaries and consolidated affiliated entities cease to own in aggregate at least 20% of the voting power of our then outstanding securities and (2) fifteenth anniversary of the completion of our initial public offering. This agreement can be terminated early by mutual written consent of the parties.

SINA has agreed not to compete with us during the non-competition period in the business that is of the same nature as the microblogging and social networking business that we operated as of the date of the agreement, except for owning non-controlling equity interest in any company competing with us. We have agreed not to compete with SINA during the non-competition period in the businesses currently conducted by SINA, as described in its periodic filings with the SEC, other than the microblogging and social networking business that we operated as of the date of the agreement, except for owning non-controlling equity interest in any company competing with SINA.

The non-competition agreement also provides for a mutual non-solicitation obligation that neither SINA nor we may, during the non-competition period, hire, or solicit for hire, any active employees of or individuals providing consulting services to the other party, or any former employees of or individuals providing consulting services to the other party within six months of the termination of their employment or consulting services, without the other party's consent, except for solicitation activities through generalized non-targeted advertisement not directed to such employees or individuals that do not result in a hiring within the non-competition period.

Sales and Marketing Services Agreement

Under our sales and marketing services agreement with SINA, we agree that SINA will be our sales and marketing agent within the service period commencing on the date of signing and ending on the earlier of (1) the fifteenth anniversary of the commencement of the service period or (2) five years after the first date upon which SINA and any entity controlled by SINA cease to collectively own in aggregate at least 20% of the voting power of our then outstanding securities.

The fee to be reimbursed for the services provided under this agreement shall be the reasonably allocated direct and indirect costs of providing such services. Direct costs include labor-related compensation and travel expenses and materials and supplies consumed in performing the services. Indirect costs include office occupancy, information technology support and other overhead costs of the department incurring the direct costs of providing the service.

Intellectual Property License Agreement

The intellectual property license agreement was entered into by and between SINA and us as a part of Ali WB's purchase of our ordinary and preferred shares in April 2013. Under the intellectual property license agreement, SINA grants us and our subsidiaries a perpetual, worldwide, royalty-free, fully paid-up, non-sublicensable, non-transferable, limited, exclusive license of trademarks, including "新浪微博," "微博" and "微博微视," and a non-exclusive license of certain other intellectual property owned by SINA to make, sell, offer to sell and distribute products, services and applications on a microblogging and social networking platform. We grant SINA and its affiliates a non-exclusive, perpetual, worldwide, non-sublicensable, non-transferable limited license of certain of our intellectual property to use, reproduce, modify, prepare derivative works of, perform, display or otherwise exploit such intellectual property. This agreement commenced on April 29, 2013 and will continue in effect unless and until terminated as provided in the agreement.

SINA's Registration Rights

SINA has the same registration rights as those that have been granted to Ali WB. See below “Our Relationship with Alibaba—Registration Rights Agreement.”

Our Relationship with Alibaba

In April 2013, concurrently with forming a strategic alliance with several of our affiliated entities, Alibaba invested US\$585.8 million through Ali WB, its wholly owned subsidiary, to purchase our ordinary and preferred shares representing approximately 18% of our then total outstanding shares on a fully diluted basis. The following are summaries of our strategic alliance with Alibaba and major rights that Ali WB has as our shareholder.

Strategic Collaboration with Alibaba

In April 2013, we entered into a strategic collaboration agreement and a marketing cooperation agreement to form a strategic alliance between several of our affiliated entities, including Weibo Technology, Weimeng, and Beijing SINA Internet Information Service Co., Ltd., an affiliate of SINA, and several entities affiliated with Alibaba, including Alibaba (China) Co., Ltd., Taobao (China) Software Co., Ltd., Zhejiang Tmall.com Technology Co., Ltd. and Alibaba (China) Technology Co., Ltd., to jointly explore social commerce and develop innovative marketing solutions to enable merchants on Alibaba e-commerce platforms to better connect and build relationships with Weibo users. Under these agreements, the parties agreed to cooperate on a non-exclusive basis in respect of user account sharing, data sharing, platform integration, product development, payment supporting for both personal computer and mobile businesses, marketing activities and other aspects of the parties' businesses. The strategic collaboration agreement and marketing cooperation agreement expired in January 2016. However, Alibaba is still our significant customer, as we continue to serve as an important marketing partner for Alibaba and we continue to jointly develop innovative marketing solutions for both of our customers and explore social e-commerce opportunities for their merchants.

Shareholders' Agreement

Concurrently with Alibaba's purchase of our ordinary and preferred shares in April 2013, we entered into a shareholders' agreement with Ali WB and SINA which regulates our shareholders' rights and obligations after Ali WB became our shareholder, which agreement was amended and restated in March 2014. This agreement will continue in effect unless it is terminated: (i) by written agreement among the parties; or (ii) upon the expiration of (A) all rights created under this agreement and (B) all statutes of limitations applicable to the enforcement of claims under this agreement. The following are summaries of certain rights that Ali WB is entitled to under the shareholders' agreement which continue to be valid after the completion of our initial public offering.

Ali WB's Rights Relating to Share Incentive Plan. Until the earlier of (1) April 21, 2019, the 5th anniversary of our initial public offering, and (2) certain investor exit events defined under the shareholders agreement, we are not permitted to revise our equity-based incentive plans, including our 2014 Share Incentive Plan to increase the number of securities issuable under such plans or adopt any new plan without the prior written consent of Ali WB. These rights have expired in April 2019.

Ali WB's Right of First Offer. Ali WB has the right of first offer if (1) SINA or any of its wholly owned subsidiaries desires to sell all or any portion of our shares it holds to a third party other than up to 7,000,000 ordinary shares, or (2) any management shareholder desires to sell all or any portion of our shares such shareholder holds to a third party other than up to 20% of the ordinary shares held by such shareholder as of April 29, 2013.

Ali WB's Board Representation Rights. After Ali WB exercised its option in full, it has the right to appoint a number of directors in proportion to the percentage of its ownership in our company. SINA and Ali WB have entered into a voting agreement to effect the board representation rights. See “—Voting Agreement.”

Voting Agreement

Pursuant to the voting agreement entered into by SINA and Ali WB on April 24, 2014, Ali WB has the right to appoint or nominate such number of directors as is proportional to the percentage of its ownership in our company on a fully diluted basis (such number of directors to be rounded down the closest integer). Nevertheless, the number of non-independent directors Ali WB is entitled to appoint or nominate shall be no fewer than one director but no greater than the number of directors appointed or nominated by SINA as long as Ali WB holds less our shares than SINA. Ali WB's board representation rights will terminate in the event that more than 50% of its acquired shares, being the total shares of our company acquired by Ali WB in April 2013 and through the exercise of Ali WB's option under the shareholders' agreement, are transferred by Ali WB or its permitted transferees to one or more third parties or are no longer held by Alibaba directly, or indirectly through certain subsidiaries. Ali WB may assign its board representation rights to a qualified new investor to whom Ali WB transfers at least 50% of its acquired shares and who meets the requirements set forth in the shareholders agreement and the directors to be appointed by such new qualified investor must meet qualifications set forth in the voting agreement. In August 2023, Mr. Bo Liu was appointed by Ali WB as a director of our company.

Registration Rights Agreement

We have entered into a registration rights agreement with SINA and Ali WB. Under the registration rights agreement, each of SINA and Ali WB has the right to require us to register the public sale of all the shares owned by them as well as the right to participate in registrations of shares by us or any of our other shareholders. SINA and Ali WB have customary rights under the registration rights agreement, such as no more than two (2) demand registration rights, unlimited piggyback registration rights, shelf registration rights and rights to request us to pay registration expenses and to bear indemnification liability. The registration rights granted to SINA or Ali WB under this agreement shall terminate when all of their registrable securities may be sold without restriction or limitation under Rule 144. The Registration Rights Agreement will continue in effect unless it is terminated by written agreement among the parties.

Contractual Arrangements

Current PRC laws and regulations impose substantial restrictions on foreign ownership of internet information services and value-added telecommunication service businesses in China. Therefore, we conduct part of our businesses through a series of agreements between our PRC subsidiaries, our consolidated affiliated Chinese entities and/or their respective shareholders. See "Item 4. Information on the Company—C. Organizational Structure—Contractual Arrangements with the VIEs and Their Respective Individual Shareholders" for a description of the contractual arrangements between Weibo Technology, the VIEs and the shareholders of VIEs.

Transactions with SINA

During 2023, we recorded US\$66.8 million in revenues billed through SINA to third parties/for services provided to SINA. We had costs and expenses allocated from SINA of US\$36.5 million and another US\$24.9 million billed by SINA for other costs and expenses associated with Weibo business. In addition, we allocated US\$9.9 million to SINA for costs and expenses related to certain of SINA's activities for which Weibo made the payments. As of December 31, 2023, the outstanding balance of amounts due from SINA (excluding loans to and interest receivable from SINA) was US\$41.2 million.

In 2023, we entered into a series of one-year loan agreements with SINA, pursuant to which SINA is entitled to withdraw loans from us to facilitate SINA's business operations or to meet SINA's short term capital needs. In 2023, SINA has withdrawn a total of US\$1,105.7 million of loans from us and repaid US\$1,071.1 million to us while we recognized US\$14.9 million interest income on the loans to SINA. As of December 31, 2023, the outstanding balance of the loans to and interest receivable from SINA was US\$445.2 million.

On March 1, 2023, Weibo Holding (Singapore) Pte. Ltd., our wholly owned subsidiary, entered into a share purchase agreement with ShowWorld Holding Limited, an indirect subsidiary of SINA, pursuant to which Weibo Holding (Singapore) Pte. Ltd. purchased all equity interests in ShowWorld HongKong Limited, a wholly owned subsidiary of ShowWorld Holding Limited and an entity holding 332,615,750 shares of INMYSHOW Digital Technology (Group) Co., Ltd. for an aggregate consideration of approximately RMB2.16 billion in cash, payable in U.S. dollars. INMYSHOW Digital Technology (Group) Co., Ltd. is a Shanghai Stock Exchange-listed company (SSE: 600556). We beneficially owned 480,342,364 shares of INMYSHOW Digital Technology (Group) Co., Ltd., representing approximately 26.57% of its total issued shares, immediately following the consummation of this transaction and taking into account our existing shareholding.

During 2022, we recorded US\$76.9 million in revenues billed through SINA to third parties/for services provided to SINA. We had costs and expenses allocated from SINA of US\$47.2 million and another US\$37.7 million billed by SINA for other costs and expenses associated with Weibo business. In addition, we allocated US\$0.6 million to SINA for costs and expenses related to certain of SINA's activities for which Weibo made the payments. As of December 31, 2022, the outstanding balance of amounts due from SINA (excluding loans to and interest receivable from SINA) was US\$66.7 million.

In 2022, we entered into a series of one-year loan agreements with SINA, pursuant to which SINA is entitled to withdraw loans from us to facilitate SINA's business operations or to meet SINA's short term capital needs. In 2022, SINA has withdrawn a total of US\$1,261.9 million of loans from us and repaid US\$1,249.5 million to us while we recognized US\$14.8 million interest income on the loans to SINA. As of December 31, 2022, the outstanding balance of the loans to and interest receivable from SINA was US\$420.4 million.

On December 23, 2022, Weibo Hong Kong Limited, our wholly owned subsidiary, entered into certain agreement for the sale and purchase of 100% of the equity interest of Sina.com Technology (China) Co., Ltd., with SINA Hong Kong Limited, a wholly owned subsidiary of SINA Corporation, pursuant to which Weibo Hong Kong Limited agrees to purchase all equity interests in Sina.com Technology (China) Co., Ltd., a wholly owned subsidiary of SINA Hong Kong Limited and the owner of SINA Plaza in Beijing, China, for an aggregate consideration of approximately RMB1.5 billion (US\$218.4 million), which was settled in the first quarter of 2023. Subsequently, we and SINA terminated the letter of intent that we entered into for the purchase of the office building of SINA Plaza. In 2022, we made a prepayment of US\$153.6 million for SINA Plaza to SINA according to the letter of intent for Sina Plaza. The total balance of prepayment for SINA Plaza was eliminated as we consolidated the financial statements of Sina.com Technology (China) Co., Ltd. on December 31, 2023.

During 2021, we recorded US\$111.5 million in revenues billed through SINA to third parties/for services provided to SINA. We had costs and expenses allocated from SINA of US\$38.3 million and another US\$48.0 million billed by SINA for other costs and expenses associated with Weibo business. In addition, we allocated US\$0.8 million to SINA for costs and expenses related to certain of SINA's activities for which Weibo made the payments. As of December 31, 2021, the outstanding balance of amounts due from SINA (excluding loans to and interest receivable from SINA) was US\$14.6 million. In 2021, we entered into a letter of intent to purchase the office building (SINA Plaza) from SINA. As of December 31, 2021, the balance of prepayment for SINA Plaza was US\$133.7 million.

In 2021, we entered into a series of one-year loan agreements with SINA, pursuant to which SINA is entitled to withdraw loans from us to facilitate SINA's business operations or to meet SINA's short term capital needs. In 2021, SINA has withdrawn a total of US\$978.2 million of loans from us and repaid US\$1,058.6 million to us while we recognized US\$17.9 million interest income on the loans to SINA. As of December 31, 2021, the outstanding balance of the loans to and interest receivable from SINA was US\$479.6 million.

Accounts receivable amounts directly related to Weibo but for which SINA will receive payments and remit payments to us, as well as accounts receivable directly from SINA are included in the amount due from SINA. Liabilities directly related to Weibo but for which SINA will make payments and receive reimbursements from us, as well as liabilities directly to SINA, are included in the amount due to SINA. The amount due from or the amount due to SINA is presented as an offsetting balance on our consolidated balance sheets. Loan from SINA is presented under cash flow from financing activities, whereas loan to SINA is presented under investing activities in the consolidated statements of cash flows. Cash payment for billings from SINA for costs and expenses allocated to Weibo is presented under operating activities in the consolidated statements of cash flows.

Costs and expenses allocated from SINA represent services that were provided by various subsidiaries and VIEs of SINA. The service fees were incurred using an allocation methodology based on proportional utilization. See “—Our Relationship with SINA” and “Note 2. Significant Accounting Policies” in the accompanying notes to consolidated financial statements included in this annual report on Form 20-F.

Transactions with Alibaba

During 2023, we recorded US\$111.6 million in advertising and marketing revenues from Alibaba and US\$23.4 million of cost and expenses for the services provided by Alibaba. As of December 31, 2023, we had a total of US\$61.1 million in accounts receivable due from Alibaba.

During 2022, we recorded a total of US\$107.0 million in advertising and marketing revenues from Alibaba as an advertiser and US\$33.7 million of cost and expenses for the services provided by Alibaba. One of Alibaba's subsidiaries engaged in the business of advertising agency and contributed another US\$0.2 million to our total revenues during 2022. In 2022, we experienced a decline in revenue from Alibaba as an agent, due to the fact that Alibaba's subsidiary, which engaged in the business of advertising agency, changed its business cooperation model with us. They terminated their agency service and instead began providing advertising effectiveness analysis services to us. As a result, the role of the Alibaba's subsidiary has transitioned from an agent to a supplier for us. As of December 31, 2022, we had a total of US\$75.3 million in accounts receivable due from Alibaba.

During 2021, we recorded US\$139.6 million in advertising and marketing revenues from Alibaba as an advertiser and US\$44.0 million of cost and expenses for the services provided by Alibaba. One of Alibaba's subsidiaries engaged in the business of advertising agency and contributed another US\$41.7 million to our total revenues during 2021. As of December 31, 2021, we had a total of US\$89.3 million in accounts receivable due from Alibaba.

Transactions with Other Related Parties

During 2023, other than revenues generated from SINA and Alibaba, we recorded US\$35.4 million in revenues from other related parties and US\$33.9 million in cost and expenses for services received from other related parties. As of December 31, 2023, we had outstanding balances related to other related parties of US\$38.2 million in accounts receivable, US\$36.8 million in accounts payable, and US\$6.0 million in accrued and other liabilities. Moreover, we recorded loans to and interest receivables from other related parties of US\$449.7 million at annual interest rates ranging from 4.0% to 6.7% as of December 31, 2023. These other related parties mainly included an equity investee in real estate business, accounting US\$349.7 million, and an investee providing online brokerage services, accounting US\$100.0 million of the outstanding balance as of December 31, 2023.

During 2022, other than revenues generated from SINA and Alibaba, we recorded US\$48.6 million in revenues from other related parties and US\$32.3 million in cost and expenses for services received from other related parties. As of December 31, 2022, we had outstanding balances related to other related parties of US\$48.6 million in net accounts receivable, US\$21.7 million in accounts payable, and US\$6.6 million in accrued and other liabilities. Moreover, we recorded loans to and interest receivables from other related parties of US\$564.9 million at annual interest rates ranging from 4.0% to 5.5% as of December 31, 2022. These other related parties mainly included an equity investee in real estate business, accounting US\$454.9 million, and an investee providing online brokerage services, accounting US\$110.0 million of the outstanding balance as of December 31, 2022.

During 2021, other than revenues generated from SINA and Alibaba, we recorded US\$73.3 million in revenues from other related parties and US\$62.6 million in cost and expenses for services received from other related parties. As of December 31, 2021, we had outstanding balances related to other related parties of US\$55.8 million in accounts receivable, US\$44.3 million in accounts payable, and US\$8.3 million in accrued and other liabilities. Moreover, we recorded loans to and interest receivables from other related parties of US\$700.5 million at annual interest rates ranging from 4.0% to 10.0% as of December 31, 2021. These other related parties mainly included an equity investee in real estate business, accounting US\$480.8 million, and an investee providing online brokerage services, accounting US\$211.6 million of the outstanding balance as of December 31, 2021.

Employment Agreements

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

Share Incentives

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

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

We have appended consolidated financial statements at the end of this annual report filed as part of this annual report on Form 20-F.

Legal Proceedings

From time to time, we have been involved in litigation or other disputes regarding, among other things, copyright and trademark infringement, defamation, unfair competition and labor disputes.

On March 15, 2021, plaintiffs GeoSolutions B.V. and GeoSolutions Holdings N.V. filed a complaint in the California Superior Court, Santa Clara County, naming as defendants, among others, our company, the Chairman of our Board of Directors, our Chief Executive Officer, and our parent company Sina Corporation. The complaint alleges unlawful use of plaintiffs' location-based services technology by the defendants and a series of other claims. Our company, together with other served defendants, removed the case from state court to the United States District Court for the Northern District of California. See *GeoSolutions B.V. et al v. Sina.Com Online et al* (5:21-cv-08019-EJD). On December 20, 2021, our company and certain other Non-U.S. defendants filed a motion to dismiss the complaint for lack of personal jurisdiction in the federal court. On March 4, 2022, plaintiffs filed their opposition to the motion to dismiss. On April 22, 2022, our company and certain other non-U.S. defendants filed the reply. On March 16, 2023, the court granted the motion to dismiss, with leave to amend. On May 1, 2023, plaintiffs filed the First Amended Complaint. On May 16, 2023, plaintiffs filed a second amended complaint against all defendants to add back the defendants missing from their first amended complaint. On June 15, 2023, our company and certain other non-U.S. defendants filed a motion to dismiss the second amended complaint. On October 26, 2023, the court granted the motion to dismiss in favor of our company and certain other non-U.S. defendants without prejudice for lack of personal jurisdiction and the dismissal is without further leave to amend. The plaintiffs did not appeal, ending the case. For risks and uncertainties relating to the legal proceedings against us and our directors and employees, please see "Item 3. Key Information—D. Risk Factors—Risks Relating to Our ADSs and Class A Ordinary Shares—We incur increased costs as a result of being a public company."

For many of these legal proceedings, we are currently unable to estimate the reasonably possible loss or a range of reasonably possible loss as the proceedings are in the early stages, or there is a lack of clear or consistent interpretation of laws specific to the industry-specific complaints among different jurisdictions. As a result, there is considerable uncertainty regarding the timing or ultimate resolution of such proceedings, which includes eventual loss, fine, penalty or business impact, if any, and therefore, an estimate for the reasonably possible loss or a range of reasonably possible loss cannot be made. With respect to the limited number of proceedings for which we are able to estimate the reasonably possible loss or the range of reasonably possible loss, such estimates are immaterial. We believe that such proceedings, individually and in the aggregate, when finally resolved, are not reasonably likely to have a material and adverse effect on our results of operations, financial position and cash flows.

Dividend Policy

In May 2023, the board of directors of Weibo Corporation approved a special cash dividend of US\$0.85 per ordinary share and ADS to holders of the ordinary shares and ADSs of Weibo Corporation as of June 26, 2023. For the years ended December 31, 2021, 2022 and 2023, dividends made to Weibo Corporation's shareholders were nil, nil and US\$200.1 million, respectively.

In March 2024, the board of directors of Weibo Corporation approved a special cash dividend of US\$0.82 per ordinary share and ADS to holders of its ordinary shares and ADSs as of the close of business on April 12, 2024. The aggregate amount of the dividend will be approximately US\$200 million, expected to be paid in May 2024.

We are a holding company incorporated in the Cayman Islands. We rely principally on dividends from our PRC subsidiaries and our financing activities for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiaries to pay dividends to us. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Any limitation on the ability of our PRC subsidiaries to make payments to us, or the tax implications of making payments to us, could have a material adverse effect on our ability to conduct our business or our financial condition."

Our board of directors has discretion as to whether to distribute dividends, subject to applicable laws. In addition, our shareholders may by ordinary resolution declare dividends, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, our company may pay dividends only out of either profit or share premium account; *provided* that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. If we pay any dividends, our depositary will distribute such dividends to our ADS holders to the same extent as holders of our ordinary shares, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See "Item 12. Description of Securities Other than Equity Securities—D. American Depositary Shares." Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

B. Significant Changes

We have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

Item 9. The Offer and Listing

A. Offer and Listing Details

Our ADSs, each representing one of our Class A ordinary shares, have been quoted on The Nasdaq Global Select Market system under the symbol “WB” since April 17, 2014.

Our Class A ordinary shares have been listed on the Hong Kong Stock Exchange since December 8, 2021 under the stock code “9898.”

B. Plan of Distribution

Not applicable.

C. Markets

Our ADSs, each representing one of our Class A ordinary shares, have been quoted on The Nasdaq Global Select Market system under the symbol “WB” since April 17, 2014.

Our Class A ordinary shares have been listed on the Hong Kong Stock Exchange since December 8, 2021 under the stock code “9898.”

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

We are a Cayman Islands exempted company and our affairs are governed by our current fourth memorandum and articles of association, the Companies Act (As Revised) of the Cayman Islands, referred to as the Companies Act below, and the common law of the Cayman Islands. The following are summaries of certain provisions of our memorandum and articles of association in effect as of the date of this annual report insofar as they relate to the material terms of our ordinary shares.

Registered Office and Objects

Our registered office in the Cayman Islands is located at the offices of Vistra (Cayman) Limited at P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman, KY1-1205, Cayman Islands. The memorandum of association provides, inter alia, that the liability of each of the members of our company is limited to the amount from time to time unpaid on such member's shares. The objects for which our company is established are unrestricted, and we shall have full power and authority to carry out any object not prohibited or limited by the Companies Act.

Board of Directors

See "Item 6. Directors, Senior Management and Employees—C. Board Practices—Duties of Directors" and "Item 6. Directors, Senior Management and Employees—C. Board Practices—Terms of Directors and Executive Officers."

Ordinary Shares

General

Certificates representing the ordinary shares are issued in registered form. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their ordinary shares. Our company will issue only non-negotiable shares, and will not issue bearer or negotiable shares.

Register of Members

Under Cayman Islands law, we must keep a register of members and there should be entered therein:

- the names and addresses of the members, together with a statement of the shares held by each member, and such statement shall confirm (i) of the amount paid or agreed to be considered as paid, on the shares of each member, (ii) the number and category of shares held by each member, and (iii) whether each relevant category of shares held by a member carries voting rights under the articles of association of the company, and if so, whether such voting rights are conditional;
- the date on which the name of any person was entered on the register as a member; and
- the date on which any person ceased to be a member.

Under Cayman Islands law, the register of members of our company is prima facie evidence of the matters set out therein (i.e., the register of members will raise a presumption of fact on the matters referred to above unless rebutted) and a member registered in the register of members is deemed as a matter of Cayman Islands law to have legal title to the shares as set against its name in the register of members. Upon the completion of our initial public offering, our company's register of members was updated to record and give effect to our issue of shares to the Depositary (or its nominee) as the depositary, and the shareholders recorded in the register of members are deemed to have legal title to the shares set against their name.

If the name of any person is incorrectly entered in or omitted from our register of members, or if there is any default or unnecessary delay in entering on the register the fact of any person having ceased to be a member of our company, the person or member aggrieved (or any member of our company or our company itself) may apply to the Grand Court of the Cayman Islands for an order that the register be rectified, and the Court may either refuse such application or it may, if satisfied of the justice of the case, make an order for the rectification of the register.

Dividends

The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors or shareholders in general meeting (provided always no dividend may exceed the amount recommended by our directors, and provided further that dividends may be declared and paid only out of funds legally available therefor, namely out of either profit or our share premium account, and provided further that a dividend may not be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business).

Classes of Ordinary Shares

Our ordinary shares are divided into Class A ordinary shares and Class B ordinary shares. Except for conversion rights and voting rights, the Class A ordinary shares and Class B ordinary shares shall carry equal rights and rank *pari passu* with one another, including, but not limited to, the rights to dividends and other capital distributions.

Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof. In addition, each Class B ordinary share shall automatically and immediately be converted (by way of being re-designated) into one Class A ordinary share upon (a) any sale, transfer, assignment or disposition of Class B ordinary shares by a holder thereof to any person or entity which is not Mr. Charles Chao, or the Founder or a Founder's Affiliate (as defined in our memorandum and articles of association); or (b) a change of control of any direct or indirect holder of any Class B ordinary shares, including, but not limited to, any person other than the Founder or a Founder's Affiliate gaining "Control" over any of 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 to be held by such person or entity that is not the Founder or a Founder's Affiliate shall be automatically and immediately converted (by way of being re-designated) into an equal number of Class A ordinary shares. Moreover, each Class B ordinary share shall automatically and immediately be converted (by way of being re-designated) into one Class A ordinary share if at any time SINA and its Affiliates (as defined in our memorandum and articles of association) in the aggregate hold less than five percent (5%) of the issued Class B ordinary shares in our company, and no Class B ordinary shares shall be issued by our company thereafter. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances.

"Control" shall mean having (A) the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of, or (B) 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. "SINA Parent Companies" shall mean the holding companies of Weibo Corporation, including New Wave MMXV Limited, Sina Group Holding Company Limited, SINA Corporation and any other intermediate holding company(ies) of Sina Corporation that may be established in the future.

Voting Rights

Holders of ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of our company except where a shareholder is required, by the rules of the stock exchange on which our ADSs or shares are listed for trading, to abstain from voting to approve the matter under consideration. Holders of Class A ordinary shares and Class B ordinary shares shall, at all times, vote together as one class on all matters submitted to a vote by the members at any such general meeting. Each Class A ordinary share shall be entitled to one vote on all matters subject to the vote at general meetings of our company, and each Class B ordinary share shall be entitled to three votes on all matters subject to the vote at general meetings of our company. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of such meeting or any one shareholder "Present," which means, in respect of any person, such person's presence at a general meeting of members, which may be satisfied by means of such person or, if a corporation or other non-natural person, its duly authorized representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with our memorandum and articles of association), being: (a) physically present at the meeting; or (b) in the case of any meeting at which "Communication Facilities" are permitted in accordance with our memorandum and articles of association, including any "Virtual Meeting," connected by means of the use of such Communication Facilities.

"Communication Facilities" mean video, videoconferencing, internet or online conferencing applications, telephone or teleconferencing and/or any other video communication, internet or online conferencing application or telecommunications facilities by means of which all persons participating in a meeting are capable of hearing and be heard by each other.

"Virtual Meeting" means any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the chairman of such meeting and any directors of our company) are permitted to attend and participate solely by means of Communication Facilities.

Maples and Calder (Hong Kong) LLP, our counsel as to Cayman Islands law, has advised that such voting structure is in compliance with current Cayman Islands law as in general terms, a company and its shareholders are free to provide in the articles of association for such rights as they consider appropriate, subject to such rights not being contrary to any provision of the Companies Act and not inconsistent with common law. Maples and Calder (Hong Kong) LLP has confirmed that the inclusion in our memorandum and articles of association of provisions giving weighted voting rights to specific shareholders generally or on specific resolutions is not prohibited by the Companies Act. Further, weighted voting provisions have been held to be valid as a matter of English common law and therefore it is expected that such would be upheld by a Cayman Islands court.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attached to the ordinary shares cast by those shareholders who are Present at a general meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes attached to the ordinary shares cast by those shareholders who are Present at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all the shareholders of our company, as permitted by the Companies Act and our memorandum and articles of association. A special resolution will be required for important matters such as a change of name or making changes to our memorandum and articles of association.

Transfer of Ordinary Shares

Any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

However, our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which our company has a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class ordinary of shares;
- the instrument of transfer is properly stamped (in circumstances where stamping is required);
- the ordinary shares transferred are free of any lien in favor of us;
- any fee related to the transfer has been paid to us; and
- in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four.

If our directors refuse to register a transfer they are required, within two months after the date on which the instrument of transfer was lodged, to send to each of the transferor and the transferee notice of such refusal.

Liquidation

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of ordinary shares will be distributed among the holders of the ordinary shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders proportionately. We are a “limited liability” company registered under the Companies Act, and under the Companies Act, the liability of our members is limited to the amount, if any, unpaid on the shares respectively held by them. Our memorandum of association contains a declaration that the liability of our members is so limited.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares. The ordinary shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Ordinary Shares

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

Variations of Rights of Shares

If at any time, our share capital is divided into different classes of shares, all or any of the rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of not less than two-thirds in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights will not, unless otherwise expressly provided in the rights attaching to or the terms of issue of the shares of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking *pari passu* with such existing class of shares.

General Meetings of Shareholders and Shareholder Proposals

As a Cayman Islands exempted company, we are not obliged by the Companies Act to call shareholders' annual general meetings. Our memorandum and articles of association provide that we shall in each financial year hold a general meeting as our annual general meeting in which case we shall specify the meeting as such in the notices calling it, and the annual general meeting shall be held at such time and place as may be determined by our directors.

Shareholders' annual general meetings and any other general meetings of our shareholders may be convened by a majority of our board of directors. Advance notice of at least 21 calendar days is required for the convening of our annual general shareholders' meeting and at least 14 calendar days for any extraordinary general meeting of our shareholders. The notice of any general meeting (including a postponed or reconvened meeting) at which Communication Facilities will be utilised (including any Virtual Meeting) must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting. A quorum required for a general meeting of shareholders consists of one or more shareholders together holding at the date of any specific meeting not less than 10% of all votes attaching to all shares Present, which carry the right to vote at general meetings.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our memorandum and articles of association allow one or more shareholders holding shares representing in aggregate not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings to requisition an extraordinary general meeting of the shareholders, in which case our directors are obliged to call such meeting and to put the resolutions so requisitioned to a vote at such meeting; however, our memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Election and Removal of Directors

Unless otherwise determined by our company in general meeting, our memorandum and articles of association provide that our board of directors will consist of not less than two directors. There are no provisions relating to retirement of directors upon reaching any age limit.

The directors have the power to appoint any person as a director either to fill a casual vacancy on the board or as an addition to the existing board. Any director so appointed shall hold office only until the first annual general meeting of our company after his or her appointment and shall then be eligible for re-election at that meeting. At each annual general meeting, one-third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.

Our shareholders may also appoint any person to be a director by way of ordinary resolution.

A director (no matter a managing director or executive director) may be removed with or without cause by an ordinary resolution of our shareholders. The office of a director shall also be vacated automatically if, among other things, the director (1) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or (2) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the board of directors resolves that his office be vacated; or (3) without leave, is absent from meetings of the board for a continuous period of 12 months, and the board resolves that his office be vacated; or (4) ceases to be or is prohibited from being a director by law or by virtue of any provisions in our articles of association; or (5) is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of our directors (including himself) then in office.

Proceedings of Board of Directors

Our memorandum and articles of association provide that our business is to be managed and conducted by our board of directors. The quorum necessary for board meetings may be fixed by the board and, unless so fixed at another number, will be a majority of the directors then in office.

Our memorandum and articles of association provide that our board of directors may from time to time at its discretion exercise all powers of our company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of our company and to mortgage or charge the undertaking, property and assets (present and future) and uncalled capital of our company and issue debentures, bonds and other securities of our company, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Inspection of Books and Records

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

Changes in Capital

Our shareholders may from time to time by ordinary resolution:

- increase our share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- sub-divide our existing shares, or any of them into shares of a smaller amount; *provided* that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so canceled.

Our shareholders may by special resolution, subject to confirmation by the Grand Court of the Cayman Islands on an application by our company for an order confirming such reduction, reduce our share capital or any capital redemption reserve in any manner permitted by law.

Exempted Company

We are an exempted company with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;

- an exempted company's register of members is not required to be open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue no par value shares;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on that shareholder's shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil). We are subject to reporting and other informational requirements of the Exchange Act, as applicable to foreign private issuers. Except as otherwise disclosed in this annual report on Form 20-F, we currently intend to comply with Nasdaq rules in lieu of following home country practice.

Differences in Corporate Law

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

Mergers and Similar Arrangements

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (b) a "consolidation" means the combination of two or more constituent companies into a combined company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies; *provided* that the arrangement is approved by (a) 75% in value of shareholders; or (b) a majority in number representing 75% in value of creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;

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

When a takeover offer is made and accepted by holders of 90% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits

In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to apply and follow the common law principles (namely the rule in *Foss v. Harbottle* and the exceptions thereto) which permit a minority shareholder to commence a class action against, or derivative actions in the name of, a company to challenge the following:

- an acts which is illegal or ultra vires;
- an act which, although not ultra vires, could only be effected duly if authorized by a special or qualified majority vote that has not been obtained; and
- an act which constitutes a fraud on the minority where the wrongdoers are themselves in control of the company.

Indemnification of Directors and Executive Officers and Limitation of Liability

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our memorandum and articles of association provide that our directors and officers shall be indemnified out of the assets and profits of our company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; *provided* that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we have entered into indemnification agreements with our directors and senior executive officers that provide such persons with additional indemnification beyond that provided in our memorandum and articles of association.

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

Anti-Takeover Provisions in the Memorandum and Articles of Association

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association, as amended and restated from time to time, for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Directors' Fiduciary Duties

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

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

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. The Delaware General Corporation Law does not provide shareholders an express right to put any proposal before the annual meeting of shareholders, but in keeping with common law, Delaware corporations generally afford shareholders an opportunity to make proposals and nominations provided that they comply with the notice provisions in the certificate of incorporation or bylaws. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our memorandum and articles of association provides that, on the requisition of any one or more shareholders holding shares representing in aggregate not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings, the board shall convene an extraordinary general meeting. However, our memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders. As a Cayman Islands exempted company, we are not obliged by law to call shareholders' annual general meetings, but our memorandum and articles of association obliges our company in each financial year to hold a general meeting as our annual general meeting in addition to any other meeting in that financial year. The annual general meeting may be held at such time and place as our board of directors shall appoint.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. Cayman Islands law does not prohibit cumulative voting, but our memorandum and articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our memorandum and articles of association, directors may be removed with or without cause by ordinary resolution of our shareholders. The office of a director shall also be vacated automatically if, among other things, the director (1) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or (2) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and our board of directors resolves that his office be vacated; or (3) without leave, is absent from meetings of the board for a continuous period of 12 months, and our board of directors resolves that his office be vacated; or (4) ceases to be or is prohibited from being a director by law or by virtue of any provisions in our memorandum and articles of association; or (5) is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of our directors (including himself) then in office.

Transactions with Interested Shareholders

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

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

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation’s outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class only with the written consent of the holders of not less than two-thirds in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's certificate of incorporation may be amended only if adopted and declared advisable by the board of directors and approved by a majority of the outstanding shares entitled to vote and the bylaws may be amended with the approval of a majority of the outstanding shares entitled to vote and may, if so provided in the certificate of incorporation, also be amended by the board of directors. Under the Companies Act and our memorandum and articles of association, our memorandum and articles of association may only be amended by a special resolution of our shareholders.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

Directors' Power to Issue Shares.

Under our memorandum and articles of association, our board of directors is empowered to issue or allot shares or grant options and warrants with or without preferred, deferred, qualified or other special rights or restrictions.

C. Material Contracts

We have not entered into any material contracts for the two years immediately preceding the date of this annual report other than in the ordinary course of business and other than those described elsewhere in this annual report on Form 20-F.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulation—Regulations on Foreign Exchange" and "Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—We may be subject to penalties, including restriction on our ability to inject capital into our PRC subsidiaries and our PRC subsidiaries' ability to distribute profits to us, if our PRC resident shareholders beneficial owners fail to comply with PRC foreign exchange rules."

E. Taxation

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

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation, and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to holders of our ADSs or ordinary shares levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or brought within, the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties which are applicable to any payments made by or to our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

People's Republic of China Taxation

Although we are incorporated in the Cayman Islands, we may be treated as a PRC resident enterprise for PRC tax purposes under the Enterprise Income Tax Law. The Enterprise Income Tax Law provides that an enterprise established under the laws of a foreign country or region but whose “de facto management body” is located in the PRC is treated as a PRC resident enterprise for PRC tax purposes and consequently subject to the PRC income tax at the rate of 25% on its global income. The implementing rules of the Enterprise Income Tax Law merely define the location of the “de facto management body” as the place where the “organizational body which effectively manages and controls the production and business operation, personnel, accounting, properties and other aspects of operations of an enterprise” is located. Based on a review of surrounding facts and circumstances, we do not believe that we should be considered a PRC resident enterprise for PRC tax purposes. However, there is limited guidance and implementation history of the Enterprise Income Tax Law, and if we are treated as a PRC resident enterprise for PRC tax purposes, we will be subject to PRC tax on our global income at a uniform tax rate of 25%. In addition, as most of our operations are located within the PRC, interest and dividends payable by us to you, as well as any gain you may realize from the sale of our notes, ADSs or Class A ordinary shares, may be deemed to be derived from sources within China. As a result, if we are treated as a “resident enterprise” for PRC tax purposes, such interest, dividends and gain may be subject to PRC tax. Any such tax may materially and adversely affect the value of your investment in our ADSs and Class A ordinary shares.

If we are a PRC resident enterprise, PRC income tax at the rate of 10% will generally be applicable to interest and dividends payable by us to investors that are “non-resident enterprises” of the PRC, if such investors do not have an establishment or place of business in the PRC, or if they have such establishment or place of business in the PRC but the income is not effectively connected with such establishment or place of business, to the extent such interest or dividends have their sources within the PRC. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20%.

Furthermore, any gain realized on the transfer of our notes, ADSs or Class A ordinary shares by non-resident enterprise investors would be subject to PRC income tax at 10% if such gain is regarded as income derived from sources within the PRC. In the case of non-PRC resident individual investors, a PRC income tax rate of 20% may apply on such gain.

Such tax rates could be reduced by applicable tax treaties or similar arrangements between China and the jurisdiction of the investor. For example, for investors in Hong Kong, the tax rate is reduced to 7% for interest payments and 5% for dividends. However, it is unclear whether non-PRC holders would be able to obtain the benefits of any tax treaties between their country of tax residence and China in the event that we are treated as a PRC resident enterprise.

In addition, interest payments may be subject to withholding of PRC value-added tax (including related local levies and any other related tax collected at source).

Taxation on distributions from VIEs

Pursuant to the contractual agreements with the VIEs and their respective shareholders, our PRC subsidiaries charge the VIEs for service fees. For income tax purposes, our PRC subsidiaries and VIEs file income tax returns on a separate basis. The service fees paid by the VIEs will be recognized as tax deduction for the VIEs and as income by our PRC subsidiaries and are tax neutral when the VIEs and PRC subsidiaries have the same income tax rate.

If the accumulated earnings of the VIEs exceed the fees paid to our PRC subsidiaries (or if the current and contemplated fee structure between the intercompany entities is determined to be non-substantive and disallowed by Chinese tax authorities), the VIEs could, as a last resort, make a non-tax deductible transfer to our PRC subsidiaries for stranded cash in the VIEs, representing the excess of earnings over fees paid. Such transfer would be recognized as non-tax deductible expenses for the VIEs and taxable income for the PRC subsidiaries.

U.S. Federal Income Tax Considerations

The following discussion is a summary of U.S. federal income tax considerations generally applicable to the ownership and disposition of our ADSs or Class A ordinary shares by U.S. Holders (as defined below) that will hold our ADSs or Class A ordinary shares as “capital assets” (generally, property held for investment) under the U.S. Internal Revenue Code of 1986, as amended, or the Code. This discussion is based on applicable provisions of the Code, Treasury regulations promulgated thereunder, or the Treasury Regulations, and pertinent judicial decisions and interpretive rulings of the Internal Revenue Service, or the IRS, all of which are subject to change and differing interpretations, possibly with retroactive effect. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to particular investors in light of their individual investment circumstances, including investors subject to special tax rules (for example, certain financial institutions, insurance companies, broker-dealers, pension plans, regulated investment companies, real estate investment trusts, cooperatives, tax-exempt organizations (including private foundations), holders that are not U.S. Holders, holders that own (directly, indirectly or constructively) 10% or more of our equity (by vote or value), investors that will hold their ADSs or Class A ordinary shares as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for U.S. federal income tax purposes, investors that are traders in securities that have elected the mark-to-market method of accounting, investors that have a functional currency other than the U.S. dollar or certain former citizens or long-term residents of the United States), all of which may be subject to tax rules that differ significantly from those discussed below.

In addition, this discussion does not address any non-U.S., state, local or any U.S. federal estate, gift, alternative minimum tax or Medicare contribution tax considerations. You should consult your tax advisor regarding the U.S. federal, state, local and non-U.S. income and other tax considerations applicable to owning and disposing of our ADSs or Class A ordinary shares.

General

For the purposes of this discussion, a “U.S. Holder” is a beneficial owner of our ADSs or Class A ordinary shares that is, for U.S. federal income tax purposes: (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust that (A) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons with respect to all substantial decisions or (B) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

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

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

Passive Foreign Investment Company Considerations

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

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

PFIC status is a factual determination made annually and is generally not determinable until after the close of each taxable year. Based upon our income and assets, including unbooked goodwill (the value of which is determined by reference to the market value of our ADSs and Class A ordinary shares), it is likely that we will be classified as a PFIC for the taxable year ended December 31, 2023, and that we could continue to be classified as a PFIC for the current and subsequent taxable years. Fluctuations in the market price of our ADSs and Class A ordinary shares may affect whether or not we are classified as a PFIC for the current and subsequent years because the value of our assets for purposes of the asset test, including the value of our goodwill and unbooked intangibles, may be determined from time to time by reference to the market price of our ADSs or Class A ordinary shares (which may be volatile). Furthermore, even if the composition of our assets and income were to change such that we believed that we were not a PFIC, there are uncertainties in the application of the relevant rules, and it is possible that the IRS may challenge our classification of certain income or assets as non-passive, or our valuation of our goodwill and other unbooked intangibles, all of which could affect whether we are classified as a PFIC for the current or subsequent taxable years. Accordingly, there can be no assurance regarding our PFIC status for our current or subsequent taxable years. In addition, it is possible that any subsidiary that we own or are treated as owning for U.S. federal income tax purposes would also be a PFIC for such taxable years.

If we are classified as a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class A ordinary shares, the PFIC rules discussed below under “—Passive Foreign Investment Company Rules” will generally apply to such U.S. Holder for such taxable year and, unless the U.S. Holder makes certain elections, will generally apply in future years even if we cease to be a PFIC for U.S. federal income tax purposes.

Passive Foreign Investment Company Rules

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class A ordinary shares, such holder will be subject to special tax rules with respect to any “excess distribution” that such holder receives and any gain such holder realizes from a sale or other disposition (including a pledge) of our ADSs or Class A ordinary shares, unless such holder makes a “mark-to-market” election as discussed below. As noted above, based on our income and assets (including unbooked goodwill), as well as the market price of our ADSs and Class A ordinary shares, it is likely that we will be classified as a PFIC for the taxable year ended December 31, 2023, and could continue to be classified as a PFIC for the current and subsequent taxable years. As a result, distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions that such holder received during the shorter of the three preceding taxable years or such holder’s holding period for the ADSs or Class A ordinary shares will be treated as excess distributions. Under these special tax rules:

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

Alternatively, a U.S. Holder of “marketable stock” (as defined below) in a PFIC may elect out of the excess distribution regime described above by making a mark-to-market election for such stock. If a U.S. Holder makes a valid mark-to-market election for its ADSs or Class A ordinary shares, such holder will include in income each year an amount equal to the excess, if any, of the fair market value of the ADSs or Class A ordinary shares as of the close of such holder’s taxable year over such holder’s adjusted basis in such ADSs or Class A ordinary shares at such time. The U.S. Holder will be allowed a deduction for the excess, if any, of the adjusted basis of the ADSs or Class A ordinary shares over their fair market value as of the close of the taxable year. However, deductions will be allowable only to the extent of any net mark-to-market gains on the ADSs or Class A ordinary shares included in the U.S. Holder’s income for prior taxable years. Amounts included in the U.S. Holder’s income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ADSs or Class A ordinary shares in a year that we are a PFIC, will be treated as ordinary income. Ordinary loss treatment will also apply to the deductible portion of any mark-to-market loss on the ADSs or Class A ordinary shares, as well as to any loss realized on the actual sale or disposition of the ADSs or Class A ordinary shares in a year that we are a PFIC, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included in income for such ADSs or Class A ordinary shares. A U.S. Holder’s basis in the ADSs or Class A ordinary shares will be adjusted to reflect any such gain or loss amounts. If a U.S. Holder makes a mark-to-market election, tax rules that apply to distributions by corporations that are not PFICs would apply to distributions by us (except that the lower applicable capital gains rate would not apply). If a U.S. Holder makes a valid mark-to-market election and we subsequently cease to be classified as a PFIC, such holder will not be required to take into account the mark-to-market income or loss described above during any period during which we are not classified as a PFIC.

The mark-to-market election is available only for “marketable stock,” which is stock that is traded other than in de minimis quantities on at least 15 days during each calendar quarter (“regularly traded”) on a qualified exchange or other market, as defined in applicable Treasury Regulations. Our ADSs are listed on the Nasdaq Global Select Market, which is a qualified exchange for these purposes, and, consequently, assuming that the ADSs are regularly traded, it is expected that the mark-to-market election will be available to U.S. Holders of ADSs if we are or become a PFIC. Our Class A ordinary shares are listed on the Hong Kong Stock Exchange, which must meet certain trading, listing, financial disclosure and other requirements to be treated as a qualified exchange for these purposes, and no assurance can be given that our Class A ordinary shares will be regularly traded for purposes of the mark-to-market election.

A holder of shares in a PFIC can sometimes avoid the excess distribution regime by making a qualified electing fund election, in which case such holder would generally be required to include in income on a current basis such holder’s pro rata share of the PFIC’s ordinary earnings as ordinary income and such holder’s pro rata share of the PFIC’s net capital gains as capital gain. We do not intend to provide the information necessary for U.S. Holders to make qualified electing fund elections, however, and we make no undertaking to provide such information in the event that we are or become a PFIC.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class A ordinary shares and any of our non-U.S. subsidiaries are also PFICs, such holder will be treated as owning a proportionate amount (by value) of the shares of each such non-U.S. subsidiary classified as a PFIC for purposes of the application of these rules. Because as a technical matter, a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the general PFIC rules with respect to such holders indirect interest in any investment held by us that is treated as an equity interest in a PFIC for U.S. federal income tax purposes.

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

Dividends

As noted above, we will likely be classified as a PFIC for our most recent taxable year ended December 31, 2023, and may also be a PFIC for our current taxable year. Accordingly, the treatment most likely to apply to a U.S. Holder is set forth above in “—Passive Foreign Investment Company Rules.” If our ADSs or Class A ordinary shares are not treated as stock of a PFIC with respect to a particular U.S. Holder, the following rules will generally apply. Any distributions (including the amount of any PRC tax withheld) paid on our ADSs or Class A ordinary shares out of our current or accumulated earnings and profits (as determined using U.S. federal income tax principles) will generally be includible in a U.S. Holder’s gross income as ordinary dividend income on the day actually or constructively received by such holder, in the case of Class A ordinary shares, or by the depository, in the case of ADSs. Because we do not intend to determine our earnings and profits using U.S. federal income tax principles, any distribution paid will generally be treated as dividend income for U.S. federal income tax purposes. Dividends received on our ADSs or Class A ordinary shares will not be eligible for the dividends received deduction allowed to corporations under the Code.

Individuals and other non-corporate U.S. Holders will generally be subject to tax on any such dividends at the lower capital gains tax rate applicable to “qualified dividend income,” provided that certain conditions are satisfied, including that (i) our ADSs or Class A ordinary shares on which the dividends are paid are readily tradable on an established securities market in the United States, or, if we are deemed to be a PRC resident enterprise under the PRC tax law, we are eligible for the benefits of the U.S.-PRC income tax treaty, or the Treaty, (ii) we are neither a PFIC nor treated as such with respect to the U.S. Holder (as discussed above) for the taxable year in which the dividend was paid or the preceding taxable year, and (iii) certain holding period requirements are met. Our ADSs, but not our Class A ordinary shares, are listed on the Nasdaq Global Select Market so we anticipate that our ADSs should qualify as readily tradable on an established securities market in the United States, although there can be no assurances in this regard.

Dividends received on our ADSs or Class A ordinary shares will generally be treated as income from foreign sources and will generally constitute passive category income for U.S. foreign tax credit purposes. If we are deemed to be a PRC resident enterprise under PRC tax law, a U.S. Holder may be subject to PRC withholding taxes on such dividends. Any such PRC withholding taxes to the extent not in excess of any reduced rate provided by the Treaty will generally be creditable against a U.S. Holder’s U.S. federal income tax liability, subject to a number of complex limitations. A U.S. Holder that does not elect to claim a foreign tax credit for foreign tax withheld is permitted instead to claim a deduction for U.S. federal income tax purposes for the foreign tax withheld, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex. U.S. Holders should consult their tax advisors regarding the availability of the foreign tax credit in their particular circumstances.

Sale or Other Disposition of ADSs or Class A Ordinary Shares

As noted above, we will likely be classified as a PFIC for our most recent taxable year ended December 31, 2023, and may also be a PFIC for our current taxable year. Accordingly, the treatment most likely to apply to a U.S. Holder is set forth above in “—Passive Foreign Investment Company Rules.” If our ADSs or Class A ordinary shares are not treated as stock of a PFIC with respect to a particular U.S. Holder, the following rules will generally apply. A U.S. Holder will generally recognize capital gain or loss upon the sale or other taxable disposition of our ADSs or Class A ordinary shares in an amount equal to the difference, if any, between the amount realized upon the disposition and such holder’s adjusted tax basis in such ADSs or Class A ordinary shares, both determined in U.S. dollars. Any such capital gain or loss will be long-term capital gain or loss if the U.S. Holder’s holding period in the ADSs or Class A ordinary shares exceeds one year at the time of disposition. The deductibility of capital losses is subject to limitations. Any such gain or loss will generally be U.S.-source gain or loss for U.S. foreign tax credit purposes, which may limit the U.S. Holder’s ability to claim a foreign tax credit in respect of any foreign tax imposed on the disposition unless the U.S. Holder has other income that is treated as derived from foreign sources.

If, however, we were deemed to be a PRC resident enterprise under PRC tax law, and gain from the disposition of the ADSs or Class A ordinary shares were subject to tax in the PRC, a Treaty-eligible U.S. Holder may apply the Treaty to treat such gain as PRC-source gain for U.S. foreign tax credit purposes. Treaty-eligible U.S. Holders that do not apply the Treaty and U.S. Holders that are not Treaty-eligible may not be able to claim a foreign tax credit for any PRC tax imposed on a sale or other disposition of our ADSs or Class A ordinary shares. Any such U.S. Holder may instead elect to deduct such taxes in computing its taxable income for U.S. federal income tax purposes, but only for a year in which such U.S. Holder elects to do so for all foreign taxes paid or accrued during such year. The rules regarding foreign tax credits and the deductibility of foreign taxes are complex. U.S. Holders should consult their tax advisors regarding the availability of a foreign tax credit or a deduction in lieu thereof in light of their particular circumstances, as well as with respect to their eligibility for benefits under the Treaty.

Foreign Financial Asset Reporting

Certain U.S. Holders are required to report their holdings of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds certain threshold amounts. The ADSs and Class A ordinary shares are expected to constitute foreign financial assets subject to these requirements unless the ADSs and Class A ordinary shares are held in an account at certain financial institutions. U.S. Holders should consult their tax advisors regarding the application of these reporting requirements, and the significant penalties for non-compliance.

THIS PRECEDING DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSIDERATIONS APPLICABLE TO THE OWNERSHIP AND DISPOSITION OF OUR ADSs AND CLASS A ORDINARY SHARES, AS WELL AS THE EFFECT OF ANY U.S. FEDERAL ESTATE OR GIFT TAX LAWS AND ANY APPLICABLE INCOME TAX TREATY.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

Our corporate internet address is <http://ir.weibo.com>. We make available free of charge on or through our website our annual reports, quarterly reports, current reports, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file or furnish such material with the SEC. We may from time to time provide important disclosures to investors by posting them in the investor relations section of our website, as allowed by the SEC rules. Information contained on Weibo’s website is not part of this report or any other report filed with the SEC. All information we file with the SEC can be obtained over the internet at the SEC’s website at www.sec.gov.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosures About Market Risk**Market Risks****Foreign Exchange Risk**

The conversion of Renminbi into other currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against other currencies, at times significantly and unpredictably. The value of Renminbi against other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. It is difficult to predict how market forces or government policies may impact the exchange rate between Renminbi and other currencies in the future. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk.

Our revenues and costs are mostly denominated in RMB, and a significant portion of our financial assets are also denominated in RMB, whereas our reporting currency is the U.S. dollars. Any significant depreciation of the RMB may materially and adversely affect our revenues, earnings and financial position as reported in U.S. dollars. To the extent that we need to convert U.S. dollars we received from our financing activities into RMB for our operations, appreciation of the RMB against the U.S. dollars would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, if we decide to convert our RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs, repaying the principal and interest of our 2024 Senior Notes, 2030 Senior Notes, 2027 Loans and 2030 Convertible Notes, which are all denominated in U.S. dollars, or for other business purposes, appreciation of the U.S. dollars against the RMB would have a negative effect on the U.S. dollars amount available to us.

Below is a sensitivity analysis on the impact of a change in the value of the RMB against the U.S. dollars assuming: (1) projected net income from operation in China equal to the net income of 2023, (2) projected net assets of the operation in China equal to the balances in RMB and U.S. dollars as of December 31, 2023 and (3) currency fluctuation occurs proportionately over the period:

Change in the Value of RMB Against the U.S. Dollars	Translation	Transaction Gain
	Adjustments to Comprehensive Income	/(Loss)
	(in US\$ thousands)	
Appreciate 2%	66,778	(459)
Appreciate 5%	167,138	(1,146)
Depreciate 2%	(66,671)	459
Depreciate 5%	(166,469)	1,146

Interest Rate Risk

Our exposure to interest rate risk primarily relates to the interest income generated by excess cash invested in short-term investments, which is mostly held in interest-bearing bank deposits, and interest expense related to 2027 Loans, which carries floating interest rates. We have not used any derivative financial instruments to manage our interest risk exposure. However, our future interest income may fall short of expectations or our interest expense may increase due to changes in market interest rates.

Investment Risk

As of December 31, 2023, our equity investments totaled US\$1,320.4 million. We measure investments in equity securities other than equity method investments at fair value through earnings. For those investments without readily determinable fair values, we elected to record these investments at cost, less impairment, and plus or minus subsequent adjustments for observable price changes (referred to as the measurement alternative). Changes in the basis of these investments are reported in current earnings. We recognized fair value change gain of US\$43.0 million in equity securities other than equity method investments for the year ended December 31, 2023.

Our investments other than equity method are subject to a wide variety of market related risks that could substantially reduce or increase the fair value of our holdings. Investments using measurement alternative methods are investments in privately held companies and limited partnerships. Valuations of our investments in private companies and limited partnerships are inherently more complex due to the lack of readily available market data. The fair value is measured at the time of the observable transaction, which is not necessarily an indication of the current fair value as of the balance sheet date. These investments, especially those in the early stages, are inherently risky because the technologies or products these companies have under development are typically in the early phases and may never materialize and they may experience deterioration in financial condition, which could result in a loss of a substantial part of our investment in these companies. The success of our investment in any private company or limited partnership is also dependent on the likelihood of our ability to realize value in our investments through liquidity events such as public offerings, acquisitions, private sales or other favorable market events reflecting appreciation to the cost of our initial investment. Volatility in the global economic climate and financial markets could also result in a significant impairment charge on our non-marketable equity securities. As of December 31, 2023, the carrying value of our investments using measurement alternative method was US\$201.3 million.

The carrying values of our equity method investments generally do not fluctuate due to market price changes, however these investments could be impaired if the carrying value exceeds the fair value.

We periodically review our investments for impairment. Factors we consider to make such determination include the duration and severity of the impairment, the reason for the decline in value, the potential recovery period, and our intent to sell, or whether it is more likely than not that we will be required to sell, the investment before recovery. We recorded US\$25.7 million of investment related impairment charges for the year ended December 31, 2023. We are unable to control these factors and an impairment charge we recognized will unfavorably impact our operating results and financial position.

Our short-term investments as of December 31, 2023 totaled US\$641.0 million, which were composed of bank time deposits whose original maturities are of greater than three months but less than one year and wealth management products which are certain deposits with variable interest rates or principal not-guaranteed with certain financial institutions.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities

In July 2019, we issued the 2024 Senior Notes. Our 2024 Senior Notes were issued at par value and bear an annual interest rate of 3.50%, payable semiannually in arrears on January 5 and July 5 of each year, beginning on January 5, 2020. Our 2024 Senior Notes will mature on July 5, 2024, unless previously repurchased or redeemed in accordance with their terms prior to the maturity. In July 2020, we issued \$750 million in aggregate principal amount of senior notes due 2030. Our 2030 Senior Notes bear an annual interest rate of 3.375%, payable semiannually in arrears on January 8 and July 8 of each year, beginning on January 8, 2021. Our 2030 Senior Notes will mature on July 8, 2030, unless previously repurchased or redeemed in accordance with their terms prior to maturity.

Please refer to Exhibits 2.4, 2.5, and 2.6 to this annual report for the information relating to our 2024 Senior Notes and our 2030 Senior Notes required by Item 12. A. of Form 20-F.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Fees and Charges Our ADS Holders May Have to Pay

The depositary may charge each person to whom ADSs are issued, including, without limitation, issuances against deposits of shares, issuances in respect of share distributions, rights and other distributions, issuances pursuant to a stock dividend or stock split we declared or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or deposited securities, and each person surrendering ADSs for withdrawal of deposited securities or whose ADRs are canceled or reduced for any other reason, US\$5.00 for each 100 ADSs (or any portion thereof) issued, delivered, reduced, canceled or surrendered, as the case may be. The depositary may sell (by public or private sale) sufficient securities and property received in respect of a share distribution, rights and/or other distribution prior to such deposit to pay such charge.

The following additional charges shall be incurred by the ADR holders, by any party depositing or withdrawing shares or by any party surrendering ADSs or to whom ADSs are issued (including, without limitation, issuance pursuant to a stock dividend or stock split we declared or an exchange of stock regarding the ADSs or the deposited securities or a distribution of ADSs), whichever is applicable:

- a fee of US\$1.50 per ADR for transfers of certificated or direct registration ADRs;
- a fee of up to US\$0.05 per ADS for any cash distribution made pursuant to the deposit agreement;
- a fee of up to US\$0.05 per ADS per calendar year (or portion thereof) for services performed by the depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against holders of ADRs as of the record date or record dates set by the depositary during each calendar year and shall be payable in the manner described in the next succeeding provision);
- a fee for the reimbursement of such fees, charges and expenses as are incurred by the depositary and/or any of its agents (including, without limitation, the custodian and expenses incurred on behalf of holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the shares or other deposited securities, the sale of securities (including, without limitation, deposited securities), the delivery of deposited securities or otherwise in connection with the depositary's or its custodian's compliance with applicable law, rule or regulation (which fees and charges shall be assessed on a proportionate basis against holders as of the record date or dates set by the depositary and shall be payable at the sole discretion of the depositary by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions);
- a fee for the distribution of securities (or the sale of securities in connection with a distribution), such fee being in an amount equal to the US\$0.05 per ADS issuance fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities (treating all such securities as if they were shares) but which securities or the net cash proceeds from the sale thereof are instead distributed by the depositary to those holders entitled thereto;
- stock transfer or other taxes and other governmental charges;
- cable, telex and facsimile transmission and delivery charges incurred at your request in connection with the deposit or delivery of shares;
- transfer or registration fees for the registration of transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities;
- the fees, expenses and other charges charged by JPMorgan Chase Bank, N.A. and/or its agent (which may be a division, branch or affiliate) in connection with the conversion of foreign currency into U.S. dollars; and
- fees of any division, branch or affiliate of the depositary utilized by the depositary to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement.

JPMorgan Chase Bank, N.A. and/or its agent may act as principal for such conversion of foreign currency. We will pay all other charges and expenses of the depositary and any agent of the depositary (except the custodian) pursuant to agreements from time to time between us and the depositary. The charges described above may be amended from time to time by agreement between us and the depositary.

The depositary collects its fees for issuance and cancellation of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions, or by directly billing investors, or by charging the book-entry system accounts of participants acting for them. The depositary will generally set off the amounts owing from distributions made to holders of ADSs. If, however, no distribution exists and payment owing is not timely received by the depositary, the depositary may refuse to provide any further services to holders that have not paid those fees and expenses owing until such fees and expenses have been paid. At the discretion of the depositary, all fees and charges owing under the deposit agreement are due in advance and/or when declared owing by the depositary.

The fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary. You will receive prior notice of any increase in any such fees and charges.

Fees and Other Payments Made by the Depositary to Us

The depositary has agreed to reimburse us for certain expenses we incur that are related to establishment and maintenance of the ADR program upon such terms and conditions as we and the depositary may agree from time to time. The depositary may make available to us a set amount or a portion of the depositary fees charged in respect of the ADR program or otherwise upon such terms and conditions as we and the depositary may agree from time to time. In 2023, we did not record any payments made by the depositary to us.

Dealings and Settlement of Class A Ordinary Shares in Hong Kong

Our Class A ordinary shares will trade on the Hong Kong Stock Exchange in board lots of 20 ordinary shares. Dealings in our Class A ordinary shares on the Hong Kong Stock Exchange will be conducted in Hong Kong dollars.

The transaction costs of dealings in our Class A ordinary shares on the Hong Kong Stock Exchange include:

- Hong Kong Stock Exchange trading fee of 0.005% of the consideration of the transaction, charged to each of the buyer and seller;
- SFC transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- Accounting and Financial Reporting Council of Hong Kong transaction levy of 0.00015% of the consideration of the transaction, charged to each of the buyer and seller;
- transfer deed stamp duty of HK\$5.00 per transfer deed (if applicable), payable by the seller;
- ad valorem stamp duty at a total rate of 0.2% of the value of the transaction, with 0.1% payable by each of the buyer and the seller;
- stock settlement fee, which is currently 0.002% of the gross transaction value, subject to a minimum fee of HK\$2.00 and a maximum fee of HK\$100.00 per side per trade;
- brokerage commission, which is freely negotiable with the broker; and
- the Hong Kong share registrar will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the Hong Kong Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong.

Investors must settle their trades executed on the Hong Kong Stock Exchange through their brokers directly or through custodians. For an investor who has deposited his/her Class A ordinary shares in his/her stock account or in his/her designated CCASS participant's stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his/her broker or custodian before the settlement date.

Conversion between Class A Ordinary Shares Trading in Hong Kong and ADSs

In connection with the public offering of our Class A ordinary shares in Hong Kong, we have established a branch register of members in Hong Kong, which will be maintained by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited. Our principal register of members will continue to be maintained by our Principal Share Registrar, Global Incorporation Centre Limited, in the Cayman Islands.

All Class A ordinary shares offered in our Hong Kong public offering and the international offering have been registered on our Hong Kong share register in order to be listed and traded on the Hong Kong Stock Exchange. As described in further detail below, holders of Class A ordinary shares registered on our Hong Kong share register are able to convert these shares into ADSs, and vice versa.

In connection with our Hong Kong public offering, and to facilitate fungibility and conversion between ADSs and Class A ordinary shares and trading between Nasdaq and Hong Kong Stock Exchange, we have moved a portion of our issued Class A ordinary shares from our register of members maintained in the Cayman Islands to our Hong Kong share register.

Following the listing of our Class A ordinary shares on the Hong Kong Stock Exchange, all deposits of Class A ordinary shares for the issuance of ADSs and all withdrawals of Class A ordinary shares upon the cancellation of ADSs will be in the form of Class A ordinary shares registered on our Hong Kong share register and all corporate actions with respect thereto will be processed via the depository's custodian account at CCASS, subject to the rules and procedures applicable to CCASS eligible securities, subject, in each case, to certain exceptions described below and provided that the foregoing shall not apply to certain of our restricted Class A ordinary shares and Class A ordinary shares as determined by our company and the depository, which will be via our Principal Register in the Cayman Islands.

Converting Class A Ordinary Shares trading in Hong Kong into ADSs

An investor who holds Class A ordinary shares registered in Hong Kong and who intends to convert them to ADSs to trade on Nasdaq must deposit or have his or her broker deposit the Class A ordinary shares with the depository's Hong Kong custodian, JPMorgan Chase Bank, N.A., Hong Kong Branch, or the custodian, in exchange for ADSs.

A deposit of Class A ordinary shares trading in Hong Kong in exchange for ADSs involves the following procedures:

- If Class A ordinary shares have been deposited with CCASS, the investor must transfer Class A ordinary shares to the depository's account with the custodian within CCASS by following the CCASS procedures for transfer and submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.
- If Class A ordinary shares are held outside CCASS, the investor must arrange to deposit his or her Class A ordinary shares into CCASS for delivery to the depository's account with the custodian within CCASS, submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.
- Upon payment of its fees and expenses, payment or net of the Depository's fees and expenses, and payment of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depository will issue the corresponding number of ADSs in the name(s) requested by an investor and will deliver the ADSs to the designated DTC account of the person(s) designated by an investor or his or her broker if such ADSs are to be held in book-entry form through DTC's "Direct Registration System."

For Class A ordinary shares deposited in CCASS, under normal circumstances, the above steps generally require two business days. For Class A ordinary shares held outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. Temporary delays may arise. For example, the transfer books of the depository may from time to time be closed to ADS issuances. The investor will be unable to trade the ADSs until the procedures are completed.

Converting ADSs to Class A ordinary shares trading in Hong Kong

An investor who holds ADSs and who intends to convert his/her ADSs into Class A ordinary shares to trade on the Hong Kong Stock Exchange must cancel the ADSs the investor holds and withdraw Class A ordinary shares from our ADS program and cause his or her broker or other financial institution to trade such Class A ordinary shares on the Hong Kong Stock Exchange.

An investor that holds ADSs indirectly through a broker should follow the broker's procedure and instruct the broker to arrange for cancellation of the ADSs, and transfer of the underlying Class A ordinary shares from the depositary's account with the custodian within the CCASS system to the investor's Hong Kong stock account.

For investors holding ADSs directly, the following steps must be taken:

- To withdraw Class A ordinary shares from our ADS program, an investor who holds ADSs may turn in such ADSs at the office of the depositary (and the applicable ADR(s) if the ADSs are held in certificated form), and send an instruction to cancel such ADSs to the depositary.
- Upon payment or net of its fees and expenses, payment of CCASS' fees and expenses, and payment of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depositary will instruct the custodian to deliver Class A ordinary shares underlying the canceled ADSs to the CCASS account designated by an investor.
- If an investor prefers to receive Class A ordinary shares outside CCASS, he or she must receive ordinary shares in CCASS first and then arrange for withdrawal from CCASS. Investors can then obtain a transfer form signed by HKSCC Nominees Limited (as the transferor) and register Class A ordinary shares in their own names with the Hong Kong share registrar.

For Class A ordinary shares to be received in CCASS, under normal circumstances, the above steps generally require two business days. For Class A ordinary shares to be received outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. The investor will be unable to trade the Class A ordinary shares on the Hong Kong Stock Exchange until the procedures are completed.

Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS cancellations. In addition, completion of the above steps and procedures is subject to there being a sufficient number of Class A ordinary shares on the Hong Kong share register to facilitate a withdrawal from the ADS program directly into the CCASS system. We are not under any obligation to maintain or increase the number of Class A ordinary shares on the Hong Kong share register to facilitate such withdrawals.

Depositary requirements

Before the depositary issues ADSs or permits withdrawal of Class A ordinary shares, the depositary may require:

- payment of all amounts required pursuant to the deposit agreement, including the issuance and cancellation fees therein, any stock transfer or other tax or other governmental charges and any stock transfer or registration fees in effect;
- production of satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with procedures it may establish, from time to time, consistent with the deposit agreement, including, but not limited to, presentation of transfer documents.

The depositary may refuse to deliver, transfer, or register issuances, transfers and cancellations of ADSs generally when the transfer books of the depositary or our Hong Kong share registrar are closed or at any time if the depositary or we determine it advisable to do so.

All costs attributable to the transfer of Class A ordinary shares to effect a withdrawal from or deposit of Class A ordinary shares into our ADS program will be borne by the investor requesting the transfer. In particular, holders of Class A ordinary shares and ADSs should note that the Hong Kong share registrar will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the Hong Kong Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong. In addition, holders of ordinary shares and ADSs must pay up to US\$5.00 (or less) per 100 ADSs for each issuance of ADSs and each cancellation of ADSs, as the case may be, in connection with the deposit of Class A ordinary shares into, or withdrawal of Class A ordinary shares from, our ADS program.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

See “Item 10. Additional Information—B. Memorandum and Articles of Association—Ordinary Shares” for a description of the rights of securities holders.

Item 15. Controls and Procedures

Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of management, including the principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this annual report on Form 20-F. Based upon that evaluation, the principal executive officer and principal financial officer concluded that our company’s disclosure controls and procedures are effective.

Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934, as amended). Our management evaluated the effectiveness of our internal control over financial reporting based on criteria established in the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2023.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness of our internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Attestation Report of the Independent Registered Public Accounting Firm

PricewaterhouseCoopers Zhong Tian LLP has audited the effectiveness of our internal control over financial reporting as of December 31, 2023 as stated in its report, which appears on page F-2 of this annual report on Form 20-F.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the year ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Mr. Pochin Christopher Lu, an independent director (under the standards set forth in Nasdaq Listing Rule 5605(a)(2) and Rule 10A-3 under the Exchange Act) and member of our audit committee, is an audit committee financial expert.

Item 16B. Code of Ethics

We have adopted a Code of Business Conduct and Ethics which applies to our directors, officers and employees, including our principal executive officer and principal financial officer. We have posted the code on our corporate website <http://ir.weibo.com>.

Item 16C. Principal Accountant Fees and Services

The following table sets forth the aggregate fees billed by PricewaterhouseCoopers Zhong Tian LLP and its affiliates, our independent auditor and principal accountant for the years ended December 31, 2022 and 2023:

	2022	2023
	(in US\$)	
Audit Fees ⁽¹⁾	1,827,556	1,722,373
Audit Related Fees ⁽²⁾	37,145	409,634

(1) "Audit fees" means the aggregate fees billed in each of the fiscal years listed for professional services rendered by our principal auditors for the audit of our annual financial statements and assistance with and review of documents filed with the SEC.

(2) "Audit-related fees" primarily consists of fees related to other audit-related services.

The policy of the Audit Committee is to pre-approve all audit and non-audit services provided by PricewaterhouseCoopers Zhong Tian LLP, including audit services, audit-related services, tax services and other services as described above, other than those for de minimis services which are approved by the audit committee prior to the completion of the audit. After receiving submissions from the management, the audit committee review and, in its sole discretion, pre-approve all audit and non-audit services. Pre-approval will be made by the audit committee or by one or more members of the audit committee as shall be designated by the audit committee or the chairperson of the audit committee. The person(s) granting such pre-approval shall report it to the audit committee at the next scheduled meeting.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant's Certifying Accountant

None.

Item 16G. Corporate Governance

Because SINA owns more than 50% of the total voting power of our ordinary shares, we are a "controlled company" under The Nasdaq Stock Market Marketplace Rules, or The Nasdaq Rules. We rely on certain exemptions that are available to controlled companies from the Nasdaq corporate governance requirements, including the requirements:

- that our director nominees must be selected or recommended solely by independent directors; and
- that we have a corporate governance and nominating committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

In addition, as a foreign private issuer whose securities are listed on The Nasdaq Global Select Market, we are permitted to follow certain home country corporate governance practices in lieu of the requirements of The Nasdaq Rules pursuant to Nasdaq Rule 5615(a)(3), which provides for such exemption to compliance with The Nasdaq Rule 5600 Series. We rely on the exemption available to foreign private issuers for the requirements:

- that the board of directors be comprised of a majority of independent directors under Nasdaq Rule 5605(b)(1);
- that an audit committee be comprised of at least three members under Nasdaq Rule 5605(c)(2)(A); and
- the requirements that shareholder approval be required prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants under Nasdaq Rule 5635(c).

We are not required to and will not voluntarily meet these requirements. As a result of our use of the “controlled company” and “foreign private issuer” exemptions, our investors will not have the same protection afforded to shareholders of companies that are subject to all of Nasdaq’s corporate governance requirements.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

Not applicable.

Item 16K. Cybersecurity

Risk Management and Strategy

We have implemented robust processes for assessing, identifying and managing material risks from cybersecurity threats and monitoring the prevention, detection, mitigation and remediation of material cybersecurity incident. We have also integrated cybersecurity risk management into our overall enterprise risk management system.

We have developed a comprehensive cybersecurity threat defense system to address both internal and external threats. This system encompasses various levels, including network, host and application security and incorporates systematic security capabilities for threat defense, monitoring, analysis, response, deception and countermeasures. We strive to manage cybersecurity risks and protect sensitive information through various means, such as technical safeguards, procedural requirements, an intensive program of monitoring on our corporate network, continuous testing of aspects of our security posture internally and with outside vendors, a robust incident response program and regular cybersecurity awareness training for employees. Our IT department regularly monitors the performance of our apps, platforms and infrastructure to enable us to respond quickly to potential problems, including potential cybersecurity threats.

As of the date of this annual report, we have not experienced any material cybersecurity incidents or identified any material cybersecurity threats that have affected or are reasonably likely to materially affect us, our business strategy, results of operations or financial condition.

Governance

Our board of directors is responsible for overseeing the cybersecurity risk management and be informed on risks from cybersecurity threats.

The chief executive officer, the chief financial officer, and the principal officer in charge of the cybersecurity matters are responsible for discussing material cybersecurity incidents or threats with specific constituencies before sign-off, ensuring thorough review of information and disclosures. This involves our disclosure committee (comprising of the principal accounting officer or the head of financial reporting, the head of the legal department, the principal investor relations officer, the principal officer in charge of cybersecurity matters, and appropriate business unit heads of our company, as adjusted from time to time by the then incumbent committee members), as a whole, and the executive directors of our company; and other members of senior management and external legal counsel, to the extent appropriate. The chief executive officer, the chief financial officer, and the principal officer in charge of the cybersecurity matters are also responsible for assessing, identifying and managing material risks from cybersecurity threats to our company and monitoring the prevention, detection, mitigation and remediation of material cybersecurity incident, maintaining oversight of the disclosure in Form 6-K for material cybersecurity incidents (if any) and meeting with the disclosure committee (i) in connection with each current report to furnish information concerning any material cybersecurity incident, report the status of any material cybersecurity incidents or material risks from cybersecurity threats to our company, if any, and the relevant disclosure issues and (ii) in connection with each annual report, present the disclosure concerning cybersecurity matters in Form 20-F, along with a report highlighting particular disclosure issues, if any, and hold a Q&A session. Our board of directors is responsible for maintaining oversight of the disclosure related to cybersecurity matters in the periodic reports of our company.

Our Chief Operating Officer currently serves as the principal officer in charge of the cybersecurity matters of our company, who holds the certificate a Certified Information Systems Auditor and has over 20 years of experience in the fields of IT and cybersecurity.

PART III

Item 17. Financial Statements

We have elected to provide financial statements pursuant to Item 18.

Item 18. Financial Statements

The consolidated financial statements of Weibo Corporation, its subsidiaries, the VIEs and the VIEs' direct and indirect subsidiaries are included at the end of this annual report.

Item 19. Exhibits

Exhibit Number	Description
1.1*	Fourth Amended and Restated Memorandum and Articles of Association of the Registrant.
2.1	The Registrant's Specimen American Depositary Receipt (included in Exhibit 2.3 hereto, which was filed as Exhibit 4.3 to the registration statement on Form S-8, Registration No. 333-199022, filed on September 30, 2014 and incorporated herein by reference).
2.2	Registrant's Specimen Certificate for Class A Ordinary Shares (Filed as Exhibit 4.1 to the Registrant's current report on Form 6-K (File No. 001-36397), filed on December 1, 2021, and incorporated herein by reference).
2.3	Amended and Restated Deposit Agreement, dated as of August 10, 2020, among the Registrant, the depository and holder of the American Depositary Receipts (Filed as Exhibit 2.3 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
2.4	Indenture, dated as of July 5, 2019, between Weibo Corporation and Deutsche Bank Trust Company Americas, as trustee (Filed as Exhibit 4.1 to the Registrant's current report on Form 6-K (File No. 001-36397), filed on July 5, 2019, and incorporated herein by reference).
2.5	First supplemental indenture, dated as of July 5, 2019, between Weibo Corporation and Deutsche Bank Trust Company Americas, as trustee (Filed as Exhibit 4.2 to the Registrant's current report on Form 6-K (File No. 001-36397), filed on July 5, 2019, and incorporated herein by reference).
2.6	Second Supplemental Indenture, dated as of July 8, 2020, between Weibo Corporation and Deutsche Bank Trust Company Americas, as trustee (Filed as Exhibit 4.1 to the Registrant's current report on Form 6-K (File No. 001-36397), filed on July 8, 2020, and incorporated herein by reference).
2.7*	Indenture, dated as of December 4, 2023, by and between Weibo Corporation and Citicorp International Limited, as trustee.
2.8*	Description of the registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.
4.1	2014 Share Incentive Plan (Filed as Exhibit 10.2 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.2	2023 Share Incentive Plan (Filed as Exhibit 4.3 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 27, 2023, and incorporated herein by reference).
4.3	Form of Indemnification Agreement with the Registrant's directors (Filed as Exhibit 10.3 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).

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Exhibit Number	Description
4.4	Form of Employment Agreement between the Registrant and an executive officer of the Registrant (Filed as Exhibit 10.4 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.5	Master Transaction Agreement between Sina Corporation and Weibo Corporation (Filed as Exhibit 10.5 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.7	Non-Competition Agreement between Sina Corporation and Weibo Corporation (Filed as Exhibit 10.7 to the Registrant's Registration Statement on Form F-1 Registration, No. 333-194589, filed on March 14 2014, as amended, and incorporated herein by reference).
4.8	Sales and Marketing Services Agreement between Sina Corporation and Weibo Corporation (Filed as Exhibit 10.8 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.9	Intellectual Property License Agreement between Sina Corporation and Weibo Corporation (Filed as Exhibit 10.9 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.11	Amended and Restated Shareholders' Agreement between Sina Corporation, Ali WB Investment Holding Limited and Weibo Corporation (Filed as Exhibit 10.11 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.12	Voting Agreement between Sina Corporation and Ali WB Investment Holding Limited dated April 24, 2014 (incorporated herein by reference to Exhibit 4.12 to the Registrant's annual report on Form 20-F (File No. 001-36397) filed with the Securities and Exchange Commission on April 28, 2015).
4.13	Registration Rights Agreement between Sina Corporation, Ali WB Investment Holding Limited and Weibo Corporation (Filed as Exhibit 10.13 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.14	English Translation of the Loan Agreement between our wholly owned subsidiary and individual shareholders of Weimeng (Filed as Exhibit 4.14 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 26, 2018 and incorporated herein by reference).
4.15	English Translation of the Loan Repayment Agreement between our wholly owned subsidiary and individual shareholders of Weimeng (Filed as Exhibit 4.15 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 26, 2018 and incorporated herein by reference).
4.16	English Translation of the Share Transfer Agreement between our wholly owned subsidiary and individual shareholders of Weimeng (Filed as Exhibit 4.16 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 26, 2018 and incorporated herein by reference).
4.17	English Translation of the Agreement on Authorization to Exercise Shareholder's Voting Power between our wholly owned subsidiary and individual shareholders of Weimeng (Filed as Exhibit 4.17 to the Registrant's annual report on Form 20-F, Registration No. 001-36397 filed on April 26 2018 and incorporated herein by reference).
4.18	English Translation of the Share Pledge Agreement between our wholly owned subsidiary and individual shareholders of Weimeng (Filed as Exhibit 4.18 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 26, 2018 and incorporated herein by reference).

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Exhibit Number	Description
4.19	English Translation of the Exclusive Technical Services Agreement between our wholly owned subsidiary and Weimeng (Filed as Exhibit 10.19 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.20	English Translation of the Exclusive Sales Agency Agreement between our wholly owned subsidiary and Weimeng. (Filed as Exhibit 10.20 to the Registrant's Registration Statement on Form F-1, Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.21	English Translation of the Trademark License Agreement between our wholly owned subsidiary and Weimeng. (Filed as Exhibit 10.21 to the Registrant's Registration Statement on Form F-1 Registration No. 333-194589, filed on March 14, 2014, as amended, and incorporated herein by reference).
4.22	English Translation of the Loan Agreement between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.22 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.23	English Translation of the Loan Agreement between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.23 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.24	English Translation of the Loan Repayment Agreement between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.24 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.25	English Translation of the Equity Transfer Agreement between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.25 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.26	English Translation of the Agreement on Authorization to Exercise Shareholder's Voting Power between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.26 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.27	English Translation of the Equity Pledge Agreement between our wholly owned subsidiary and individual shareholders of Weimeng Chuangke (Filed as Exhibit 4.27 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.28	English Translation of the Exclusive Technical Services Agreement between our wholly owned subsidiary and Weimeng Chuangke (Filed as Exhibit 4.28 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.29	English Translation of the Exclusive Sales Agency Agreement between our wholly owned subsidiary and Weimeng Chuangke (Filed as Exhibit 4.29 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22 2021, and incorporated herein by reference).
4.30	English Translation of the Trademark License Agreement between our wholly owned subsidiary and Weimeng Chuangke (Filed as Exhibit 4.30 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).
4.31	English Translation of Spousal Consent Letter signed by each spouse of the shareholders of Weimeng Chuangke (Filed as Exhibit 4.31 to the Registrant's annual report on Form 20-F, Registration No. 001-36397, filed on April 22, 2021, and incorporated herein by reference).

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Exhibit Number	Description
4.32	Facilities Agreement relating to US\$900,000,000 term loan facility and US\$300,000,000 revolving loan facility, dated as of August 22, 2022, between the Registrant and the other parties thereto (Filed as Exhibit 4.33 to the Registrant’s annual report on Form 20-F, Registration No. 001-36397, filed on April 27, 2023, and incorporated herein by reference).
4.33*	ADS Lending Agreement, dated as of November 30, 2023, between the Registrant and Goldman Sachs International, as amended.
8.1*	List of Significant Subsidiaries and Principal Variable Interest Entities.
11.1	Code of Business Conduct and Ethics (incorporated by reference to Exhibit 99.1 to the Registrant’s Registration Statement on Form F-1, File No. 333-194589, filed on March 14, 2014, as amended and incorporated herein by reference).
12.1*	Certificate of principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Certificate of principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1**	Certificate of principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2**	Certificate of principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1*	Consent of Maples and Calder (Hong Kong) LLP.
15.2*	Consent of Kewei Law Firm.
15.3*	Consent of PricewaterhouseCoopers Zhong Tian LLP.
97.1*	Clawback Policy of the Registrant.
101.INS*	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document—the cover page XBRL tags are embedded within the Exhibit 101 Inline XBRL.
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Filed herewith.

** Furnished herewith.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Weibo Corporation

By: /s/ Gaofei Wang

Name: Gaofei Wang

Title: Director and Chief Executive
Officer

Date: April 25, 2024

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Weibo Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Weibo Corporation and its subsidiaries (the “Company”) as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, shareholders’ equity and cash flows for each of the three years in the period ended December 31, 2023, including the related notes (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control-Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control-Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Annual Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for credit losses – Loans to and interest receivable from a related party

As described in Notes 2 and 10 to the consolidated financial statements, the Company has loans to and interest receivable from a related party, net of allowance for credit losses, of US\$349.7 million as of December 31, 2023. Management estimated the allowance for credit losses on loans and interest receivable from other related parties not sharing similar risk characteristics on an individual basis. The significant assumptions used by management when determining the above allowances for credit losses related to the fair values of the assets of the borrowers.

The principal considerations for our determination that performing procedures relating to the allowance for credit losses on loans to and interest receivable from a related party is a critical audit matter are (i) the significant judgment by management when developing the allowance for credit losses on loans to and interest receivable from a related party; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to the fair values of the assets of the borrowers; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the allowance for credit losses on loans to and interest receivable from a related party. These procedures also included, among others, (i) testing management's process for determining the allowance for credit losses; (ii) evaluating the appropriateness of the valuation models used in the estimate; (iii) testing the completeness, accuracy and relevance of underlying data used in the models, including the borrowers' current financial condition; and (iv) evaluating the reasonableness of the fair values of the assets of the borrowers. Professionals with specialized skill and knowledge were also used to assist in evaluating the reasonableness of valuation models and the reasonableness of the fair values of the assets of the borrowers.

Interim Goodwill Impairment Assessments

As described in Notes 2 and 6 to the consolidated financial statements, the Company's goodwill balance was US\$166.4 million as of December 31, 2023, and the goodwill associated with the advertising and marketing services and value-added services reporting units was US\$74.8 million and US\$91.6 million, respectively. Management conducts an impairment test at the end of each year, or more frequently if events or circumstances indicate that the carrying value of goodwill may be impaired. Potential impairment is identified by comparing the fair value of a reporting unit to its carrying value, including goodwill. As a result of a sustained decrease in the Company's stock price, management performed interim impairment tests as of June 30, 2023, in addition to the annual test. Fair value is estimated by management using the income approach. Management's income approach for the advertising and marketing services and value-added services reporting units included significant judgments and assumptions related to the revenue growth rates and the discount rates.

The principal considerations for our determination that performing procedures relating to the interim goodwill impairment assessments of the advertising and marketing services and value-added services reporting units is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the advertising and marketing services and value-added services reporting units; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to the revenue growth rates and the discount rates; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessments, including controls over the valuation of the advertising and marketing services and value-added services reporting units. These procedures also included, among others (i) testing management's process for developing the fair value estimate of the advertising and marketing services and value-added services reporting units; (ii) evaluating the appropriateness of the income approach used by management; (iii) testing the completeness, accuracy and relevance of underlying data used in the income approach; and (iv) evaluating the reasonableness of the significant assumptions used by management related to the revenue growth rates and the discount rates. Evaluating management's assumptions related to the revenue growth rates and the discount rates involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the advertising and marketing services and value-added services reporting units; (ii) the consistency with external market and industry data; and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating the reasonableness of the valuation model and the discount rates.

/s/PricewaterhouseCoopers Zhong Tian LLP
Beijing, the People's Republic of China
April 25, 2024

We have served as the Company's auditor since 2013.

WEIBO CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars, except number of shares and par value)

	Notes	As of December 31,	
		2022	2023
ASSETS			
Current assets:			
Cash and cash equivalents	3	\$ 2,690,768	\$ 2,584,635
Short-term investments	3	480,428	641,035
Accounts receivable due from third parties, net of allowances of US\$37,625 and US\$54,557 as of December 31, 2022 and 2023, respectively	8	378,500	341,486
Accounts receivable due from Alibaba, net of allowances of nil and nil as of December 31, 2022 and 2023, respectively	8&10	75,347	61,094
Accounts receivable due from other related parties, net of allowances of US\$555 and nil as of December 31, 2022 and 2023, respectively	8&10	48,596	38,188
Prepaid expenses and other current assets (including loans to and interest receivable from other related parties of US\$110,000 and US\$100,000 as of December 31, 2022 and 2023, respectively)	8&10	391,502	359,881
Amount due from SINA	10	487,117	486,397
Total current assets		4,552,258	4,512,716
Property and equipment, net	8	249,553	220,663
Operating lease assets	5	190,368	170,266
Intangible assets, net	6	125,072	134,129
Goodwill	6	120,151	166,436
Long-term investments	4	993,630	1,320,386
Other non-current assets (including loans to and interest receivable from a related party of US\$454,912 and US\$349,716 as of December 31, 2022 and 2023, respectively)	8&10	898,422	755,762
Total assets		\$ 7,129,454	\$ 7,280,358
LIABILITIES, REDEEMABLE NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY			
Current liabilities (including amounts of the consolidated VIEs without recourse to the primary beneficiary of US\$575,057 and US\$576,394 as of December 31, 2022 and 2023, respectively) :			
Accounts payable		\$ 161,029	\$ 161,493
Accrued and other liabilities	8	913,984	656,445
Operating lease liability, short-term	5	9,694	10,388
Income taxes payable		55,282	94,507
Deferred revenues		79,949	75,187
Unsecured senior notes	15	—	799,325
Total current liabilities		1,219,938	1,797,345
Long-term liabilities			
Convertible senior notes	15	—	317,625
Unsecured senior notes	15	1,540,717	743,695
Long-term loans	15	880,855	791,647
Deferred tax liability	9	41,694	66,151
Operating lease liability, long-term	5	55,710	42,857
Other non-current liabilities		—	3,422
Total long-term liabilities		2,518,976	1,965,397
Total liabilities		3,738,914	3,762,742
Commitments and contingencies	16		
Redeemable non-controlling interests	17	45,795	68,728
Shareholders' equity:			
Ordinary shares: US\$0.00025 par value; 2,400,000 and 2,400,000 shares (including 1,800,000 Class A ordinary shares, 200,000 Class B ordinary shares and 400,000 shares to be designated) authorized as of December 31, 2022 and 2023, respectively; 237,242 shares (including 142,417 Class A ordinary shares and 94,825 Class B ordinary shares) issued and 234,186 shares outstanding as of December 31, 2022; and 242,611 shares (including 154,789 Class A ordinary shares and 87,822 Class B ordinary shares) issued and outstanding as of December 31, 2023.		59	61
Treasury stock (3,056 and nil shares as of December 31, 2022 and 2023, respectively)		(57,682)	—
Additional paid-in capital		1,445,519	1,428,935
Accumulated other comprehensive loss		(102,740)	(217,817)
Retained earnings		2,045,094	2,187,556
Total Weibo shareholders' equity		3,330,250	3,398,735
Non-controlling interests		14,495	50,153
Total shareholders' equity		3,344,745	3,448,888
Total liabilities, redeemable non-controlling interests and shareholders' equity		\$ 7,129,454	\$ 7,280,358

The accompanying notes are an integral part of these consolidated financial statements.

WEIBO CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars, except per share data)

	Notes	Year Ended December 31,		
		2021	2022	2023
Revenues:				
Advertising and marketing revenues				
Third parties		\$ 1,633,242	\$ 1,392,723	\$ 1,344,354
Alibaba	10	181,241	107,197	111,608
SINA	10	96,359	56,206	45,319
Other related parties	10	69,953	40,524	32,733
		1,980,795	1,596,650	1,534,014
Value-added services revenues		276,288	239,682	225,822
Total revenues		2,257,083	1,836,332	1,759,836
Costs and Expenses				
Cost of revenues				
Sales and marketing		591,682	477,107	461,421
Product development		430,673	415,190	333,628
General and administrative		133,475	52,806	117,574
Impairment of intangible assets		—	10,176	—
Total costs and expenses		1,559,671	1,355,864	1,286,902
Income from operations		697,412	480,468	472,934
Income (loss) from equity method investments		14,217	(24,069)	13,392
Realized gain (loss) from investments		3,243	1,591	(766)
Fair value changes through earnings on investments, net		(72,787)	(243,619)	43,002
Investment-related impairment and provision		(106,800)	(71,081)	(23,642)
Interest income		77,280	105,434	118,209
Interest expense		(71,006)	(71,598)	(120,070)
Other income (loss), net		9,159	(49,040)	(277)
Income before income tax expenses		550,718	128,086	502,782
Less: income tax expenses	9	138,841	30,277	145,287
Net income		411,877	97,809	357,495
Less: Net income (loss) attributable to non-controlling interests and redeemable non-controlling interests		(16,442)	12,254	2,095
Accretion to redeemable non-controlling interests		—	—	12,802
Net income attributable to Weibo's shareholders		\$ 428,319	\$ 85,555	\$ 342,598
Net income		\$ 411,877	\$ 97,809	\$ 357,495
Other comprehensive income (loss)				
Currency translation adjustments (for which there were no taxes)				
		78,196	(261,729)	(114,683)
Total comprehensive income (loss)		490,073	(163,920)	242,812
Less: comprehensive income (loss) attributable to non-controlling interests and redeemable non-controlling interests		(15,652)	10,197	15,291
Comprehensive income (loss) attributable to Weibo's shareholders		\$ 505,725	\$ (174,117)	\$ 227,521
Shares used in computing net income per share attributable to Weibo's shareholders:				
Basic	12	228,814	235,164	235,560
Diluted	12	230,206	236,407	239,974
Income per share:				
Basic	12	\$ 1.87	\$ 0.36	\$ 1.45
Diluted	12	\$ 1.86	\$ 0.36	\$ 1.43

The accompanying notes are an integral part of these consolidated financial statements.

WEIBO CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands of U.S. dollars)

		Ordinary Shares		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Non- controlling Interests	Total Shareholders' Equity
	Note	Shares	Amount	Shares	Amount					
Balance at December 31, 2020		227,688	\$ 57	—	—	\$ 1,201,622	\$ 79,526	\$ 1,531,220	\$ 16,191	\$ 2,828,616
Issuance of ordinary shares pursuant to stock plan		1,715	1	—	—	1,312	—	—	—	1,313
Issuance of shares-global offering, net of issuance costs	18	5,500	1	—	—	178,739	—	—	—	178,740
Shares lent to underwriters for settlement of over-allocations	18	1,650	—	—	—	—	—	—	—	—
Non-cash stock-based compensation		—	—	—	—	95,896	—	—	—	95,896
Compensation cost to non-controlling interest shareholders		—	—	—	—	—	—	—	3,215	3,215
Disposal of subsidiaries with non-controlling interests		—	—	—	—	(278)	—	—	12	(266)
Acquisition of a subsidiary with non-controlling interests		—	—	—	—	—	—	—	10,811	10,811
Net income (loss) before accretion to redeemable non-controlling interests		—	—	—	—	—	—	428,319	(16,442)	411,877
Net loss attributable to redeemable non-controlling interests		—	—	—	—	—	—	—	13,000	13,000
Currency translation adjustments		—	—	—	—	—	77,406	—	790	78,196
Balance at December 31, 2021		236,553	59	—	—	1,477,291	156,932	1,959,539	27,577	3,621,398
Issuance of ordinary shares pursuant to stock plan		2,339	—	—	—	—	—	—	—	—
Shares returned from underwriters for settlement of over-allocations	18	(1,650)	—	—	—	—	—	—	—	—
Repurchase of American depositary shares ("ADSs")		—	—	(3,056)	(57,682)	—	—	—	—	(57,682)
Non-cash stock-based compensation		—	—	—	—	119,006	—	—	—	119,006
Compensation cost to non-controlling interest shareholders		—	—	—	—	—	—	—	1,368	1,368
Reversal of compensation cost to non-controlling interest shareholders	17	—	—	—	—	—	—	—	(4,274)	(4,274)
Contribution from non-controlling interest shareholders		—	—	—	—	8,520	—	—	(25,535)	(17,015)
Purchase of a subsidiary's shares from non-controlling shareholders		—	—	—	—	(270)	—	—	(5,136)	(5,406)
Acquisition of Sina.com Technology (China) Co., Ltd ("STC")		—	—	—	—	(159,028)	—	—	—	(159,028)
Net income before accretion to redeemable non-controlling interests		—	—	—	—	—	—	85,555	12,254	97,809
Net loss attributable to redeemable non-controlling interests		—	—	—	—	—	—	—	10,298	10,298
Currency translation adjustments		—	—	—	—	—	(259,672)	—	(2,057)	(261,729)
Balance at December 31, 2022		237,242	59	(3,056)	(57,682)	1,445,519	(102,740)	2,045,094	14,495	3,344,745
Issuance of ordinary shares pursuant to stock plan		2,191	1	—	—	—	—	—	—	1
Retirement of repurchased American depositary shares ("ADSs")		(3,056)	(1)	3,056	57,682	(57,681)	—	—	—	—
ADS lending arrangement in connection with issuance of convertible senior notes	15	6,234	2	—	—	2,000	—	—	—	2,002
Non-cash stock-based compensation		—	—	—	—	107,883	—	—	—	107,883
Net income before accretion to redeemable non-controlling interests		—	—	—	—	—	—	342,598	2,095	344,693
Changes due to investment in INMYSHOW		—	—	—	—	(71,695)	—	—	—	(71,695)
Contribution from non-controlling interest shareholders		—	—	—	—	3,869	—	—	—	3,869
Purchase of a subsidiary's shares from non-controlling shareholders		—	—	—	—	(960)	—	—	(3,902)	(4,862)
Acquisition of a subsidiary with non-controlling interests		—	—	—	—	—	—	—	37,071	37,071
Dividends to shareholders	19	—	—	—	—	—	—	(200,136)	—	(200,136)
Currency translation adjustments		—	—	—	—	—	(115,077)	—	394	(114,683)
Balance at December 31, 2023		242,611	61	—	—	1,428,935	(217,817)	2,187,556	50,153	3,448,888

The accompanying notes are an integral part of these consolidated financial statements.

WEIBO CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

	Year Ended December 31,		
	2021	2022	2023
Cash flows from operating activities:			
Net income	\$ 411,877	\$ 97,809	\$ 357,495
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	55,008	54,694	58,509
Stock-based compensation	87,996	111,713	101,131
Amortization of operating lease assets	6,224	11,461	13,792
Non-cash compensation cost to non-controlling interest shareholders	23,246	(20,638)	11,541
Provision of allowance for credit losses	19,702	4,440	19,092
Deferred income taxes	(12,478)	(24,821)	24,038
Foreign currency exchange loss	—	66,975	9,142
(Income) loss from equity method investments	(14,217)	24,069	(13,392)
Dividend received from equity method investments	11,695	5,772	771
(Gain) loss on sale of investments	(3,243)	(1,591)	766
Fair value changes through earnings on investments, net	72,787	243,619	(43,002)
Investment-related impairment and provision	106,800	71,081	23,642
Impairment of intangible assets	—	10,176	—
Gain on disposal of property and equipment	(172)	(240)	(444)
Amortization of issuance cost of convertible senior notes, unsecured senior notes and long-term loans	6,445	6,273	8,287
Changes in assets and liabilities:			
Accounts receivable due from third parties	(273,728)	159,365	7,291
Accounts receivable due from Alibaba	49,003	10,162	12,321
Accounts receivable due from other related parties	(5,872)	(3,031)	9,491
Prepaid expenses and other current assets	2,589	(20,686)	6,157
Other non-current assets	(14,512)	(27,980)	(13,156)
Accounts payable	41,809	(35,481)	19,665
Accrued and other liabilities	274,803	(38,058)	(197)
Amount due from SINA	(7,787)	(47,303)	30,741
Deferred revenues	(56,181)	(3,925)	(1,905)
Operating lease liabilities	(6,684)	(10,128)	(9,612)
Income taxes payable	38,910	(79,623)	40,656
Net cash provided by operating activities	<u>814,020</u>	<u>564,104</u>	<u>672,820</u>
Cash flows from investing activities:			
Purchases of bank time deposits and wealth management products	(1,170,070)	(629,889)	(755,315)
Maturities of bank time deposits and wealth management products	2,040,599	859,075	585,466
Investment in and prepayment on long-term investments	(1,593,880)	(193,784)	(602,740)
Proceeds from disposal of/refund of prepayment on long-term investments	447,381	141,806	347,766
Proceeds from disposal of property and equipment	383	269	463
Purchases of property and equipment	(35,094)	(43,136)	(36,772)
Prepayment for purchase of SINA Plaza	(132,531)	(153,572)	—
Loans to SINA	(978,162)	(1,261,880)	(1,105,747)
Repayment of loans by SINA	1,058,574	1,249,476	1,071,100
Cash received from (paid for) acquisitions, net of cash acquired	(61,160)	939	(243,385)
Prepayment to agent for share repurchase	—	(2,318)	—
Return of prepayment to agent for share repurchase	—	—	2,318
Net cash used in investing activities	<u>(423,960)</u>	<u>(33,014)</u>	<u>(736,846)</u>
Cash flows from financing activities:			
Proceeds from employee options exercised	1,313	—	1
Payments for share repurchases	—	(57,682)	—
Cash received from (paid for) global offering, net of issuance costs	188,129	(8,414)	—
Proceeds from long-term loans, net of issuance costs	—	880,353	4,982
Repayment of convertible senior notes	—	(899,992)	—
Repayment of long-term loans	—	—	(100,000)
Proceeds from convertible senior notes, net of issuance costs	—	—	321,707
Proceeds from ADS lending arrangement in connection with issuance of convertible senior notes	—	—	2
Purchase of a subsidiary's shares from non-controlling shareholders	—	(5,406)	(4,871)
Dividends paid to shareholders	—	—	(200,131)
Net cash provided by (used in) financing activities	<u>189,442</u>	<u>(91,141)</u>	<u>21,690</u>
Effect of exchange rate changes on cash and cash equivalents	29,357	(172,884)	(63,797)
Net increase (decrease) in cash and cash equivalents	608,859	267,065	(106,133)
Cash and cash equivalents at the beginning of the year	1,814,844	2,423,703	2,690,768
Cash and cash equivalents at the end of the year	<u>\$ 2,423,703</u>	<u>\$ 2,690,768</u>	<u>\$ 2,584,635</u>
Supplemental disclosures of cash flow information:			
Cash paid for interest expenses on convertible senior notes, unsecured senior notes and long-term loans	\$ (37,906)	\$ (64,562)	\$ (111,231)
Cash paid for income taxes	\$ (111,260)	\$ (135,055)	\$ (79,476)
Non-cash investing and financing activities			
Property and equipment in accounts payable	\$ 5,520	\$ 17,641	\$ 4,179
Unpaid consideration for acquisition of STC	\$ —	\$ 218,402	\$ —
Unpaid consideration for other acquisitions	\$ 6,293	\$ 687	\$ 5,674

The accompanying notes are an integral part of these consolidated financial statements.

WEIBO CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Operations

Weibo Corporation (“Weibo” or the “Company”) is a leading social media platform in China for people to create, discover and distribute content. By providing a simple and inspirational way for people and organizations in China and the global Chinese communities to express themselves publicly in real time, interact with others on a platform with vast scale and stay connected with the world, Weibo has had a profound social impact in China. Launched in 2009, Weibo has been committed to enabling faster, easier, and richer connection among people and has become an integral part of many of Weibo users’ daily lives.

Incorporated in the Cayman Islands, Weibo Corporation is a controlled subsidiary of Sina Corporation (the “Parent” or “SINA”). In April 2014, the Company completed an initial public offering (the “IPO”) and received US\$306.5 million in net proceeds. Immediately prior to the completion of the IPO, all the ordinary shares held by SINA were converted into an equal number of the Class B ordinary shares, all the ordinary shares held by other shareholders converted into an equal number of the Class A ordinary shares, and all of its outstanding preferred shares automatically converted into Class A ordinary shares. Each Class A ordinary share is entitled to one vote per share and each Class B ordinary share is entitled to three votes per share. Each Class B ordinary share can be converted into one Class A ordinary share at any time, while Class A ordinary shares cannot be converted into Class B ordinary shares.

In December 2021, the Company successfully listed its Class A ordinary shares on the main board of the Hong Kong Stock Exchange. Net proceeds from the offering, after deducting estimated underwriting fees and other offering expenses, were approximately US\$178.4 million.

Weibo Corporation is an exempted company with limited liability under the laws of the Cayman Islands. WB Online and Weibo HK are wholly owned subsidiaries of the Company, and Weibo Technology, a wholly foreign-owned enterprise, (“the WFOE”), is a subsidiary of Weibo HK. The operation of Weibo business is carried out by various subsidiaries and variable interest entities (“VIE”) of the Company. The Company’s VIEs and VIEs’ subsidiaries are controlled by the WFOE through a series of contractual agreements. Weibo Corporation, its subsidiaries, VIEs and VIEs’ subsidiaries together are referred to as “the Group”.

The following sets forth the Company’s major subsidiaries and major VIEs:

Company	Date of Incorporation	Place of Incorporation	Percentage of Direct/ Indirect Economic Interest
Major Subsidiaries			
Weibo Hong Kong Limited (“Weibo HK”)	July 19, 2010	Hong Kong	100 %
Weibo Internet Technology (China) Co., Ltd. (“Weibo Technology” or “the WFOE”)	October 11, 2010	PRC	100 %
WB Online Investment Limited (“WB Online”)	June 5, 2014	Cayman Islands	100 %
Hangzhou Weishichangmeng Advertising Co., Ltd. (“Weishichangmeng”)	September 25, 2018	PRC	100 %
Major VIEs			
Beijing Weimeng Technology Co., Ltd (“Weimeng”)	August 9, 2010	PRC	99 %
Beijing Weimeng Chuangke Investment Management Co., Ltd. (“Weimeng Chuangke”)	April 9, 2014	PRC	100 %

1. Operations (Continued)

Intellectual Property License Agreement

The intellectual property license agreement was entered into by and between SINA and the Company in April 2013. Under this agreement, SINA granted the Company and its subsidiaries a perpetual, worldwide, royalty-free, fully paid-up, non-sub licensable, non-transferable, limited, exclusive license of certain trademarks and a non-exclusive license of certain other intellectual property owned by SINA to make, sell, offer to sell and distribute products, services and applications on a microblogging and social networking platform. The Company granted SINA and its affiliates a non-exclusive, perpetual, worldwide, non-sub licensable, non-transferable limited license of certain of the Company's intellectual property to use, reproduce, modify, prepare derivative works of, perform, display or otherwise exploit such intellectual property. This agreement commenced on April 29, 2013 and will continue to be in effect unless and until terminated as provided in the agreement.

Transactions between SINA and Weibo

Accounts receivable directly related to the Group but for which SINA will receive payments and remit payments to the Group, as well as accounts receivable directly from SINA, are included in the amount due from SINA. Liabilities directly related to the Group but for which SINA will make payments and receive reimbursements from the Group, as well as liabilities directly to SINA, are included in the amount due to SINA. The amount due from/to SINA is presented as an offsetting balance on the Group's consolidated balance sheets. Loans from SINA are presented under cash flow from financing activities, whereas loans to SINA are presented under investing activities in the consolidated statements of cash flows. Cash payment for billings from SINA for costs and expenses allocated to the Group is presented under operating activities in the consolidated statements of cash flows. The Group's consolidated statements of comprehensive income contain all the related costs and expenses of the Weibo business, including allocation to the cost of revenues, sales and marketing expenses, product development expenses, and general and administrative expenses, which are incurred by SINA but related to the Weibo business. These allocations were based on proportional cost allocation by considering proportion of the revenues, infrastructure usage metrics and labor usage metrics, among other things, attributable to the Group and are made on a basis considered reasonable by mutual managements. Refer to Note 6 for information related to the acquisition of STC.

Total costs and expenses allocated from SINA were as follows:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Cost of revenues	\$ 14,749	\$ 17,255	\$ 12,313
Sales and marketing	3,319	1,953	—
Product development	10,083	12,192	6,850
General and administrative	10,119	15,778	17,320
	<u>\$ 38,270</u>	<u>\$ 47,178</u>	<u>\$ 36,483</u>

While the costs and expenses allocated to the Group for these items are not necessarily indicative of the costs and expenses that would have been incurred if the Group had transactions with independent third-party suppliers directly or hired more employees, the Company does not believe there would be any significant difference between the nature and amounts of these allocated costs and expenses and the ones that would have been incurred if the Group had transactions with independent third-party suppliers directly or hired more employees.

1. Operations (Continued)

Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, VIEs controlled by the WFOE through a series of contractual agreements, and VIEs' subsidiaries. All significant intercompany balances and transactions have been eliminated.

To comply with PRC laws and regulations, the Group provides a substantial amount of its services in China via the VIEs, which hold critical operating licenses that enable the Group to do business in China. Most of the Group's revenues, costs and expenses, and net income before intercompany transactions in China were generated directly or indirectly through the VIEs and VIEs' subsidiaries. The Company relies on contractual arrangements among its PRC subsidiaries, the VIEs and their shareholders to control the business operations of the VIEs and VIEs' subsidiaries and the Group has determined that Weibo Technology, the WFOE, is the primary beneficiary of the VIEs through its contractual arrangements with the VIEs. Accordingly, the Company has consolidated the results of operations and assets and liabilities of VIEs and VIEs' subsidiaries in the Group's financial statements pursuant to the United States Generally Accepted Accounting Principles ("US GAAP") for all the periods presented.

Shareholders of the VIEs are certain nominee shareholders from the Company or SINA. The capital for their investments in the VIEs is funded by the Company and recorded as interest-free loans to these individuals. These loans were eliminated with the capital of the VIEs during consolidation. Each shareholder of the VIEs has agreed to transfer their equity interest in the VIEs to Weibo Technology when permitted by PRC laws and regulations or to designees of the Company at any time for the amount of loans outstanding. All voting rights of the VIEs, including without limitation the right to appoint all directors of the VIEs, has been assigned to Weibo Technology. Weibo Technology has also entered into exclusive technical service agreements with the VIEs under which Weibo Technology provides technical and other services to the VIEs in exchange for substantially all net income of the VIEs. In addition, the shareholders of the VIEs have pledged their shares in the VIEs as collateral for the non-payment of loans or for the technical and other services fees due to Weibo Technology. As of December 31, 2022 and 2023, the total amounts of interest-free loans to the VIEs' shareholders were US\$84.8 million and US\$82.2 million, respectively. The VIEs and VIEs' subsidiaries had accumulated deficit of US\$150.8 million and US\$125.5 million as of December 31, 2022 and 2023, respectively, which were included in the Group's consolidated financial statements.

1. Operations (Continued)

Consolidation (Continued)

The following table sets forth the assets, liabilities, results of operations and cash flows of the VIEs and VIEs' subsidiaries taken as a whole, which are included in the Group's consolidated balance sheets and consolidated statements of comprehensive income:

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Cash and cash equivalents	\$ 657,578	\$ 625,486
Short-term investments	53,822	35,870
Accounts receivable	467,083	426,420
Prepaid expenses and other current assets	179,516	165,557
Amount due from SINA	17,908	12,919
Property and equipment, net	1,641	1,721
Operating lease assets	25,776	23,082
Intangible assets, net	124,856	133,920
Goodwill	120,151	166,436
Long-term investments	327,423	266,718
Other non-current assets	295,500	202,695
Total assets	<u>\$ 2,271,254</u>	<u>\$ 2,060,824</u>
Accounts payable	\$ 97,269	\$ 118,773
Accrued and other liabilities	405,979	380,810
Income taxes payable	25,055	31,987
Deferred revenues	45,433	42,254
Amount due to the subsidiaries of the Group	1,676,499	1,393,967
Operating lease liability	26,756	25,791
Deferred tax liability	28,665	29,732
Other non-current liabilities	—	3,422
Total liabilities	<u>2,305,656</u>	<u>2,026,736</u>
Redeemable non-controlling interests	45,795	68,728
Total shareholders' equity	(80,197)	(34,640)
Total liabilities, redeemable non-controlling interests and shareholders' equity	<u>\$ 2,271,254</u>	<u>\$ 2,060,824</u>

1. Operations (Continued)**Consolidation (Continued)**

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Total revenues	\$ 1,821,294	\$ 1,540,585	\$ 1,531,675
Net income (loss)	\$ (36,406)	\$ (18,356)	\$ 25,343

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Net cash provided by (used in) operating activities	\$ 335,940	\$ (136,442)	\$ 159,891
Net cash provided by (used in) investing activities	\$ (583,397)	\$ 410,164	\$ 88,119
Net cash provided by (used in) financing activities	\$ 156,997	\$ 226,938	\$ (260,289)

Under the contractual arrangements with the VIEs, the Company has the power to direct activities of the VIEs through Weibo Technology and can have assets transferred freely out of the VIEs without restrictions. Therefore, the Company considers that there is no asset of the VIEs that can only be used to settle obligations of the VIEs and VIEs' subsidiaries, except for the registered capital and non-distributable reserve funds of the VIEs and VIEs' subsidiaries, amounting to US\$228.0 million and US\$209.3 million as of December 31, 2022 and 2023, respectively. Since the VIEs are incorporated as limited liability companies under the PRC Company Law, creditors of the VIEs do not have recourse to the general credit of the Company. There is currently no contractual arrangement that would require the Company to provide additional financial support to the VIEs. As the Company is conducting certain businesses mainly through the VIEs, the Company may provide such support on a discretionary basis in the future, which could expose the Company to a loss. The total amount of costs and expenses allocated from SINA to the VIEs was US\$3.4 million, US\$4.2 million and US\$6.6 million for 2021, 2022 and 2023, respectively.

The VIEs hold assets with no carrying value in the consolidated balance sheets that are important to the Company's ability to produce revenue (referred to as unrecognized revenue-producing assets). Unrecognized revenue-producing assets held by the VIEs include the Internet Content Provision License, the Online Culture Operating Permit, the domain names of Weibo.com, Weibo.cn and Weibo.com.cn and so on. Recognized revenue-producing assets held by the VIEs include game technology, supplier-relationship contracts, and trademark and domain names, which were acquired through the previous acquisitions. Unrecognized revenue-producing assets, including customer lists relating to advertising and marketing services, membership, and game-related services, as well as trademarks, are also held by Weibo Technology.

The following is a summary of the VIE agreements with Weimeng. The VIE agreements with Weimeng Chuangke are substantially the same as those described below:

Loan Agreements. Weibo Technology has granted interest-free loans to the shareholders of Weimeng, who are senior officers of the Group or SINA, but not the controlling shareholders of SINA, with the sole purpose of providing funds necessary for those shareholders to make capital injections to Weimeng. The term of the loans is 10 years and Weibo Technology has the right, at its own discretion, to shorten or extend the term of the loans if necessary. In the consolidated financial statements, these loans are eliminated with the capital of Weimeng during consolidation.

Share Transfer Agreements. Each shareholder of Weimeng has granted Weibo Technology an option to purchase his shares in Weimeng at a purchase price equal to the amount of capital injection. Weibo Technology may exercise such option at any time until it has acquired all shares of Weimeng, subject to applicable PRC laws. The options will be effective until the earlier of (i) Weibo Technology and the shareholders of Weimeng have fully performed their obligations under these agreements, and (ii) Weibo Technology and the shareholders of Weimeng agree in writing to terminate these agreements.

Loan Repayment Agreements. Each shareholder of Weimeng has agreed with Weibo Technology that the interest-free loans under the loan agreements shall only be repaid through share transfers. Once the share transfers are completed, the purchase price for the share transfer will be set off against the loan repayment. These agreements will be effective until the earlier of (i) Weibo Technology and the shareholders of Weimeng have fully performed their obligations under these agreements, and (ii) Weibo Technology and the shareholders of Weimeng agree in writing to terminate these agreements.

1. Operations (Continued)

Consolidation (Continued)

Agreement on Authorization to Exercise Shareholder's Voting Power. Each shareholder of Weimeng has authorized Weibo Technology to exercise all his voting power as a shareholder of the applicable VIE on all matters requiring shareholders' approval under PRC laws and regulations and the articles of association of Weimeng, including without limitation to the appointment of directors, transfer, mortgage or dispose of Weimeng's assets, transfer of any equity interest in Weimeng, and merger, split, dissolution and liquidation of Weimeng. The authorizations are irrevocable and will not expire until Weimeng dissolves.

Share Pledge Agreements. Each shareholder of Weimeng has pledged all of his shares in Weimeng and all other rights relevant to his rights in those shares to Weibo Technology as security for his obligations to pay off all debts to Weibo Technology under the loan agreement. In the event of default of such obligations, Weibo Technology will be entitled to certain rights, including transferring the pledged shares to itself and disposing of the pledged shares through sale or auction. During the term of the agreements, Weibo Technology is entitled to receive all dividends and distributions paid on the pledged shares. The pledges will be effective until the earlier of (i) the third anniversary of the due date of the last guaranteed debt, (ii) Weimeng and its shareholders have fully performed their obligations under these agreements, and (iii) Weibo Technology consents to terminate these agreements. Weimeng has completed registration of equity pledges with the relevant office of the administration for industry and commerce in accordance with the PRC Civil Code.

Exclusive Technical Services Agreement, Exclusive Sales Agency Agreement and Trademark License Agreement. Weimeng has entered into an exclusive technical services agreement, an exclusive sales agency agreement and a trademark license agreement with Weibo Technology. Under the exclusive technical services agreement, Weibo Technology is engaged to provide technical services for Weimeng's online advertising and other related businesses. Under the exclusive sales agency agreement, Weimeng has granted Weibo Technology the exclusive right to distribute, sell and provide agency services for all the products and services provided by Weimeng. Due to its control over Weimeng, Weibo Technology has the right to determine the service fee to be charged to Weimeng under these agreements by considering, among other things, the technical complexity of the services, the actual cost that may be incurred for providing such services, the operations of Weimeng, applicable tax rates, planned capital expenditure and business strategies. These agreements can only be prematurely terminated by Weibo Technology, and will not expire until Weimeng dissolves. Under the trademark license agreement, Weibo Technology has granted Weimeng trademark licenses to use the trademarks held by or licensed to Weibo Technology in specific areas, and Weimeng is obligated to pay license fees to Weibo Technology. The term of this agreement is one year and is automatically renewed provided there is no objection from Weibo Technology.

Spousal Consent Letters. Each of the spouses of the shareholders of Weimeng signed the spousal consent letters. The shareholders, except for the third-party minority stakeholder, collectively hold 99% equity interest in Weimeng. Pursuant to the spousal consent letters, each signing spouse unconditionally and irrevocably agreed that the spouse is aware of the abovementioned loan agreements, share transfer agreements, loan repayment agreements, agreement on authorization to exercise shareholder's voting power and share pledge agreements and has read and understood the contractual arrangements. Each signing spouse has committed not to make any assertions in connection with the equity interests of the relevant shareholder's interest in Weimeng, to execute all necessary documents and take all necessary actions to ensure appropriate performance of the abovementioned agreements, and, if the spouse obtains any equity interests of Weimeng, to be bound by the abovementioned agreements, comply with the obligations thereunder as a shareholder of Weimeng and sign a series of written documents in substantially the same format and content as the abovementioned agreements.

These VIE agreements provide Weibo Technology with the power to direct the activities that most significantly affect the economic performance of the Group's consolidated VIEs and enable the Group to receive substantially all of the economic benefits generated by them. For the years ended December 31, 2021, 2022 and 2023, the total amount of service fees that Weibo Technology charged to Weimeng under these service agreements and trademark license agreement was US\$1,026.2 million, US\$745.1 million and US\$714.8 million, respectively, which were based on the actual cost incurred from providing the services and the operations of Weimeng.

Weibo Technology, Weimeng Chuangke and Weimeng Chuangke's shareholders have entered into contractual arrangements which contain agreements and terms substantially similar to Weibo Technology's contractual arrangements with Weimeng and Weimeng's shareholders described above.

1. Operations (Continued)

Consolidation (Continued)

Minority Investment in Weimeng

In April 2020, WangTouTongDa (Beijing) Technology Co., Ltd., a subsidiary of a state-owned enterprise, China Internet Investment Fund Management Co., Ltd., which is owned by several state-owned enterprises, made an investment of approximately RMB10.7 million in Weimeng for 1% of Weimeng's enlarged registered capital. Such third-party minority stake holder is entitled to customary economic rights in proportion to its equity ownership, and certain minority shareholder rights such as the right to appoint a director to Weimeng's three-member board of directors, and veto rights over certain matters related to content decision, and certain future financings of Weimeng.

The third-party minority stake holder is not a party to the contractual arrangements mentioned above that are currently in effect among Weimeng, Weibo Technology and Weimeng's other shareholders. As such, despite the fact that the Company is still able to enjoy economic benefits and exercise effective control over Weimeng and its subsidiaries, the Company is not able to purchase or have the third-party minority stake holder pledge its 1% equity interests in Weimeng in the same manner as agreed under existing contractual arrangements, nor is it granted the authorization of voting rights over these 1% equity interests. The Company believes Weibo Technology, the wholly-owned PRC subsidiary, still controls and is the primary beneficiary of Weimeng as it continues to have a controlling financial interest in Weimeng pursuant to ASC 810-10-25-38A after the issuance of such 1% equity interests.

The Company believes that the contractual arrangements among the WFOE, VIEs and VIEs' shareholders are in compliance with the current PRC laws and legally enforceable. However, uncertainties in the interpretation and enforcement of the PRC laws, regulations and policies could limit the Company's ability to enforce these contractual arrangements. As a result, the Company may be unable to consolidate the VIEs and VIEs' subsidiaries in the consolidated financial statements. The Company's ability to control the VIEs also depends on the authorization by the shareholders of the VIEs to exercise voting rights on all matters requiring shareholder approval in the VIEs. The Company believes that the agreements on authorization to exercise shareholder's voting power are legally enforceable. In addition, if the legal structure and contractual arrangements with the VIEs were found to be in violation of any future PRC laws and regulations, the Company may be subject to fines or other actions. The Company believes the possibility that it will no longer be able to control and consolidate the VIEs as a result of the aforementioned risks and uncertainties is remote.

2. Significant Accounting Policies

Basis of presentation

The preparation of the Group's consolidated financial statements is in conformity with U.S. GAAP. The consolidated financial statements include the accounts of Weibo, its wholly owned subsidiaries, VIEs, and VIEs' subsidiaries. All significant intercompany balances and transactions have been eliminated.

Use of estimates

Conformity with U.S. GAAP requires the use of estimates and judgments that affect the reported amounts in the consolidated financial statements and accompanying notes. These estimates form the basis for judgments the management makes about the carrying values of the assets and liabilities, which are not readily apparent from other sources. U.S. GAAP requires making estimates and judgments in several areas, including, but not limited to, the basis of consolidation, revenue recognition, fair value accounting, income taxes, long-term investments, goodwill and other long-lived assets, allowances for credit losses, stock-based compensation, the estimated useful lives of assets, convertible senior notes, business combination, and foreign currency. The management bases the estimates and judgments on historical information and on various other assumptions that management believes are reasonable under the circumstances. Actual results could differ materially from such estimates.

Revenue recognition

Under ASC 606, revenues are recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. The Group identifies its contracts with customers and all performance obligations within those contracts. The Group then determines the transaction price and allocates the transaction price to the performance obligations within the Group's contracts with customers, recognizing revenue when, or as, the Group satisfies its performance obligations.

2. Significant Accounting Policies (Continued)

Revenue recognition (Continued)

The Group does not believe that significant management judgments are involved in revenue recognition, but the amount and timing of the Group’s revenues could be different for any period if management made different judgments. Certain customers may receive sales rebates, which are accounted for as variable consideration. The Group estimates annual expected revenue volume of each individual agent with reference to their historical results. The Group recognizes revenue for the amount of fees it receives from its customers, after deducting estimated sales rebates and net of value-added tax (“VAT”) under ASC 606. The Group believes that there will not be significant changes to its estimates of variable consideration.

The Group considers the ultimate beneficiary of its online advertising services as an “advertiser,” meaning the party whose products, brand awareness or marketing activities benefited from the execution of advertisement. The Group considers a party that it enters into an advertisement service contract with as its “customer” from accounting perspective. As such, the Group treats an advertising agency who enters into an advertisement service contract with it as a customer, and such advertising agency may represent and serve multiple advertisers. If an advertiser directly enters into an advertisement service contract with the Group, it will treat such advertiser also as a customer.

Revenue disaggregated by revenue source for the years ended December 31, 2021, 2022 and 2023 consists of the following:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Advertising and marketing revenues			
Revenues from advertisers signing contracts with the Group directly	\$ 478,874	\$ 356,503	\$ 437,276
Revenues from advertising agencies	1,501,921	1,240,147	1,096,738
	<u>1,980,795</u>	<u>1,596,650</u>	<u>1,534,014</u>
Value-added services revenues	276,288	239,682	225,822
Total revenues	<u>\$ 2,257,083</u>	<u>\$ 1,836,332</u>	<u>\$ 1,759,836</u>

The Group enters into contracts with its customers, which may give rise to contract assets (unbilled revenue) or contract liabilities (deferred revenue). The payment terms and conditions within the Group’s contracts vary by the type and location of its customers and products or services purchased, the substantial majority of which are due in less than one year. Deferred revenues related to unsatisfied performance obligations at the end of the period are mainly from the customer advance of the advertising and marketing services and the sales of the fee-based services, such as membership, and virtual currency or in-game virtual items sold for game related services. The deferred revenues are recognized based on customers’ consumption or amortized on a straight-line basis through the service period for different products/services. Due to the generally short-term duration of the contracts, the majority of the performance obligations are satisfied in the following reporting period. The amount of revenue recognized that was included in the deferred revenue balance at the beginning of the period was US\$126.5 million, US\$56.1 million and US\$49.9 million for the years ended December 31, 2021, 2022 and 2023, respectively.

Practical Expedients and Exemptions

The Group generally expenses sales commissions when incurred because the amortization period is generally one year or less. These costs are recorded within sales and marketing expenses.

Advertising and marketing revenues

Advertising and marketing revenues are derived principally from online advertising, including social display ads and promoted marketing. Social display ad arrangements allow customers to place advertisements on particular areas of the Group’s platform or website in particular formats and over particular periods of time, which is typically no more than three months. The Group enters into cost per mille (“CPM”), or cost per thousand impressions, advertising arrangements with the customers, under which the Group recognizes revenues based on the number of times that the advertisement has been displayed. The Group also enters into cost per day (“CPD”) advertising arrangements with customers, under which the Group recognizes revenues ratably over the contract periods. Promoted marketing arrangements are primarily priced based on CPM. Under the CPM model, customers are obligated to pay when the advertisement is displayed.

2. Significant Accounting Policies (Continued)

Revenue recognition (Continued)

Advertising and marketing revenues (Continued)

The Group's majority revenue transactions are based on standard business terms and conditions, which are recognized net of agency rebates. The agency rebates are accounted for as variable consideration and are estimated during interim periods based on estimated annual revenue volume of each individual agent with reference to their historical results, which involves accounting judgment. The Group believes its estimation approach in variable consideration results in revenue recognition in a manner consistent with the underlying economics of the transaction.

The Group's contracts with customers may include multiple performance obligations, which primarily consist of combinations of service to allow customers to place advertisements on different areas of its platform or website. For such arrangements, advertising arrangements involving multiple deliverables are broken down into single-element arrangements based on their stand-alone selling price for revenue recognition purposes. The estimation of stand-alone selling price involves significant judgment, especially for the deliverables that have not been sold separately. For those deliverables, the Group determines best estimate of the stand-alone selling price by taking into consideration of the pricing of advertising areas of the Group's platform or website with similar popularities and advertisements with similar formats and quoted prices from competitors and other market conditions. The Group believes the estimation approach in stand-alone selling price and allocation of the transaction price on a relative stand-alone selling price to each performance obligation results in revenue recognition in a manner consistent with the underlying economics of the transaction and the allocation principle included in ASC 606. Revenues recognized with reference to best estimation of selling price were immaterial for all periods presented. Most of such contracts have all performance obligations completed within one year. Changes in judgments on these assumptions and estimates could materially impact the timing or amount of revenue recognition. Contracts with customers of online advertising may require cooperation from third parties. The Group pays a predetermined portion of revenues earned from advertising contracts to the third parties such as key opinion leaders who participate in advertising and promotion activities by monetizing their social assets. The Group has determined that it is the principal in these transactions, as it has primary responsibility for fulfilling all the obligations related to advertising contracts. The Group has discretion in establishing pricing of the contracts and controls the advertising inventory before the delivery to customers. The Group records revenues derived from such contracts on a gross basis and the portion paid to the third parties is recognized as cost of revenues.

Value-added services revenues

The Group generates value-added services revenues principally from fee-based services, mainly including membership, and game-related services. Revenues from these services are recognized when control of the promised services is transferred to customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those services.

Membership. Membership mainly includes a service package consisting of one performance obligation of providing user certification and preferential benefits, such as daily priority listings and higher quota for following user accounts. Prepaid membership fees are recorded as deferred revenue and recognized as revenue ratably over the contract period of the membership service.

Game-related services. Game-related service revenues are mostly generated from the purchase of virtual items by game players through the Group's platform, including items, avatars, skills, privileges or other in game consumables, features or functionality, within the games. The Group's performance obligation is to provide on-going game services to players who purchased virtual items to gain an enhanced game-playing experience. Each virtual item is considered as a distinctive performance obligation. The Group collects payments from the game players in connection with the sale of virtual currency, which can be used to purchase virtual items in online games. For games co-operated with third-party developers, revenue is recorded on a gross basis for games that the Group is acting as the principal in fulfilling all obligations related to the games and revenue is recorded net of predetermined revenue sharing with the game developers for games in which the Group is not acting as the principal in fulfilling all obligations. Sales of virtual currencies are recognized as revenues over the estimated lifespans of in-game virtual items. The estimated lifespans of different virtual items are determined by the management based on either the expected user relationship periods or the stipulated period of validity of the relevant virtual items depending on the respective term of virtual items. Virtual currency sold for game-related services in excess of recognized revenues is recorded as deferred revenues.

2. Significant Accounting Policies (Continued)

Cost of revenues

Cost of revenues consists mainly of costs associated with the maintenance of platform, which primarily include bandwidth and other infrastructure costs, revenue-share cost, advertisement production cost, labor cost and turnover taxes levied on the revenues, part of which were allocated from SINA. The Group is subject to 3% cultural business construction fees for its advertising and marketing revenues, which is included in cost of revenues. Starting from July 1 2019, the 3% cultural business construction fees was reduced to 1.5%, valid until December 31, 2024. Moreover, as part of the measures taken by the government to ease the negative impact from COVID-19 pandemic, the cultural business construction fees were exempted for the fiscal years of 2021 and restored to 1.5% since the fiscal year of 2022.

Sales and marketing expenses

Sales and marketing expenses consist mainly of online and offline advertising and promotional expenses, salary, benefits and commission expenses, and facility expenses. Advertising and promotional expenses generally represent the expenses of promotions of corporate image and product marketing. The Group expenses all advertising and promotional expenses as incurred and classifies these expenses under sales and marketing expenses. For the years ended December 31, 2021, 2022 and 2023, the advertising and promotional expenses were US\$418.0 million, US\$310.4 million and US\$302.3 million, respectively.

Product development expenses

Product development expenses consist mainly of payroll-related expenses and infrastructure costs incurred for enhancement to and maintenance of the Group's platform, as well as costs associated with new product development and product enhancements, part of which were allocated from SINA. The Group expenses all costs incurred for the planning, post implementation phases of development and costs associated with repair or maintenance of the existing site or the development of platform content. Since inception, the amount of costs qualifying for capitalization has been immaterial and, as a result, all product development costs have been expensed as incurred.

Stock-based compensation

All stock-based awards to employees and directors, such as stock options and restricted share units ("RSUs"), are measured at the grant date based on the fair value of the awards. Stock-based compensation, net of forfeitures, is recognized as expense on a straight-line basis over the requisite service period, which is the vesting period.

The Group uses the Black-Scholes option pricing model to estimate the fair value of stock options. The determination of estimated fair value of stock-based payment awards on the grant date using an option pricing model is affected by the fair value of the Company's ordinary shares as well as assumptions regarding a number of complex and subjective variables. These variables include the expected value volatility of the Company over the expected term of the awards, actual and projected employee stock option exercise behaviors, a risk-free interest rate and expected dividends, if any. Options granted generally vest over four years.

The Group recognizes the estimated compensation cost of restricted share units based on the fair value of its ordinary shares on the date of the grant. The Group recognizes the compensation cost, net of estimated forfeitures, over a vesting term of generally four years for service-based restricted share units. The Group uses Monte Carlo simulation model to estimate the fair value of restricted share units with market conditions on the date of the grant and recognizes the estimated compensation cost, net of estimated forfeitures, over the estimated requisite service period. The Group also recognizes the compensation cost of performance-based restricted share units, net of estimated forfeitures, if it is probable that the performance condition will be achieved at the end of each reporting period.

Forfeitures are estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from those estimates. The Group uses historical data to estimate pre-vesting option and records stock-based compensation expense only for those awards that are expected to vest. See Note 7 *Stock-based Compensation* for further discussion on stock-based compensation.

2. Significant Accounting Policies (Continued)

Taxation

Income taxes. Income taxes are accounted for using the asset and liability approach. Under this approach, income tax expense is recognized for the amount of taxes payable or refundable for the current year. In addition, deferred tax assets and liabilities are recognized for expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carry forwards. The Group records a valuation allowance to reduce deferred tax assets to an amount for which realization is more likely than not.

Uncertain tax positions. To assess uncertain tax positions, the Group applies a more likely than not threshold and a two-step approach for the tax position measurement and financial statement recognition. Under the two-step approach, the first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement.

Short-term investments

Short-term investments represent bank time deposits whose original maturities are of greater than three months but less than one year and wealth management products which are certain deposits with variable interest rates or principal not-guaranteed with certain financial institutions. In accordance with ASC 825, *Financial Instruments*, for wealth management products with the interest rate indexed to performance of underlying assets, the Group elected the fair value method at the date of initial recognition and re-measured these investments at fair value. Changes in the fair value are reflected in the consolidated statements of comprehensive income as interest income.

Credit losses

Pursuant to ASC 326, the Group makes estimates of expected credit and collectability trends for the allowance for credit losses based upon assessment of various factors, including historical experience, the age of the accounts receivable balances, credit-worthiness of the customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect its ability to collect from the customers. The Group also provides specific provisions for allowance when facts and circumstances indicate that the receivable is unlikely to be collected. Expected credit losses for accounts receivable are recorded as general and administrative expenses on the consolidated statements of comprehensive income.

ASC Topic 326 is also applicable to the loans to and interest receivable from other related parties included in the prepaid expenses and other current assets and other non-current assets on the consolidated balance sheets. Management estimates the allowance for credit losses on loans and interest receivable not sharing similar risk characteristics on an individual basis. The key factors considered when determining the above allowances for credit losses include the fair value of the assets held by the borrowers.

Fair value measurements

Financial instruments

All financial assets and liabilities are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. Accounting guidance defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

The Group measures the equity method investments at fair value on a non-recurring basis only if an impairment charge were to be recognized. For those investments without readily determinable fair value, the Group measures them at fair value when observable price changes are identified or impairment charge was recognized. The fair values of the Group's privately held investments as disclosed are determined based on the discounted cash flow model using the discount curve of market interest rates or based on the similar transaction price in the market directly. The fair values of the Group's long-term investments in the equity securities of publicly listed companies are measured using quoted market prices. The Group's non-financial assets, such as intangible assets, goodwill, fixed assets and operating lease assets, are measured at fair value only if they are determined to be impaired.

2. Significant Accounting Policies (Continued)

Fair value measurements (Continued)

Financial instruments (Continued)

Accounting guidance establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Accounting guidance establishes three levels of inputs that may be used to measure fair value:

- Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.
- Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The carrying amount of cash and cash equivalents, short-term investments, accounts receivable due from third parties, accounts receivable due from Alibaba, accounts receivable due from other related parties, amount due from SINA, accounts payable, accrued and other liabilities approximates fair value because of their short-term nature. See Note 14 *Fair Value Measurement* for additional information.

Long-term investments

Long-term investments are comprised of investments in publicly traded companies, privately held companies, and limited partnerships. The Group uses the equity method to account for common shares or in-substance common shares investments on which it has significant influence but does not own a majority equity interest or otherwise control. Under the equity method, the Group initially records its investments at cost and the difference between the cost of the equity investee and the fair value of the underlying equity in the net assets of the equity investee is recognized as equity method goodwill, which is included in the equity method investment on the consolidated balance sheets. The Group subsequently adjusts the carrying amount of the investments to recognize the Group's proportionate share of each equity investee's net income or loss into earnings after the date of investment. The Group evaluates the equity method investments for impairment under ASC 323. An impairment loss on the equity method investments is recognized in earnings when the decline in value is determined to be other-than-temporary.

The Group measures investments in equity securities, other than equity method investments, at fair value through earnings. For those investments without readily determinable fair values, the Group elects to record these investments at cost, less impairment, plus or minus subsequent adjustments for observable price changes (referred to as the measurement alternative). Under this measurement alternative, changes in the carrying value of the investments will be recognized in consolidated statement of comprehensive income, whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer.

2. Significant Accounting Policies (Continued)

Long-term investments (Continued)

Pursuant to ASC 321, for equity investments measured at fair value with changes in fair value recorded in earnings, the Group does not assess whether those securities are impaired. For equity investments without readily determinable fair value for which the Group has elected to use the measurement alternative, the Group makes a qualitative assessment of whether the investment is impaired at each reporting date, applying significant judgement in considering various factors and events including a) adverse performances and business prospects of investees; b) adverse changes in the general market condition affecting investees; c) adverse changes in regulatory, economic or technological environment of the investees and d) adverse changes in cash flow forecasts of investees. If a qualitative assessment indicates that the investment is impaired, the Group estimates the investment's fair value in accordance with the principles of ASC 820-Fair Value Measurement. If the fair value is less than the investment's carrying value, the Group recognizes an impairment loss in net income equal to the difference between the carrying value and fair value. Significant judgement is applied by the Group in estimating the fair value to determine if an impairment exists, and if so, to measure the impairment losses for these equity security investments. These judgements include the selection of valuation methods in estimating fair value and the determination of key valuation assumptions used, which are related to selection of comparable companies, valuation multiples, revenue growth rate of investees, scenario probability estimates and lack of marketability discounts.

Business combination

Business combinations are recorded using the purchase method of accounting, and the cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred, and equity instruments issued as well as the contingent considerations and all contractual contingencies as of the acquisition date. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of the (i) the total of consideration paid, fair value of the non-controlling interests and acquisition date fair value of any previously held equity interest in the subsidiary acquired over (ii) the fair value of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the consideration of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statements of comprehensive income.

Leases

The Group determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Group obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. Operating lease assets and liabilities are included in operating lease right-of-use assets, operating lease liabilities, short-term, and operating lease liabilities, long-term on the Group's consolidated balance sheets. The Group has chosen to not recognize lease assets and lease liabilities for leases with a term of twelve months or less on the consolidated balance sheets.

Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of lease payments over the lease terms at the lease commencement dates. The Group uses its incremental borrowing rate in determining the present value of lease payments. The incremental borrowing rate is a hypothetical rate based on the Group's understanding of what interest the Group would pay in order to obtain a borrowing with an amount equivalent to the lease payments in a similar economic environment over the lease term on a collateralized basis from banks in China.

Certain lease agreements contain an option for the Group to renew a lease for a term agreed by the Group and the lessor or an option to terminate a lease earlier than the maturity dates. The Group considers these options, which may be elected at the Group's sole discretion, in determining the lease term on a lease-by-lease basis. The Group's lease agreements generally do not contain any residual value guarantees or material restrictive covenants. Certain of the Group's leases contain free or escalating rent payment terms. The Group's lease agreements generally contain lease and non-lease components. Non-lease components primarily include payments for maintenance and utilities. The Group has chosen to combine payments for non-lease components with lease payments and accounted them together as a single lease component. Payments under the lease arrangements are primarily fixed. However, for arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next.

2. Significant Accounting Policies (Continued)

Long-lived assets

Property and equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and impairment, if any. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally from three to four years for computers and equipment and five years for furniture and fixtures. Leasehold improvements are amortized over the shorter of the estimated useful lives of the assets or the remaining lease term. Office building (SINA Plaza) is amortized over 45 years and office building related facilities are amortized over 20 years. Depreciation expenses were US\$32.8 million, US\$33.2 million and US\$39.2 million for the years ended December 31, 2021, 2022 and 2023, respectively.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of the identifiable assets and liabilities acquired as a result of the Group's acquisitions of interests in its subsidiaries, consolidated VIEs and VIEs' subsidiaries. The Group assesses goodwill for impairment in accordance with ASC Subtopic 350-20 ("ASC 350-20"), *Intangibles-Goodwill and Other: Goodwill*, which requires that goodwill be tested for impairment at the reporting unit level at least annually and more frequently upon the occurrence of certain events, as defined by ASC 350-20. The guidance provides the option that the Group may first assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test, by taking into consideration of macroeconomics, overall financial performance, industry and market conditions and the share price of the Group. If determined to be necessary, the quantitative impairment test shall be used to identify goodwill impairment. Potential impairment is identified by comparing the fair value of a reporting unit to its carrying value, including goodwill. Application of a goodwill impairment test requires management judgment, including the identification of reporting units, assigning assets and liabilities to reporting units, assigning goodwill to reporting units, and determining the fair value of each reporting unit.

Intangible assets other than goodwill

Intangible assets arising from acquisitions are recognized at fair value upon acquisition and amortized on a straight-line basis over their estimated useful lives, generally from three to ten years. Long-lived assets and certain identifiable intangible assets other than goodwill to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of any impairment loss for long-lived assets and certain identifiable intangible assets that management expects to hold or use is based on the amount by which the carrying value exceeds the fair value of the asset. Judgment is used in estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of the asset's fair value.

Convertible senior notes and unsecured senior notes

The Group determines the appropriate accounting treatment of its convertible senior notes in accordance with the terms in relation to the conversion feature. After considering the impact of such features, the Group may account for such instrument as a liability in its entirety, or separate the instrument into debt and equity components following the respective guidance described under ASC 815 *Derivatives and Hedging* and ASC 470 *Debt*.

The debt discount, if any, together with related issuance cost are subsequently amortized as interest expense over the contractual life. The Group presented the issuance costs of debt as a direct deduction from the related debt during the periods presented.

The unsecured senior notes are recognized initially at fair value, net of debt discounts or premiums, if any, issuance costs and other incidental fees, all of which are recorded as a direct deduction of the proceeds received from issuing the unsecured senior notes and the related accretion is recorded as interest expense in the consolidated statement of comprehensive income over the estimated term using the effective interest method.

2. Significant Accounting Policies (Continued)

Deferred revenues

Deferred revenues consist of contractual billings in excess of recognized revenue and payments received in advance of revenue recognition, which are mainly from the customer advance of the advertising and marketing services and the sales of the fee-based services, such as membership, and virtual currency or in-game virtual items sold for game related services.

Non-controlling interests

For the Company's majority-owned subsidiaries and VIE, non-controlling interests are recognized to reflect the portion of their equity that is not attributable, directly or indirectly, to the Company as the controlling shareholder. To reflect the economic interest held by non-controlling shareholders, net income/loss attributable to the non-controlling ordinary shareholders is recorded as non-controlling interests in the Company's consolidated statements of comprehensive income. Non-controlling interests are classified as a separate line item in the equity section of the Company's consolidated balance sheets and have been separately disclosed in the Company's consolidated financial statements to distinguish the interests from that of the Company.

Foreign currency

The Company's reporting currency and functional currency is the U.S. dollar. The Group's operations in China and in international regions use their respective currencies as their functional currencies. The financial statements of these subsidiaries are translated into U.S. dollars using period-end rates of exchange for assets and liabilities and average rates of exchange in the period for revenues, costs and expenses. Translation gains and losses are recorded in accumulated other comprehensive income (loss) as a component of shareholders' equity. Translation gains or losses are not released to net income unless the associated net investment has been sold, liquidated, or substantially liquidated.

Foreign currency transactions denominated in currencies other than the functional currency are translated into the functional currency using the exchange rate prevailing on the transactions dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the applicable exchange rates at the balance sheets dates. Net gains and losses resulting from foreign exchange transactions are included in other income, net.

Foreign currency translation adjustments included in the Group's consolidated statements of comprehensive income for the years ended December 31, 2021, 2022 and 2023 were a gain of US\$78.2 million, a loss of US\$261.7 million and a loss of US\$114.7 million, respectively. Net foreign currency transaction gains or losses arise from transacting in a currency other than the functional currency of the entity and the amounts recorded were immaterial for 2021, a loss of US\$67.0 million for the year ended 2022 and a loss of US\$9.1 million for the year ended 2023, respectively.

Net income per share

Basic net income per share is computed using the weighted average number of ordinary shares outstanding during the period. Options and RSUs are not considered outstanding in the computation of basic earnings per share. Diluted net income per share is computed using the weighted average number of ordinary shares and potential ordinary shares outstanding during the period, which include options to purchase ordinary shares, restricted share units and conversion of the convertible senior notes. The computation of diluted net income per share does not assume conversion, exercise, or contingent issuance of securities that would have an anti-dilutive effect (i.e. an increase in earnings per share amounts or a decrease in loss per share amounts) on net income per share. The Group uses the two-class method to calculate net income per share though both classes share the same rights in dividends. Therefore, basic and diluted earnings per share are the same for both classes of ordinary shares.

Segment reporting

In accordance with ASC 280, *Segment Reporting*, the Group's chief operating decision maker ("CODM"), the Chief Executive Officer, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. The Group currently operates and manages its business in two principal business segments globally—advertising and marketing services and value-added services. Information regarding the business segments provided to the Group's CODM is at the revenue level and the Group currently does not allocate operating costs or assets to its segments, as its CODM does not use such information to allocate resources or evaluate the performance of the operating segments. As the Group's long-lived assets are substantially all located in the PRC and substantially the Group's revenues are derived from within the PRC, no geographical information is presented.

2. Significant Accounting Policies (Continued)

Concentration of risks

Concentration of credit risk. Financial instruments that potentially subject the Group to a concentration of credit risk consist primarily of cash and cash equivalents, short-term investments and accounts receivable. In addition, with the majority of its operations in China, the Group is subject to RMB currency risk and offshore remittance risk, both of which have been difficult to hedge and the Group has not done so. The Group limits its exposure to credit loss by depositing its cash and cash equivalents with financial institutions in the US, PRC and Hong Kong, which are among the largest financial institutions with high ratings from internationally-recognized rating agencies, that management believes are of high credit quality. The Group periodically reviews these institutions' reputations, track records and reported reserves.

As of December 31, 2022 and 2023, the Group had US\$2.5 billion and US\$2.6 billion, respectively, in cash and cash equivalents and short-term investments, such as bank time deposits with large domestic banks in China. The terms of these deposits are, in general, up to twelve months. China promulgated a Bankruptcy Law that came into effect on June 1, 2007, which contains a separate article expressly stating that the State Council may promulgate implementation measures for the bankruptcy of Chinese banks based on the Bankruptcy Law. Under the Bankruptcy Law, a Chinese bank may go bankrupt. In addition, since China's concession to WTO, foreign banks have been gradually permitted to operate in China and have become significant competitors to Chinese banks in many aspects, especially since the opening of RMB business to foreign banks in late 2006. Therefore, the risk of bankruptcy on Chinese banks in which the Group holds cash and bank deposits has increased. In the event that a Chinese bank that holds the Group's deposits goes bankrupt, the Group is unlikely to claim its deposits back in full, since it is unlikely to be classified as a secured creditor to the bank under the PRC laws. The Group's total cash and cash equivalents and short-term investments held at two financial institutions in mainland China, representing 35% and 25% of the Group's total cash and cash equivalents and short-term investments as of December 31, 2023. As of December 31, 2023, an immaterial amount of cash was restricted under certain foreign currency purchase contracts.

Alibaba, as an advertiser, accounted for 6%, 6% and 6% of the Group's total revenues for the years ended December 31, 2021, 2022 and 2023, respectively. No customer nor advertising agency accounted for 10% or more of the Group's revenues. The Group's top 10 advertising agencies contributed to 35%, 42% and 37% of the Group's revenues for the years ended December 31, 2021, 2022 and 2023, respectively.

As of December 31, 2022 and 2023, substantially all accounts receivable were derived from the Group's China operations. Excluding accounts receivable due from Alibaba and other related parties, accounts receivable primarily consist of amounts due from advertising agencies and direct customers. Alibaba accounted for 15% and 14% of the Group's net accounts receivable as of December 31, 2022 and 2023, respectively.

Concentration of foreign currency risks. The majority of the Group's operations were in RMB. As of December 31, 2022 and 2023, the Group's cash, cash equivalents and short-term investments balance denominated in RMB was US\$1,816.8 million and US\$1,878.9 million, accounting for 57% and 58% of the Group's total cash, cash equivalents and short-term investments balance at the respective dates. As of December 31, 2022 and 2023, the Group's aggregate net accounts receivable balance (including accounts receivable due from third parties, Alibaba and other related parties) denominated in RMB was US\$502.4 million and US\$440.8 million, respectively, accounting for almost all of its net accounts receivable balance. As of December 31, 2022 and 2023, the Group's current liabilities balance denominated in RMB was US\$971.6 million and US\$964.7 million, accounting for 80% and 54% of its total current liabilities balance. The decrease in proportion of total current liabilities in RMB in 2023 was mainly due to the US\$800 million unsecured senior note, which is denominated in US dollar and will mature within one year. The Group may experience economic losses and negative impacts on earnings and equity, as well as translation risk, because of exchange rate fluctuations of the RMB against the U.S. dollars. Moreover, the Chinese government imposes controls on the convertibility of the RMB into foreign currencies and, in certain cases, the remittance of currency out of the PRC. The Group may experience difficulties in completing the necessary administrative procedures on a timely basis to remit its RMB out of the PRC and convert it into foreign currency.

2. Significant Accounting Policies (Continued)

Recent accounting pronouncements

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280)-Improvements to Reportable Segment Disclosures to address improvements to reportable segment disclosures. ASU No. 2023-07 requires an enhanced disclosure of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss, on an annual and interim basis. This guidance is effective for fiscal years beginning after December 15, 2023 and applies retrospectively unless impracticable, with early adoption permitted. The Group is currently evaluating the impact of the new guidance on its consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740)-Improvements to Income Tax Disclosures. ASU No. 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024 on a prospective basis, with early adoption permitted. The Group is currently evaluating the impact of the new guidance on its consolidated financial statements.

3. Cash, Cash Equivalents and Short-term Investments

Cash, cash equivalents and short-term investments consist of the following:

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Cash and cash equivalents:	\$ 2,690,768	\$ 2,584,635
Short-term investments:		
Bank time deposits	268,233	616,500
Wealth management products	212,195	24,535
Subtotal	480,428	641,035
Total cash, cash equivalents and short-term investments	\$ 3,171,196	\$ 3,225,670

The carrying amounts of cash, cash equivalents and short-term investments approximate the fair value.

4. Long-term Investments

Long-term investments comprised of investments in publicly traded companies, privately held companies, and limited partnerships. The following sets forth the changes in the Group's long-term investments:

	Equity Securities Without Readily Determinable Fair	Equity Method	Equity Securities With Readily Determinable	Total
	Values		Fair Values	
(In US\$ thousands)				
Balance at December 31, 2020	\$ 579,084	\$ 311,161	\$ 289,221	\$ 1,179,466
Investments made/transfers from prepayments	96,768	182,200	—	278,968
Income from equity method investments, net	—	14,217	—	14,217
Dividend declared from equity method investments	—	(11,695)	—	(11,695)
Disposal of investments	(75,667)	—	(4,946)	(80,613)
Changes from measurement alternative to consolidation (Note 6)	(66,415)	—	—	(66,415)
Reclassification of equity investment without readily determinable fair values to those with readily determinable fair values	(142,000)	—	142,000	—
Impairment on investments	(106,800)	—	—	(106,800)
Fair value change through earnings	(23,316)	—	9,877	(13,439)
Currency translation adjustment	7,062	6,900	—	13,962
Balance at December 31, 2021	268,716	502,783	436,152	1,207,651
Investments made/transfers from prepayments	36,423	114,909	—	151,332
Loss from equity method investments, net	—	(24,069)	—	(24,069)
Dividend declared from equity method investments	—	(5,772)	—	(5,772)
Disposal of investments	(29,974)	(6,293)	—	(36,267)
Impairment on investments	(63,515)	—	—	(63,515)
Fair value change through earnings	—	—	(196,602)	(196,602)
Currency translation adjustment	(15,071)	(24,057)	—	(39,128)
Balance at December 31, 2022	196,579	557,501	239,550	993,630
Investments made/transfers from prepayments/other non-current assets	70,864	303,845	—	374,709
Income from equity method investments, net	—	13,392	—	13,392
Dividend declared from equity method investments	—	(4,683)	—	(4,683)
Disposal of investments	(3,463)	(14,250)	—	(17,713)
Changes from measurement alternative to consolidation (Note 6)	(43,988)	—	—	(43,988)
Reclassification of equity investment with readily determinable fair value to equity-method investment	—	153,407	(153,407)	—
Impairment on investments	(25,706)	—	—	(25,706)
Fair value change through earnings	10,877	—	32,125	43,002
Currency translation adjustment	(3,873)	(8,384)	—	(12,257)
Balance at December 31, 2023	\$ 201,290	\$ 1,000,828	\$ 118,268	\$ 1,320,386

4. Long-term Investments (Continued)

For the years ended December 31, 2021, 2022 and 2023, the Group invested in private companies totaling US\$96.8 million, US\$36.4 million and US\$70.9 million, respectively, which were accounted for under investments without readily determinable fair values. These investments were primarily to further expand and strengthen the Group's ecosystem and mainly included a further investment of US\$39.5 million in the company operating Wuta application in 2021 and follow-on investments of US\$20.0 million and US\$40.0 million in a company providing online brokerage services during 2021 and 2023, respectively. The Group obtained control of the company operating the Wuta application through the step acquisition and recorded US\$27.6 million fair value change loss in 2021 for the equity interest previously held by the Group immediately prior to the step acquisition. The impact of the transaction was reflected in the changes from measurement alternative to consolidation. The Group also invested US\$182.2 million, US\$114.9 million and US\$303.8 million in companies, which were accounted for under equity method, for the years ended December 31, 2021, 2022 and 2023, respectively. These investments mainly included several investment funds in 2021 and 2022, and US\$230.8 million investment in INMYSHOW Digital Technology (Group) Co., Ltd. ("INMYSHOW", a Shanghai Stock Exchange listed company, providing social and new media marketing services) in 2023, respectively. In March 2023, the Group purchased all equity interests in ShowWorld HongKong Limited, a shareholder of INMYSHOW. As the shares of INMYSHOW was the only asset held by ShowWorld HongKong Limited, the transaction was considered an asset acquisition. Furthermore, as the Group and ShowWorld HongKong Limited are under the common control of SINA, the transaction was considered an asset acquisition under common control. According to ASC 805-50, for a transfer of assets between entities under common control, the acquirer entity shall initially measure the assets and liabilities transferred at their carrying values in the accounts of the transferring entity. Therefore, the newly acquired shares of INMYSHOW was recorded in the Group's consolidated balance sheets using their carrying value at SINA, and the difference between the consideration paid by the Group and the carrying value of US\$230.8 million of the assets was recognized in additional paid-in capital as a distribution on the acquisition date. Immediately following this transaction and together with the Group's existing shareholding in INMYSHOW, the Group held in the aggregate approximately 26.57% of the total issued shares of INMYSHOW. Consequently, the Group reclassified its investment in INMYSHOW from equity securities with readily determinable fair values to equity method.

The Group used measurement alternative for recording equity investments without readily determinable fair values at cost, less impairment, adjusted for subsequent observable price changes. Changes in the carrying value of the equity investment under measurement alternative will be recognized whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer, and impairment charges will be recorded when any impairment indicators are noted and the fair value is lower than the carrying value. The Group classifies the valuation techniques on investments that use similar identifiable transaction prices as Level 2 of fair value measurements.

The following table summarizes the total carrying value of the equity investments accounted for under the measurement alternative as of December 31, 2022 and 2023, respectively, including cumulative upward and downward adjustments made to the initial cost basis of the securities.

	Cumulative Results
	(In US\$ thousands)
Initial cost basis	\$ 662,460
Upward adjustments	85,710
Downward adjustments	(554,013)
Foreign currency translation	2,422
Total carrying value at December 31, 2022	<u>\$ 196,579</u>
Initial cost basis	\$ 689,724
Upward adjustments	92,736
Downward adjustments	(579,719)
Foreign currency translation	(1,451)
Total carrying value at December 31, 2023	<u>\$ 201,290</u>

4. Long-term Investments (Continued)

The Group assessed or engaged third-party valuation firms to help the management assess the fair value of certain investments, using Level 3 of fair value measurement and concluded that impairment was warranted for those investments at the year-end. Thus, the Group recognized US\$63.5 million and US\$25.7 million impairment charges to investments without readily determinable fair value for the years ended December 31, 2022 and 2023, respectively. The impairment charges mainly included a US\$15.4 million write-off in a community software and a US\$14.2 million impairment charge to a company running a business social platform in 2022 and a US\$15.9 million write-off on an online education company in 2023, due to their negative financial performance with no obvious upturn or potential financing solutions in the foreseeable future.

Investments in marketable equity securities are valued using the market approach based on the quoted prices in active markets at the reporting dates. The Group classified the valuation techniques that use these inputs as Level 1 of fair value measurements. The Group recorded a fair value change loss of US\$142.7 million in 2022 and a fair value change gain of US\$9.1 million in 2023 for INMYSHOW. One of the Group’s investees, Didi Global Inc. (“Didi”), a company operating a mobility technology platform, completed its initial public offering in and started trading on July 1, 2021, China time. Therefore, investment in Didi amounting to US\$142.0 million was transferred from measurement alternative to equity securities with readily determinable fair value, and a fair value change loss of US\$53.9 million and a gain of US\$23.1 million was recorded in 2022 and 2023, respectively. Didi has officially delisted from NYSE in June 2022 and trade under the “DIDIY” ticker on the OTC exchange. The Group continues to record the investment in Didi under equity securities with readily determinable fair values.

The following table shows the carrying amount and fair value of the marketable securities:

	<u>Cost Basis</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
	(In US\$ thousands)			
INMYSHOW	\$ 81,385	\$ 62,952	\$ —	\$ 144,337
Didi	142,000	—	(46,787)	95,213
December 31, 2022	<u>\$ 223,385</u>	<u>\$ 62,952</u>	<u>\$ (46,787)</u>	<u>\$ 239,550</u>
Didi	\$ 142,000	\$ —	\$ (23,732)	\$ 118,268
December 31, 2023	<u>\$ 142,000</u>	<u>\$ —</u>	<u>\$ (23,732)</u>	<u>\$ 118,268</u>

4. Long-term Investments (Continued)

For the year ended December 31, 2023, equity method investments held by the Group in aggregate have met the significance criteria as defined under Rule 4-08(g) of Regulation S-X. The condensed financial information of the Group's equity method investments are summarized as a group as follow:

	Year ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Operating data:			
Revenue	\$ 225,356	\$ 158,110	\$ 850,102
Gross profit	\$ 206,457	\$ 129,393	\$ 298,736
Income (loss) from operations	\$ 243,516	\$ (195,636)	\$ 12,153
Net income (loss)	\$ 247,808	\$ (200,042)	\$ 8,188
Net income (loss) attributable to the investees	\$ 247,808	\$ (200,042)	\$ 9,856

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Balance sheet data:		
Current assets	\$ 904,956	\$ 1,803,408
Non-current assets	\$ 2,417,452	\$ 2,568,567
Current liabilities	\$ 683,626	\$ 1,199,969
Long-term liabilities	\$ 119	\$ 16,879
Non-controlling interests	\$ —	\$ (4,849)

The Group recorded investment-related impairment and provision of US\$106.8 million, US\$71.1 million and US\$23.6 million for the years ended December 31, 2021, 2022 and 2023, respectively, due to various adverse factors affecting the performance of the investees. The impairment charges in 2021 was mainly caused by a full impairment of US\$75.3 million on the investment in Yixia Tech and the investment-related impairment in 2022 primarily resulted from a US\$15.4 million write-off in a community software and a US\$14.2 million impairment charge to a company running a business social platform. The impairment charges recorded in 2023 mainly included a US\$15.9 million write-off on an online education company.

5. Leases

The Group has operating leases primarily for land-use rights and office spaces in China. The determination of whether an arrangement is or contains a lease is made at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Group obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. Operating lease assets and liabilities are included in operating lease right-of-use assets, operating lease liabilities, short-term, and operating lease liabilities, long-term on the Group's consolidated balance sheets. The Group has chosen to not recognize lease assets and lease liabilities for leases with a term of twelve months or less on the consolidated balance sheets.

Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of lease payments over the lease terms at the lease commencement dates. The Group uses its incremental borrowing rate in determining the present value of lease payments. The incremental borrowing rate is a hypothetical rate based on the Group's understanding of what interest the Group would pay in order to obtain a borrowing with an amount equivalent to the lease payments in a similar economic environment over the lease term on a collateralized basis from banks in China.

5. Leases (Continued)

Certain lease agreements contain an option for the Group to renew a lease for a term agreed by the Group and the lessor or an option to terminate a lease earlier than the maturity dates. The Group considers these options, which may be elected at the Group's sole discretion, in determining the lease term on a lease-by-lease basis. The Group's lease agreements generally do not contain any residual value guarantees or material restrictive covenants. Certain of the Group's leases contain free or escalating rent payment terms. The Group's lease agreements generally contain lease and non-lease components. Non-lease components primarily include payments for maintenance and utilities. The Group has chosen to combine payments for non-lease components with lease payments and accounted them together as a single lease component. Payments under the lease arrangements are primarily fixed. However, for arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next. Additionally, certain lease agreements with SINA contain variable payments, which are determined based on actual SINA headquarters spaces occupied by the Group and are expensed as incurred and not included in the operating lease assets and liabilities. The lease agreements with SINA have been terminated when the Group acquired the 100% of the equity interest of Sina.com Technology (China) Co., Ltd., the owner of SINA Plaza in December 2022.

The components of lease cost for the years ended December 31, 2021, 2022 and 2023 were as follows:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Operating lease cost	\$ 7,625	\$ 13,949	\$ 15,824
Short-term lease cost	4,776	2,631	3,675
Variable lease cost	5,287	5,348	—
Total lease cost	\$ 17,688	\$ 21,928	\$ 19,499

Other information related to leases was as follows:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Supplemental Cash Flows Information:			
Cash paid for operating leases	\$ (8,948)	\$ (12,877)	\$ (12,246)
Operating lease assets obtained in exchange for operating lease liabilities	\$ 65,459	\$ 19,728	\$ 1,378

Maturities of lease liabilities under operating leases as of December 31, 2023 were as follows:

Year Ended December 31,	(In US\$ thousands)
2024	\$ 13,374
2025	12,786
2026	11,399
2027	3,174
2028	2,402
Thereafter	25,028
Total future payments for recognized leasing assets	68,163
Less: leases not yet commenced	—
Less: imputed interest	14,918
Total lease liabilities	\$ 53,245

As of December 31, 2023, operating leases recognized in lease liabilities have average remaining lease terms of 10.5 years and weighted-average discount rate of 5%. As of December 31, 2023, the Group had no lease contract that has been entered into but not yet commenced.

6. Goodwill, Intangible Assets and Acquisitions

In the second quarter of 2021, the Group acquired another 51.2% equity interest of an investee operating a leading mobile photo and video application in China, Wuta application, in which the Group previously held 34.8% equity interest, with a cash consideration of US\$39.5 million. The Group obtained the control and held 86% equity interest in the investee upon completion of the transaction on May 1, 2021. A third-party valuation firm was engaged by the Group to help the management determine the fair value of assets and liabilities obtained from the transaction. The identifiable intangible assets acquired on the acquisition date included user base, domain names and operating system of US\$16.5 million with estimated lives ranging from three to ten years. The intangible assets were measured at fair value upon acquisition primarily using the royalty savings method, multi-periods excess earning model and cost approach. Key assumptions and estimates used in determining the fair value of these intangible assets include cash flow forecasts, the revenue growth rates, the discount rates, the customer attrition rate and replacements costs.

The consideration of the acquisition of the company operating Wuta application was allocated based on the fair value of the assets acquired and the liabilities assumed as follows:

	As of May 1, 2021
	(In US\$ thousands)
Consideration	\$ 39,540
Fair value of previously held equity interest	26,875
Non-controlling interest	10,811
Total	\$ 77,226
Cash and short-term investments acquired	\$ 5,786
Other assets acquired	6,801
Identifiable intangible assets acquired	16,495
Goodwill	51,034
Liabilities assumed	(2,890)
Total	\$ 77,226

In April 2022 and July 2023, the Group acquired the remaining 14% equity interest of the company operating Wuta application through two installments of total cash payment of US\$10.3 million. The Group owns 100% equity interest of the company operating Wuta application after the transaction.

In August 2021, the Group acquired an E-sports team and the related assets. A third-party valuation firm was engaged by the Group to help the management determine the fair value of assets and liabilities obtained from the transaction. The identifiable intangible assets acquired on acquisition date included game related assets of US\$19.3 million with estimated lives of ten years. The intangible assets were measured at fair value upon acquisition primarily using royalty savings method and multi-periods excess earning method. Key assumptions and estimates used in determining the fair value of these intangible assets include discount rates, terminal growth rate and royalty rate.

The consideration of the acquisition of the E-sports team and the related assets was allocated based on the fair value of the assets acquired and the liabilities assumed as follows:

	As of August 1, 2021
	(In US\$ thousands)
Consideration	\$ 30,953
Identifiable intangible assets acquired	\$ 19,274
Goodwill	14,745
Liabilities assumed	(3,066)
Total	\$ 30,953

6. Goodwill, Intangible Assets and Acquisitions (Continued)

On December 23, 2022, Weibo Hong Kong Limited, the Company's wholly owned subsidiary, entered into certain agreement for the sale and purchase of 100% of the equity interest of Sina.com Technology (China) Co., Ltd., with SINA Hong Kong Limited, a wholly owned subsidiary of SINA, pursuant to which Weibo Hong Kong Limited agrees to purchase all equity interests in Sina.com Technology (China) Co., Ltd., a wholly-owned subsidiary of SINA Hong Kong Limited and the owner of SINA Plaza in Beijing, China, for an aggregate consideration of approximately US\$218.4 million (RMB1.5 billion). The acquisition date was December 31, 2022 and the Group settled the payment for the consideration in the first quarter of 2023.

The Group involved a third-party appraiser to assess the fair value of assets acquired and liabilities assumed from the transaction. As more than 90% of the fair value of the gross assets acquired by the Group is concentrated in the office building, SINA Plaza, and the land-use right related to the building, the acquisition is considered an asset acquisition. Furthermore, as the Group and SINA Hong Kong Limited are under the common control of SINA, the transaction is considered an asset acquisition under common control. According to ASC 805-50, for a transfer of assets between entities under common control, the acquirer entity shall initially measure the assets and liabilities transferred at their carrying values in the accounts of the transferring entity. Therefore, the carrying values of assets of US\$340.5 million and liabilities of US\$281.1 million of STC was recorded in the Group's consolidated balance sheets, and the difference between consideration paid by the Group and net assets (carrying value) of STC of US\$159.0 million was recognized in additional paid-in capital as a distribution on the acquisition date. The assets recognized in the consolidated balance sheets mainly included office building and related facilities of US\$170.6 million and land use right (recorded in operating lease assets) of US\$125.8 million.

In the fourth quarter of 2023, the Group acquired another 33.1% equity interest of an investee, Xi'an Yunrui Network Technology Co., Ltd. ("Yunrui"), operating an online interactive entertainment application "Werewolf", in which the Group previously held 17.9% equity interest, with a cash consideration of US\$30.4 million. The Group obtained the control and held 51% equity interest in the investee upon completion of the transaction on October 1, 2023. In accordance with ASC805-accounting for step-up acquisition, the 17.9% equity interest previously held by the Group was re-measured to fair value at the acquisition date and a re-measurement gain of US\$3.9 million was recognized. The Group engaged a third-party valuation firm to help the management determine the fair value of assets and liabilities obtained from the transaction. The identifiable intangible assets acquired on the acquisition date mainly included trademark, software copyright and cooperation agreement with a famous third-party IT company of US\$31.2 million with estimated lives ranging from five to ten years. The intangible assets were measured at fair value upon acquisition primarily using the royalty savings method, multi-periods excess earning model and cost approach. Key assumptions and estimates used in determining the fair value of these intangible assets include cash flow forecasts, the revenue growth rates, and the discount rates.

The consideration of the acquisition of Yunrui was allocated based on the fair value of the assets acquired and the liabilities assumed as follows:

	As of October 1, 2023	
	(In US\$ thousands)	
Consideration	\$	30,443
Fair value of previously held equity interest		13,545
Non-controlling interest		37,043
Total	\$	81,031
Cash and short-term investments acquired	\$	4,864
Other assets acquired		1,483
Identifiable intangible assets acquired		31,205
Goodwill		48,669
Liabilities assumed		(5,190)
Total	\$	81,031

The acquisitions completed in 2021 and 2023 individually contributed immaterial amounts to revenues and net income for 2021 and 2023, respectively. Since they did not have a material impact on the Group's consolidated financial statements, pro forma disclosures have not been presented. Apart from what have been disclosed above, there was no other acquisitions during the years ended December 31, 2021, 2022 and 2023, respectively.

6. Goodwill, Intangible Assets and Acquisitions (Continued)

The following sets forth the changes in the Group's goodwill by reporting units:

	Advertising & Marketing	Value-added services (In US\$ thousands)	Total
Balance as of December 31, 2020	\$ 30,899	\$ 30,813	\$ 61,712
Acquisition of the company operating Wuta application	51,034	—	51,034
Acquisition of an E-sports team	—	14,745	14,745
Currency translation adjustment	1,813	1,101	2,914
Balance as of December 31, 2021	<u>83,746</u>	<u>46,659</u>	<u>130,405</u>
Currency translation adjustment	(6,585)	(3,669)	(10,254)
Balance as of December 31, 2022	<u>77,161</u>	<u>42,990</u>	<u>120,151</u>
Acquisition of Yunrui	—	48,669	48,669
Currency translation adjustment	(2,331)	(53)	(2,384)
Balance as of December 31, 2023	<u>\$ 74,830</u>	<u>\$ 91,606</u>	<u>\$ 166,436</u>

The Group performs at least annually a qualitative analysis on the goodwill arising from acquisitions taking into consideration the events and circumstances, including consideration of macroeconomic factors, industry and market conditions, share price of the Group, and overall financial performance, in addition to other entity-specific factors. For the years ended December 31, 2021 and 2022, no impairment indicator was noted by performing qualitative analysis, therefore, no provision was recorded. During the year ended December 31, 2023, a sustained decrease of the share price was noted by the Group and deemed as an impairment indicator of the goodwill. The Group performed quantitative analysis as of June 30, 2023 and December 31, 2023. A third-party valuation firm was engaged to help the management determine the fair value of the two reporting units by applying income approach. Significant assumptions in estimating the fair value of reporting units included revenue growth rates and discount rates. In order to assess the impact of changes in certain significant assumptions, which could materially affect the determination of the fair value of each reporting unit, the Group also performed a sensitivity analysis by decreasing the revenue growth rates and increasing the discount rates. The analysis still resulted in the fair value of each reporting unit exceeding the carrying value by a sufficient amount. Therefore, the Group concluded that there was no impairment of goodwill as of June 30, 2023 and December 31, 2023, respectively.

For the year ended December 31, 2022, the Group recognized an impairment charge of US\$10.2 million for the intangible assets arising from certain acquisitions due to no more sustainable future revenues expected for the certain business.

The following table summarizes the Group's intangible assets arising from acquisitions:

	As of December 31, 2022			As of December 31, 2023		
	Cost	Accumulated Amortization (In US\$ thousands)	Net	Cost	Accumulated Amortization (In US\$ thousands)	Net
Game related	\$ 140,328	\$ (30,029)	\$ 110,299	\$ 136,155	\$ (43,406)	\$ 92,749
Technology	2,808	(2,596)	212	10,596	(2,831)	7,765
Trademark and domain name	12,892	(4,280)	8,612	25,436	(5,765)	19,671
Others	13,045	(7,096)	5,949	23,898	(9,954)	13,944
Total	<u>\$ 169,073</u>	<u>\$ (44,001)</u>	<u>\$ 125,072</u>	<u>\$ 196,085</u>	<u>\$ (61,956)</u>	<u>\$ 134,129</u>

6. Goodwill, Intangible Assets and Acquisitions (Continued)

The amortization expense for the years ended December 31, 2021, 2022 and 2023 was US\$22.2 million, US\$21.5 million and US\$19.3 million, respectively. As of December 31, 2023, estimated amortization expenses for future periods are expected as follows:

Year Ended December 31,	(In US\$ thousands)
2024	\$ 21,483
2025	17,980
2026	17,943
2027	17,660
2028	17,326
Thereafter	41,528
Total expected amortization expense *	\$ 133,920

* The table above excludes US\$0.2 million of indefinite-lived intangible assets which was included in the category of others.

7. Stock-Based Compensation

In March 2014, the Company adopted the 2014 Share Incentive Plan (the “2014 Plan”), which included the remaining 4.6 million shares from the terminated 2010 Share Incentive Plan, plus an additional 1.0 million shares. On January 1, 2015, shares in the 2014 Plan, which has a term life of ten years, were allowed a one-time increase in the amount equal to 10% of the total number of Weibo shares issued and outstanding on a fully-diluted basis as of December 31, 2014. In March 2023, the Company adopted the 2023 Share Incentive Plan (the “2023 Plan”), which included the sum of 10,000,000 shares and all ordinary shares reserved but unissued as of February 28, 2023 under the 2014 Plan. Each share in the 2014 Plan pool and 2023 Plan pool allows for a grant of a restricted share unit or option share. The Company intends to use such share incentive plan to attract and retain employee talents. Stock-based compensation related to the grants is amortized generally over four years on a straight-line basis (generally one year for performance-based restricted shares).

The following table sets forth the stock-based compensation included in each of the relevant accounts:

	Year Ended December 31,		
	2021*	2022*	2023*
	(In US\$ thousands)		
Cost of revenues	\$ 8,112	\$ 9,417	\$ 8,933
Sales and marketing	15,292	18,910	16,528
Product development	43,622	55,294	51,441
General and administrative	20,970	28,092	24,229
	\$ 87,996	\$ 111,713	\$ 101,131

* Excluded non-cash stock-based compensation of US\$7.9 million, US\$9.3 million and US\$8.1 million to SINA employees charged through Amount due from SINA in 2021, 2022 and 2023, respectively.

7. Stock-Based Compensation (Continued)

The following table sets forth a summary of the number of shares available for issuance:

	Shares Available (In thousands)
December 31, 2020	12,495
Addition	—
Granted*	(5,752)
Cancelled/expired/forfeited	692
December 31, 2021	7,435
Addition	—
Granted*	(4,642)
Cancelled/expired/forfeited	770
December 31, 2022	3,563
Addition	10,000
Granted*	(3,971)
Cancelled/expired/forfeited	351
December 31, 2023	9,943

* For the years ended December 31, 2021, 2022 and 2023, 5.8 million, 1.8 million and 1.8 million restricted share units were granted, respectively. Options of nil, 2.8 million and 2.2 million were granted during 2021, 2022 and 2023, respectively.

Stock Options

The following table sets forth a summary of option activities under the Company's stock option program:

	Options Outstanding (In thousands)	Weighted Average Exercise Price (In US\$)	Weighted Average Remaining Contractual Life (In years)	Aggregate Intrinsic Value (In US\$ thousands)
December 31, 2020	551	\$ 28.85	5.8	\$ 6,683
Granted	—	\$ —		
Exercised	(105)	\$ 12.70		
Cancelled/expired/forfeited	(59)	\$ 32.68		
December 31, 2021	387	\$ 32.68	5.6	\$ —
Granted	2,750	\$ 21.15		
Exercised	—	\$ —		
Cancelled/expired/forfeited	(118)	\$ 24.12		
December 31, 2022	3,019	\$ 22.51	6.0	\$ —
Granted	2,187	\$ 3.87		
Exercised	—	\$ —		
Cancelled/expired/forfeited	(98)	\$ 22.07		
December 31, 2023	5,108	\$ 14.54	5.7	\$ 15,390
Vested and expected to vest as of December 31, 2022	2,752	\$ 22.54	6.0	\$ —
Exercisable as of December 31, 2022	172	\$ 32.68	4.6	\$ —
Vested and expected to vest as of December 31, 2023	4,686	\$ 14.68	5.7	\$ 13,905
Exercisable as of December 31, 2023	1,226	\$ 23.44	4.9	\$ —

7. Stock-Based Compensation (Continued)

Stock Options (Continued)

The total intrinsic value of options exercised for the years ended December 31, 2021, 2022 and 2023 was US\$4.0 million, nil and nil, respectively. The intrinsic value is calculated as the difference between the market value on the date of exercise and the exercise price of the shares. As reported by the NASDAQ Global Selected Market, the Company's ending stock price as of December 31, 2022 and 2023 was US\$19.12 and US\$10.95, respectively. Cash received from the exercise of stock options during the years ended December 31, 2021, 2022 and 2023 was US\$1.3 million, nil and nil, respectively. As of December 31, 2022 and 2023, unrecognized compensation cost (adjusted for estimated forfeitures), related to non-vested stock options granted to the Company's employees and directors was US\$20.5 million and US\$30.5 million, respectively. As of December 31, 2023, total unrecognized compensation cost is expected to be recognized over a weighted-average period of 2.9 years and may be adjusted for future changes in estimated forfeitures.

Information regarding stock options outstanding is summarized below:

Range of Exercise Prices	Options Outstanding (In thousands)	Weighted Average Exercise Price (In US\$)	Options Exercisable (In thousands)	Weighted Average Exercise Price (In US\$)	Weighted Average Remaining Contractual Life (In years)
As of December 31, 2022					
US\$ 32.68	356	\$ 32.68	172	\$ 32.68	4.6
US\$ 21.15	2,663	\$ 21.15	—	\$ —	6.2
	3,019	\$ 22.51	172	\$ 32.68	6.0
As of December 31, 2023					
US\$ 32.68	328	\$ 32.68	243	\$ 32.68	3.6
US\$ 21.15	2,606	\$ 21.15	983	\$ 21.15	5.2
US\$ 3.87	2,174	\$ 3.87	—	\$ —	6.5
	5,108	\$ 14.54	1,226	\$ 23.44	5.7

No option was granted during the year ended December 31, 2021. The fair value of the options granted during the years ended December 31, 2022 and 2023 is estimated on the measurement date using the Black-Scholes model by applying the assumptions below:

	For the years ended December 31,	
	2022	2023
Fair value of ordinary shares (US\$)	21.15	11.51-13.1
Expected volatility range	53 %	54.77%-55.77 %
Risk-free interest rate (per annum)	2.17 %	4.42%-4.82 %
Expected dividend yield	—	—
Expected term (in years)	4.66	4.66

The expected volatility is assumed based on the historical volatility of the Company in the period equal to the expected life of each grant. The risk-free interest rate is based on the yields of United States Treasury securities with maturities similar to the expected life of the options in effect on the measurement date. The expected term of options is based on management's estimate on timing of exercise of options.

7. Stock-Based Compensation (Continued)

Restricted Share Units

Summary of Performance-Based Restricted Share Units without Market Condition

The following table sets forth a summary of performance-based restricted share unit activities without market condition:

	<u>Shares Granted</u> (In thousands)	<u>Weighted-Average Grant Date Fair Value</u> (In US\$)
December 31, 2020	17	\$ 36.49
Awarded	15	\$ 54.08
Vested	(2)	\$ 38.78
Cancelled	(19)	\$ 40.63
December 31, 2021	11	\$ 54.17
Awarded	—	\$ —
Vested	(9)	\$ 54.17
Cancelled	(2)	\$ 54.17
December 31, 2022	—	\$ —
Awarded	—	\$ —
Vested	—	\$ —
Cancelled	—	\$ —
December 31, 2023	—	\$ —

As of December 31, 2022 and 2023, there was no unrecognized compensation cost (adjusted for estimated forfeitures), related to performance-based restricted share units without market condition granted to the Company's employees, respectively.

7. Stock-Based Compensation (Continued)

Restricted Share Units (Continued)

Summary of Performance-Based Restricted Share Units with Market Condition

The following table sets forth a summary of performance-based restricted share unit activities with market condition:

	Shares Granted (In thousands)	Weighted- Average Grant Date Fair Value (In US\$)
December 31, 2021	—	\$ —
Awarded	1,640	\$ 8.43
Vested	—	\$ —
Cancelled	—	\$ —
December 31, 2022	1,640	\$ 8.43
Awarded	1,640	\$ 9.66
Vested	—	\$ —
Cancelled	—	\$ —
December 31, 2023	3,280	\$ 9.04

As of December 31, 2022 and 2023, unrecognized compensation cost (adjusted for estimated forfeitures) was US\$4.7 million and US\$1.7 million, which was related to non-vested performance-based restricted share units with market condition granted to the Company's management. As of December 31, 2022 and 2023, the cost is expected to be recognized over a weighted-average period of 0.4 years and 0.4 years, respectively. No share was vested during the year ended December 31, 2022 and 2023, respectively.

Summary of Service-Based Restricted Share Units

The following table sets forth a summary of service-based restricted share unit activities:

	Shares Granted (In thousands)	Weighted- Average Grant Date Fair Value (In US\$)
December 31, 2020	4,324	\$ 41.86
Awarded	5,737	\$ 47.95
Vested	(1,608)	\$ 45.66
Cancelled	(614)	\$ 44.02
December 31, 2021	7,839	\$ 45.37
Awarded	252	\$ 20.59
Vested	(2,330)	\$ 47.09
Cancelled	(651)	\$ 42.69
December 31, 2022	5,110	\$ 43.71
Awarded	144	\$ 17.27
Vested	(2,191)	\$ 43.04
Cancelled	(253)	\$ 38.66
December 31, 2023	2,810	\$ 43.37

As of December 31, 2022 and 2023, unrecognized compensation cost (adjusted for estimated forfeitures) was US\$162.0 million and US\$84.0 million, respectively, which was related to non-vested service-based restricted share units granted to the Company's employees and directors. As of December 31, 2022 and 2023, this cost is expected to be recognized over a weighted-average period of 2.5 years and 1.7 years, respectively. The total fair value based on the grant date of the restricted share units vested was US\$73.4 million, US\$109.7 million and US\$94.3 million for the years ended December 31, 2021, 2022 and 2023, respectively.

8. Other Balance Sheets Components

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Accounts receivable, net:		
Due from third parties	\$ 416,125	\$ 396,043
Due from Alibaba	75,347	61,094
Due from other related parties	49,151	38,188
Total gross amount	540,623	495,325
Allowance for credit losses:		
Balance at the beginning of the year	(42,650)	(38,180)
Additional provision charged to expenses, net	(4,440)	(19,208)
Write-off	4,695	1,435
Currency translation adjustment	4,215	1,396
Balance at the end of the year	(38,180)	(54,557)
	\$ 502,443	\$ 440,768
Prepaid expenses and other current assets:		
Rental and other deposits	\$ 1,583	\$ 1,606
Deductible value-added taxes	3,865	4,860
Investment prepayment	30,938	29,055
Proceeds receivable from disposal of investments	13,371	—
Loans to and interest receivable from other related parties ⁽¹⁾ (Note 10)	110,000	100,000
Loans to and interest receivable from third parties ⁽¹⁾	136,683	137,042
Advertising prepayment	9,126	8,563
Prepayment to outsourced service providers	3,479	3,380
Amounts deposited by users ⁽²⁾	52,216	50,194
Content fees	15,859	15,796
Others	14,382	9,385
	\$ 391,502	\$ 359,881
Property and equipment, net:		
Office building	\$ 196,223	\$ 190,295
Office building related facilities	3,298	3,199
Computers and equipment	228,599	213,637
Leasehold improvements	13,064	13,178
Furniture and fixtures	8,139	7,950
Others	17,733	18,644
Property and equipment, gross	467,056	446,903
Accumulated depreciation	(217,503)	(226,240)
	\$ 249,553	\$ 220,663
Other non-current assets		
Investment-related deposits ⁽³⁾	\$ 373,252	\$ 325,895
Loans to and interest receivable from other related parties ⁽¹⁾ (Note 10)	454,912	349,716
Deferred tax assets	39,989	43,262
Others	30,269	36,889
	\$ 898,422	\$ 755,762
Accrued and other liabilities⁽⁴⁾:		
Payroll and welfare	\$ 156,274	\$ 161,579
Marketing expenses	74,093	62,267
Sales rebates	266,455	244,868
Professional fees	8,836	8,083
VAT and other tax payable	51,037	56,548
Amounts due to users ⁽²⁾	52,216	50,194
Payable to SINA for the acquisition of the equity of STC (Note 6)	218,402	—
Unpaid consideration for acquisitions	687	5,674
Unpaid consideration for investment	4,320	2,186
Proceeds received in advance from disposal of investment	14,496	—
Interest payable for convertible senior notes, unsecured senior notes and long-term loans	28,257	28,812
Others	38,911	36,234
	\$ 913,984	\$ 656,445

- (1) Loans to related parties and third parties incurred for the years ended December 31, 2022 and 2023 were non-trade in nature.
- (2) Weibo wallet enables users to conduct interest-generation activities on Weibo, such as handing out “red envelopes” and coupons to users and purchase different types of products and services on Weibo, including those offered by the Group, such as marketing services and membership, and those offered by Weibo’s platform partners, such as e-commerce merchandises, financial products and virtual gifts. Amounts deposited by users primarily represent the receivable temporarily held in Weibo’s account on a third-party online payment platform for Weibo wallet users. Amounts due to users represent the balances that are payable on demand to Weibo wallet users and therefore are reflected as current liability on the consolidated balance sheets.
- (3) Investment-related deposits primarily included a game company amounted to US\$249.4 million and US\$154.0 million as of December 31, 2022 and 2023, respectively.
- (4) Include amounts due to third parties, employees, related parties (Note 10) and Weibo wallet users.

9. Income Taxes

The Company is registered in the Cayman Islands and mainly operates in two taxable jurisdictions—the PRC and Hong Kong.

The Group's income before income taxes is as follows:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands, except percentage)		
Loss from non-China operations	\$ (232,830)	\$ (422,860)	\$ (145,244)
Income from China operations	783,548	550,946	648,026
Total income before income tax expenses	\$ 550,718	\$ 128,086	\$ 502,782
Income tax expense (benefits) applicable to non-China operations	\$ 1,355	\$ (14,176)	\$ 45,441
Income tax expense applicable to China operations	137,486	44,453	99,846
Total income tax expenses	\$ 138,841	\$ 30,277	\$ 145,287
Effective tax rate for China operations	17.5 %	8.1 %	15.4 %
Effective tax rate for the Group	25.2 %	23.6 %	28.9 %

The Group generated the majority of its operating income from PRC operations and has recorded income tax provision for the periods presented. The Group's loss from non-China operations primarily included stock-based compensation, fair value changes through earnings on investments, investment-related impairment and interest expenses recorded by the Group's non-China entities. The substantial majority of these items were recognized by the Group's non-China entities in the Cayman Islands. The Group's non-China operations have reversed US\$14.2 million deferred tax charges which were previously recognized from fair value change of investments in 2022 and recognized US\$43.7 million withholding tax in connection with the dividends paid and to be paid by Weibo Technology to Weibo HK in the foreseeable future in 2023.

Cayman Islands

Under the current tax laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is required.

Hong Kong

Weibo HK is subject to 16.5% Hong Kong profit tax on its taxable income generated from operations in Hong Kong. Commencing from the year of assessment 2018/2019, the first HK\$2 million of profits earned by entities incorporated in Hong Kong will be taxed at half the current tax rate (i.e., 8.25%) while the remaining profits will continue to be taxed at the existing 16.5% tax rate. Hong Kong does not impose a withholding tax on dividends. As of December 31, 2023, Weibo HK had a net operating loss of US\$2.4 million, which can be carried forward indefinitely to offset future taxable income.

9. Income Taxes (Continued)

China

Effective January 1, 2008, the Enterprise Income Tax Law (the “EIT Law”) in China unifies the enterprise income tax rate for the entities incorporated in China at 25%, unless they are eligible for preferential tax treatment. Preferential tax treatments will be granted to companies conducting businesses in certain encouraged sectors and to entities qualified as “software enterprise”, “key software enterprise” (“KSE”) and/or “high and new technology enterprise” (“HNTE”). Weibo Technology, the Group’s WFOE, was granted the HNTE status for the fiscal years from 2017 to 2023, which entitled the qualified entity a preferential tax rate of 15% in 2021, 2022 and 2023. Its qualification as a HNTE is subject to annual evaluation and a three-year review by the relevant authorities in China. Upon the expiration of qualification, re-accreditation of certification from the relevant authorities is necessary for Weibo Technology to continue enjoying the preferential tax treatment. In addition, certain of the Group’s other PRC entities are also qualified as a “software enterprise”, and/or HNTE, and currently enjoy the respective preferential tax treatments.

According to the relevant laws and regulations in the PRC, enterprises engaging in research and development activities were entitled to claim 150% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the “R&D Deduction”). The State Taxation Administration of the PRC (“STA”) announced in September 2018 that enterprises engaging in research and development activities would be entitled to claim 175% of their research and development expenses as R&D Deduction from January 1, 2018 to December 31, 2020. The deadline for enjoying this preferential R&D deduction policy was extended to December 31, 2023 as announced in March 2021 by STA. In March 2023, the STA announced that enterprises engaging in research and development activities would be entitled to claim 200% of their research and development expenses as R&D Deduction since January 1, 2023.

The EIT Law also provides that an enterprise established under the laws of a foreign country or region but whose “de facto management body” is located in the PRC be treated as a resident enterprise for PRC tax purposes and consequently be subject to the PRC income tax at the rate of 25% for its global income. The Implementing Rules of the EIT Law merely define the location of the “de facto management body” as “the place where the exercising, in substance, of the overall management and control of the production and business operation, personnel, accounting, properties, etc., of a non-PRC company is located.” Based on a review of surrounding facts and circumstances, the Group does not believe that it is likely that its operations outside of the PRC be considered a resident enterprise for PRC tax purposes. However, due to limited guidance and implementation history of the EIT Law, should Weibo be treated as a resident enterprise for PRC tax purposes, the Company will be subject to PRC tax on worldwide income at a uniform tax rate of 25%.

The EIT Law also imposes a withholding income tax rate of 10% on dividends distributed by a WFOE to its immediate holding company outside of China, if such immediate holding company is considered as a non-resident enterprise without any establishment or place within China or if the received dividends have no connection with the establishment or place of such immediate holding company within China, unless such immediate holding company’s jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. The Cayman Islands, where the Company incorporated, does not have such tax treaty with China. According to the arrangement between Mainland China and Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion in August 2006 and subsequent amendments, dividends paid by a WFOE in China to its immediate holding company in Hong Kong will be subject to withholding tax at a rate of no more than 5% (if the foreign investor owns directly at least 25% of the shares of the WFOE).

The operations of the Group’s WFOE in China are invested and held by Weibo HK. If the Company is regarded as a PRC non-resident enterprise and Weibo HK is regarded as a PRC resident enterprise, Weibo HK may be required to pay a 10% withholding tax on any dividends payable to the Company. Under such circumstances, if Weibo HK is deemed to be a “PRC resident enterprise”, the dividends distributed from Weibo Technology to Weibo HK is not subject to dividend withholding tax. Also, Weibo HK would be subject to PRC enterprise income tax on at a rate of 25%. If the Company and Weibo HK is regarded as a PRC non-resident enterprise and subject to specific conditions, Weibo Technology may be allowed to pay a 5% withholding tax for any dividends payable to Weibo HK. For the year ended December 31, 2023, Weibo HK received special cash dividend of US\$406.1 million from Weibo Technology, the WFOE, and withholding tax of US\$20.5 million in connection with the dividend was fully paid. Except for the withholding tax paid in 2023, Weibo HK accrued additional withholding tax of US\$23.1 million on retained earnings generated in 2023 by Weibo Technology, because Weibo Technology’s earnings are to be remitted to Weibo HK in the foreseeable future to fund its demand on US dollars in business operations, payments of dividends and debts, potential investments, etc. As of December 31, 2022 and December 31, 2023, the Group had a total undistributed PRC earnings of RMB 22.4 billion and RMB 19.9 billion, respectively, which are expected to be indefinitely reinvested in the Group’s business for the foreseeable future.

9. Income Taxes (Continued)

Composition of income tax expenses

The following table sets forth current and deferred portion of income tax expenses of the Group:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
Current income tax expenses	\$ 151,319	\$ 55,098	\$ 121,249
Deferred tax expenses (benefits)	(12,478)	(24,821)	24,038
Income tax expenses	\$ 138,841	\$ 30,277	\$ 145,287

Reconciliation of the statutory tax rate to the effective tax rate

The following table sets forth reconciliation between the PRC statutory EIT rate of 25% and the effective tax rate for the Group:

	Year Ended December 31,		
	2021	2022	2023
PRC Statutory EIT rate ⁽¹⁾	25.0 %	25.0 %	25.0 %
Effect on tax holiday and preferential tax treatment	(13.1)%	(29.7)%	(9.5)%
Research and development super-deduction	(7.5)%	(21.1)%	(4.4)%
Non-deductible expenses and non-taxable income and others ⁽²⁾	9.2 %	(30.1)%	(3.5)%
Change in valuation allowance	0.7 %	8.2 %	5.0 %
Effect of PRC withholding tax	—	—	8.7 %
Tax rate difference from statutory rate in other jurisdictions	10.9 %	71.3 %	7.6 %
Effective tax rate for the Group	25.2 %	23.6 %	28.9 %

(1) The PRC statutory income tax rate is used for the reconciliation as the majority of the Group's operations are based in the PRC.

(2) The item included the impact of uncertain tax positions recognized in 2021 and the reversal of uncertain tax positions in 2022.

The provision for income taxes for China operations for the years ended December 31, 2021, 2022 and 2023 differs from the amounts computed by applying the statutory EIT rate primarily due to the preferential tax treatments described above enjoyed by the WFOE, Weibo Technology, during the periods presented. Weibo Technology enjoyed a tax reduction of US\$55.1 million, US\$26.9 million and US\$42.2 million for the HNTE status in 2021, 2022 and 2023, respectively. The WFOE recognized tax benefits of research and development super deduction of US\$41.4 million, US\$26.9 million and US\$22.2 million in 2021, 2022 and 2023, respectively. If the Group assessed that the benefits were more-likely-than-not to be sustained in the corresponding year, it would accordingly recognize the tax benefits. The preferential tax treatments benefited by the Group during the three-year period ended December 31, 2023 amounting to US\$72.3 million, US\$37.9 million and US\$48.0 million, resulted in an effect of US\$0.32, US\$0.16 and US\$0.20 on basic net income per share in 2021, 2022 and 2023, respectively.

9. Income Taxes (Continued)***Deferred tax assets and liabilities***

The following table sets forth the significant components of deferred tax assets and liabilities for the Group:

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Deferred tax assets:		
Net operating loss carry forwards	\$ 18,289	\$ 49,802
Investment-related impairment	52,363	50,441
Depreciation, accounts receivable, accrued and other liabilities	73,557	72,207
Valuation allowance	(104,220)	(129,188)
Net deferred tax assets	<u>\$ 39,989</u>	<u>\$ 43,262</u>
Deferred tax liabilities:		
Acquired intangible assets	\$ 27,435	\$ 28,528
Depreciation	1,731	1,769
Unrealized investment-related gain	12,414	12,282
Withholding tax	—	23,365
Others	114	207
Total deferred tax liabilities	<u>\$ 41,694</u>	<u>\$ 66,151</u>

Valuation allowance is provided against deferred tax assets when the Group determines that it is more likely than not that the deferred tax assets will not be utilized in the future. In making such determination, the Group considered factors including (i) future reversals of existing taxable temporary differences; (ii) future taxable income exclusive of reversing temporary differences and carry forwards; and (iii) tax planning strategies. The valuation allowance on deferred tax assets as of December 31, 2022 and 2023 was US\$104.2 million and US\$129.2 million, respectively. The valuation allowance primarily relates to credit loss allowances and investment impairment charges, as well as net operating loss carry forwards. Historically, deferred tax assets were valued using the tax rate applicable to each entity for China operations. Net operating loss carry forwards for China operations as of December 31, 2023 will expire, if unused, in the years ending December 31, 2024 through December 31, 2028.

Uncertain tax position

Except for the lag recognition of preferential tax treatment of research and development super deduction and stock based related deduction, the Group did not record any liability or decrease in deferred tax asset related to uncertain tax positions as of December 31, 2022 and 2023, and thus, no interest and penalties related to uncertain tax positions were recorded.

For the year ended December 31, 2021, based on interactions with the tax authorities, the Group received additional guidance regarding certain areas with heightened requirements, and updated its estimate of related tax benefit amount that is expected to be sustained upon settlement with tax authorities. Additional US\$27.9 million tax liability related to the uncertain tax positions was recognized for 2021, which is based on the updated estimate of the largest amount of tax benefit that is greater than 50% likely to be realized upon settlement with the tax authorities. For the year ended December 31, 2022, the Group reversed US\$21.4 million tax liability related to the uncertain tax positions based on further interactions with the tax authorities.

In general, the PRC tax authorities have up to five years to review a company's tax filings. Accordingly, tax filings of the Company's PRC subsidiaries and VIEs for tax years 2019 through 2023 remain subject to the review by the relevant PRC tax authorities.

10. Related Party Transactions

The following sets forth significant related parties and their relationships with the Company:

Company Name	Relationship with the Company
SINA	Parent and affiliates under common control.
Alibaba	Strategic partner and significant shareholder of the Company.

During the years ended December 31, 2021, 2022 and 2023, the Group entered in to a series of one-year loan agreements with SINA pursuant to which SINA is entitled to borrow from the Group to facilitate SINA's business operations. SINA has withdrawn a total of US\$978.2 million, US\$1,261.9 million and US\$1,105.7 million from the Group and repaid US\$1,058.6 million, US\$1,249.5 million and US\$1,071.1 million to the Group during the years ended December 31, 2021, 2022 and 2023, respectively. As of December 31, 2022 and 2023, the loans to and interest receivable from SINA were US\$420.4 million and US\$445.2 million, respectively.

The following sets forth significant related party transactions with the Group:

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
<u>Transactions with SINA</u>			
Revenue billed through SINA	\$ 68,351	\$ 44,962	\$ 41,557
Revenue from services provided to SINA	43,170	31,984	25,253
Total	<u>\$ 111,521</u>	<u>\$ 76,946</u>	<u>\$ 66,810</u>
Costs and expenses allocated from SINA ⁽¹⁾	\$ 38,270	\$ 47,178	\$ 36,483
Interest income on loans to SINA	\$ 17,943	\$ 14,770	\$ 14,913

<u>Transactions with Alibaba</u>			
Advertising and marketing revenues from Alibaba – as an advertiser	\$ 139,561	\$ 106,974	\$ 111,608
Advertising and marketing revenues from Alibaba – as an agent	\$ 41,680	\$ 223	\$ —
Services provided by Alibaba	\$ 44,006	\$ 33,745	\$ 23,366

- (1) Costs and expenses allocated from SINA represented the charges for certain services provided by SINA or SINA's affiliates and charged to the Group using actual cost allocation based on proportional utilization (Note 1). In addition to the allocated costs and expenses, SINA also billed US\$48.0 million, US \$37.7 million and US\$24.9 million for other costs and expenses incurred by Weibo but paid by SINA for the years ended December 31, 2021, 2022 and 2023, respectively. During the years ended December 31, 2021, 2022 and 2023, Weibo allocated US\$0.8 million, US\$0.6 million and US\$9.9 million to SINA for costs and expenses related to certain of SINA's activities for which Weibo made the payments, respectively.

The following table sets forth the details of the revenues from SINA by advertising and marketing revenues and value-added services revenues for the periods specified.

	Year Ended December 31,		
	2021	2022	2023
	(In US\$ thousands)		
<u>Transactions with SINA</u>			
Advertising and marketing revenues	\$ 96,359	\$ 56,206	\$ 45,319
Value-added services revenues	15,162	20,740	21,491
Total	<u>\$ 111,521</u>	<u>\$ 76,946</u>	<u>\$ 66,810</u>

10. Related Party Transactions (Continued)

The following sets forth related party outstanding balance:

	As of December 31,	
	2022	2023
	(In US\$ thousands)	
Amount due from SINA ⁽²⁾	\$ 487,117	\$ 486,397
Payable to SINA for the acquisition of the equity of STC (Note 6)	\$ 218,402	\$ —
Accounts receivable due from Alibaba	\$ 75,347	\$ 61,094
Loans to and interest receivable from other related parties^{(3) (4)}		
-Company A (an investee providing online brokerage services)	\$ 110,000	\$ 100,000
Subtotal (included in prepaid expenses and other current assets)	110,000	100,000
-Company B (an investee in real estate business)	454,912	349,716
Subtotal (included in other non-current assets)	454,912	349,716
Total	\$ 564,912	\$ 449,716

- (2) The Group uses amount due from/to SINA to settle balances arising from costs and expenses allocated from SINA based on proportional utilization, other expenditures incurred by Weibo business but paid by SINA, transactions with third-party customers and suppliers settled through SINA, as well as business transactions between Weibo and SINA. As of December 31, 2022 and 2023, the amount due from SINA also included loans to and interest receivable from SINA of US\$420.4 million and US\$445.2 million at an annual interest rate ranging from 1% to 4% of maturity within one year, respectively, which are non-trade in nature.
- (3) The annual interest rates of the loans were ranging from 4.0% to 6.7% at both dates. These balances are non-trade in nature. The contractual terms of the loans were up to 5 years while subject to extension and the Group will determine the liquidity (current versus non-current) of the loans pursuant to the expected cash collection. In 2023, several loans were extended and the Group accounted for such extension as loan modification.
- (4) The Group estimates the allowance for credit losses on loans and interest receivables not sharing similar risk characteristic on an individual basis. The key factors considered when determining the above allowances for credit losses include the fair value of the assets held by the borrowers. For the years ended December 31, 2021, 2022 and 2023, the Group recognized nil, US\$7.6 million credit losses and a reversal of US\$2.1 million credit losses on loans to and interest receivable from other related parties based on the expected collection schedule of these loans, respectively.

Other related parties mainly include investee companies on which SINA or Weibo has significant influence. These investees are generally high-tech companies operating in different internet-related business. For the years ended December 31, 2021, 2022 and 2023, the Group recognized US\$70.0 million, US\$40.5 million and US\$32.7 million of advertising and marketing revenues, US\$3.3 million, US\$8.1 million and US\$2.7 million of value-added services revenues, and US\$62.6 million, US\$32.3 million and US\$33.9 million of costs and expenses from other related parties, respectively. As of December 31, 2022 and 2023, other related parties accounted for outstanding balances of net accounts receivable of US\$48.6 million and US\$38.2 million, accounts payable of US\$21.7 million and US\$36.8 million, and accrued and other liabilities of US\$6.6 million and US\$6.0 million, respectively.

11. Employee Benefit Plans

China Contribution Plan

The Company's subsidiaries, VIEs and VIEs' subsidiaries in China participate in a government-mandated, multi-employer, defined contribution plan, pursuant to which certain retirement, medical, housing and other welfare benefits are provided to employees. Chinese labor laws require the entities incorporated in China to pay to the local labor and welfare authorities a monthly contribution at a stated contribution rate based on the monthly basic compensation of qualified employees. The local labor bureau is responsible for meeting all retirement benefit obligations. The Group has no further commitments beyond its monthly contribution. For the years ended December 31, 2021, 2022 and 2023, the Group's total contribution was US\$83.2 million, US\$91.2 million and US\$79.5 million, respectively.

12. Net Income per Share

Basic net income per share is computed using the weighted average number of the ordinary shares outstanding during the period. Options and RSUs are not considered outstanding in the computation of basic earnings per share (“EPS”). Diluted EPS is computed using the weighted average number of ordinary shares and potential ordinary shares outstanding during the period under the treasury stock method. For the years ended December 31, 2021, 2022 and 2023, options to purchase ordinary shares and RSUs of 1.4 million, 1.2 million and 2.6 million were recognized as dilutive factors and included in the calculation of diluted net income per share, respectively. For the years ended December 31, 2021, 2022 and 2023, options and RSUs which were anti-dilutive and excluded from the calculation of diluted net income per share were 0.4 million, 6.5 million and 7.4 million, respectively. For the years ended December 31, 2021, 2022 and 2023, 6.8 million, 5.9 million and nil shares convertible from the convertible senior notes were anti-dilutive and excluded from the calculation of diluted net income per share, respectively.

The following table sets forth the computation of basic and diluted net income per share for the periods presented:

	Year Ended December 31,		
	2021	2022	2023
(In US\$ thousands, except share data and per share data)			
Basic net income per share calculation:			
Numerator:			
Net income attributable to Weibo’s shareholders	\$ 428,319	\$ 85,555	\$ 342,598
Denominator:			
Weighted average ordinary shares outstanding	228,814	235,164	235,560
Basic net income per share attributable to Weibo’s shareholders	<u>\$ 1.87</u>	<u>\$ 0.36</u>	<u>\$ 1.45</u>
Diluted net income per share calculation:			
Numerator:			
Net income attributable to Weibo	\$ 428,319	\$ 85,555	\$ 342,598
Add: Effect on interest expenses and amortized issuance cost of convertible senior notes	—	—	529
Net income attributable to Weibo’s shareholders for calculating diluted net income per share	<u>428,319</u>	<u>85,555</u>	<u>343,127</u>
Denominator:			
Weighted average ordinary shares outstanding	228,814	235,164	235,560
Effects of dilutive securities			
Stock options	68	—	14
Unvested restricted share units	1,324	1,243	2,625
Convertible senior notes	—	—	1,775
Shares used in computing diluted net income per share attributable to Weibo’s shareholders	<u>230,206</u>	<u>236,407</u>	<u>239,974</u>
Diluted net income per share attributable to Weibo’s shareholders	<u>\$ 1.86</u>	<u>\$ 0.36</u>	<u>\$ 1.43</u>

13. Profit Appropriation and Restricted Net Assets

The Company's subsidiaries, VIEs and VIEs' subsidiaries in China are required to make appropriations to certain non-distributable reserve funds, in accordance with the China Company Laws. They have to make appropriations from their after-tax profit (as determined under Generally Accepted Accounting Principles in the PRC ("PRC GAAP")) to non-distributable reserve funds including (i) statutory surplus fund, and (ii) discretionary surplus fund. Statutory surplus fund is at least 10% of the after-tax profits calculated in accordance with the PRC GAAP. Appropriation is not required if the reserve fund has reached 50% of the registered capital of the respective company.

Statutory surplus fund is restricted for set off against losses, expansion of production and operation or increase in registered capital of the respective companies. These reserves are not transferable to the Company in the form of cash dividends, loans or advances. These reserves are therefore not available for distribution except in liquidation.

As of December 31, 2022 and 2023 the Group's PRC subsidiaries accrued approximately US\$133.6 million and US\$130.4 million in the general reserve/statutory surplus funds, respectively.

Under the PRC laws and regulations, the subsidiaries, VIEs and VIEs' subsidiaries incorporated in the PRC are restricted in their ability to transfer a portion of their net assets to the Group either in the form of dividends, loans or advances of the consolidated net assets. The amounts restricted for the Group amounted to US\$567.2 million, or 16.1% of the Group's total consolidated net assets as of December 31, 2023.

14. Fair Value Measurement

The following table summarizes, for assets measured at fair value on a recurring basis, the respective fair value and the classification by level of input within the fair value hierarchy as of December 31, 2022 and 2023:

	Fair Value Measurements			
	Total	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(In US\$ thousands)				
As of December 31, 2022:				
Wealth management products ⁽¹⁾	\$ 212,195	\$ —	\$ 212,195	\$ —
Equity securities with readily determinable market value ⁽²⁾	239,550	239,550	—	—
Total	<u>\$ 451,745</u>	<u>\$ 239,550</u>	<u>\$ 212,195</u>	<u>\$ —</u>
As of December 31, 2023:				
Wealth management products ⁽¹⁾	\$ 24,535	\$ —	\$ 24,535	\$ —
Equity securities with readily determinable market value ⁽²⁾	118,268	118,268	—	—
Total	<u>\$ 142,803</u>	<u>\$ 118,268</u>	<u>\$ 24,535</u>	<u>\$ —</u>

(1) Included in short-term investments on the Group's consolidated balance sheets.

(2) Included in long-term investments on the Group's consolidated balance sheets.

Recurring

The Group measures short-term investments and equity securities with readily determinable fair values at fair value on a recurring basis. The fair values of the Group's equity securities with readily determinable fair values are determined based on the quoted market price (Level 1). The fair values of the Group's short-term investments are determined based on the quoted market price for similar products (Level 2). The fair value of certain wealth management products was determined based on market approach using unobservable inputs including selection of comparable debt securities and lack of marketability discounts. The fair value of these wealth management products was both nil as of December 31, 2022 and 2023, respectively, with US\$47.0 million fair value change loss recognized for these wealth management products for the year ended December 31, 2022. The Group recorded US\$196.6 million fair value change loss and US\$32.1 million fair value change gain for equity securities with readily determinable fair values for the year ended December 31, 2022 and 2023, respectively.

14. Fair Value Measurement (Continued)

Non-recurring

For those equity investments without readily determinable fair value, the Group measures them at market value when observable price changes are identified or impairment charges are recognized. The market values of the Group's privately held investments as disclosed are determined based on the discounted cash flow model using the discount curve of market interest rates or based on the similar transaction price in the market directly. The Group classifies the valuation techniques on those investments that use similar identifiable transaction prices as Level 2 of fair value measurements. The Group measures equity method investments at fair value on a non-recurring basis only if an impairment charge is recognized.

Certain privately held investments were measured using significant unobservable inputs (Level 3) and written down from their respective carrying values to fair values, considering the investees' financial performance, assumptions about future growth, and future financing plan, with impairment charges incurred and recorded in earnings for the period then ended. For the years ended December 31, 2021, 2022 and 2023, US\$106.8 million, US\$63.5 million and US\$25.7 million impairment charges were recorded for those equity investments without readily determinable fair values. As of December 31, 2022 and 2023, the carrying value of these impaired investments measured at Level 3 inputs were US\$17.8 million and nil, respectively. The fair value of the privately held investments was measured either based on discounted cash flow with unobservable inputs including the discount curve of market interest rates, or based on comparing the operating metrics of public peer companies with the investees.

The Group's non-financial assets, such as intangible assets, goodwill, fixed assets and operating lease assets, are measured at fair value only if they were determined to be impaired. In accordance with the Group's policy to perform an impairment assessment of its goodwill on an annual basis as of the balance sheets date or when facts and circumstances warrant a review, the Group performed an impairment assessment on its goodwill by reporting unit at least annually. The Group recognized no impairment charge of goodwill arising from previous acquisitions for the years ended December 31, 2021, 2022 and 2023, respectively.

The carrying amount of cash and cash equivalents, short-term investments, accounts receivable due from third parties, accounts receivable due from Alibaba, accounts receivable due from other related parties, amount due from SINA, accounts payable, accrued and other liabilities approximates fair values because of their short-term nature. The Group determines the fair value of its unsecured senior notes using quoted prices in less active markets, and accordingly the Group categorizes the unsecured senior notes and convertible senior notes as Level 2 in the fair value hierarchy. The fair value of unsecured senior notes amounted to US\$1,355.6 million and US\$1,438.2 million as of December 31, 2022 and 2023, respectively. The fair value of convertible senior notes amounted to US\$356.0 million as of December 31, 2023.

15. Convertible Senior Notes, Unsecured Senior Notes and Long-term Loans

Convertible Senior Notes due 2022

In October 2017, the Company issued US\$900 million in aggregate principal amount of 1.25% coupon interest convertible senior notes due on November 15, 2022 ("2022 Convertible Notes") at par. The net proceeds received by the Company from the issuance of the 2022 Convertible Notes were US\$879.3 million, net of issuance cost of US\$20.7 million. The Company pays cash interest at an annual rate of 1.25%, payable semiannually in arrears on May 15 and November 15 of each year, beginning May 15, 2018. The issuance costs of the 2022 Convertible Notes are being amortized to interest expenses over the contractual life. The 2022 Convertible Notes related interest expenses were US\$15.4 million and US\$13.2 million for each of the years ended December 31, 2021 and 2022, respectively. The Company has repaid all outstanding principal amount and accrued interest expenses of 2022 Convertible Notes in November 2022.

Unsecured Senior Notes due 2024

In July 2019, the Company issued US\$800 million in aggregate principal amount of unsecured senior notes due on July 5, 2024 ("2024 Senior Notes"), unless previously repurchased or redeemed in accordance with the terms prior to maturity. The 2024 Senior Notes were issued at par value and bear an annual interest rate of 3.50%, payable semiannually in arrears on January 5 and July 5 of each year, beginning on January 5, 2020. The net proceeds to the Company from the issuance of the 2024 Senior Notes were US\$793.3 million, net of issuance cost of US\$6.7 million. The issuance costs of the 2024 Senior Notes are being amortized to interest expenses over the contractual life. The 2024 Senior Notes related interest expenses were US\$29.3 million for each of the three years ended December 31, 2023.

15. Convertible Senior Notes, Unsecured Senior Notes and Long-term Loans (Continued)

Unsecured Senior Notes due 2030

In July 2020, the Company issued US\$750 million in aggregate principal amount of unsecured senior notes due on July 8, 2030 (“2030 Senior Notes”), unless previously repurchased or redeemed in accordance with the terms prior to maturity. The 2030 Senior Notes bear an annual interest rate of 3.375%, payable semiannually in arrears on January 8 and July 8 of each year, beginning on January 8, 2021. The net proceeds to the Company from the issuance of the 2030 Notes were US\$740.3 million, net of issuance cost of US\$9.7 million. The issuance costs of the 2030 Senior Notes are being amortized to interest expenses over the contractual life. For each of the three years ended December 31, 2023, the Group recognized US\$26.3 million interest expenses from the 2030 Notes.

Term and revolving facilities agreement due 2027

On August 22, 2022, the Company signed a five-year US\$1.2 billion term and revolving facilities agreement with a group of 23 arrangers. The facilities consist of a US\$900 million five-year bullet maturity term loan and a US\$300 million five-year revolving facility. The term and revolving loans under this facility are priced at 128 basis points over Term SOFR (the applicable reference rate). As of December 31, 2023, the Company has fully withdrawn the US\$900 million term loan and partially withdrawn US\$5 million revolving facility (“2027 Loans”) and repaid US\$100 million term loan in the fourth quarter of 2023. The Company used the proceeds from the term loan to refinance of existing indebtedness, general corporate purposes and payment of transaction related fees and expenses. For the years ended December 31, 2022 and 2023, the Group recognized US\$2.8 million and US\$63.9 million interest expenses from the 2027 Loans, respectively.

Convertible Senior Notes due 2030

In December 2023, the Company issued US\$330 million in aggregate principal amount of 1.375% coupon interest convertible senior notes due on December 1, 2030 (“2030 Convertible Notes”) at par. The net proceeds received by the Company from the issuance of the 2030 Convertible Notes were approximately US\$317.4 million, net of issuance cost of US\$12.6 million. The Company pays cash interest at an annual rate of 1.375%, payable semiannually in arrears on June 1 and December 1 of each year, beginning June 1, 2024. The holders may require the Company to repurchase all or part of the notes for cash on December 6, 2027 at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the repurchase date. The issuance cost related to the notes was recorded in the consolidated balance sheet as a direct deduction from the principal amount of the notes, and amortized over the period from December 4, 2023, the date of issuance, to December 6, 2027, the first put date of the notes, using the effective interest method.

ADS Lending Agreement in connection with Convertible Senior Notes due 2030

Concurrent with the offering of the 2030 Convertible Notes, the Company entered into an ADS lending agreement with an affiliate of the initial purchaser of the 2030 Convertible Notes (the “ADS Borrower”), pursuant to which the Company lent to the ADS Borrower 6,233,785 ADSs (the “Borrowed ADSs”) for loan processing fees of \$0.00025 per Borrowed ADS (“ADS lending arrangement”). The purpose of the ADS lending arrangement is to facilitate short sales and/or privately negotiated derivative transactions by which some investors in the 2030 Convertible Notes may hedge their exposure to the 2030 Convertible Notes. As of December 31, 2023, the outstanding number of the Borrowed ADSs was 6,233,785.

Subject to the terms of the ADS lending agreement, the Borrowed ADSs must generally be returned to the Company as soon as practicable after the termination of the ADS lending facility and in any event no later than the twenty-fifth trading day following the earliest of (a) the date on which the Company notifies the ADS Borrower in writing of its intention to terminate the ADS lending agreement at any time after the date on which the entire principal amount of the 2030 Convertible Notes ceases to be outstanding, whether as a result of conversion, repurchase, redemption, cancellation or otherwise, and (b) the date on which the ADS Lending Agreement terminates in accordance with its terms. The Company is not required to make any payment to the initial purchaser or the ADS Borrower upon the return of the Borrowed ADSs.

15. Convertible Senior Notes, Unsecured Senior Notes and Long-term Loans (Continued)

ADS Lending Agreement in connection with Convertible Senior Notes due 2030 (Continued)

No collateral is required to be posted for the Borrowed ADSs. The ADS Borrower is required to remit to the Company any dividends paid to the holders of the Borrowed ADSs (net of any fees, costs or tax withholdings and deductions). The ADS Borrower is not entitled to vote on the Borrowed ADSs.

In accordance with ASC 815-40 and ASC 470-20, the Company has accounted for the ADS lending arrangement as equity, initially measured at fair value and recognized it as an issuance cost associated with the 2030 Convertible Notes. As a result, additional issuance cost of US\$2 million was recorded on the issuance date with a corresponding increase to additional paid-in-capital. This issuance cost has also been amortized from the date of issuance to the put date of notes, using the effective interest method.

For the year ended December 31, 2023, the Group recognized US\$0.5 million interest expense from the 2030 Convertible Senior Notes.

16. Commitments and Contingencies

Operating lease commitments include the commitments under the lease agreements for the Group's office premises. The Group leases its office facilities under non-cancelable operating leases with various expiration dates. For the years ended December 31, 2021, 2022 and 2023, the Group recorded US\$17.7 million, US\$21.9 million and US\$19.5 million lease expenses, respectively. Based on the current rental lease agreements, future minimum lease payments commitments as of December 31, 2023 were as follows:

Operating lease commitments	Total	Less than One Year	One to Three Years (In US\$ thousands)	Three to Five Years	More than Five Years
As of December 31, 2023	\$ 68,163	\$ 13,374	\$ 24,185	\$ 5,576	\$ 25,028

Purchase commitments mainly include minimum commitments for marketing activities and internet connection. Purchase commitments as of December 31, 2023 were as follows:

Purchase commitments	Total	Less than One Year	One to Three Years (In US\$ thousands)	Three to Five Years	More than Five Years
As of December 31, 2023	\$ 705,536	\$ 687,853	\$ 15,622	\$ 1,988	\$ 73

2024 Senior Notes represent future maximum commitment relating to the principal amount and interests in connection with the issuance of US\$800 million in aggregate principal amount of unsecured senior notes bearing an annual interest rate of 3.50%, which will mature on July 5, 2024. 2030 Senior Notes represent future maximum commitment relating to the principal amount and interests in connection with the issuance of US\$750 million in aggregate principal amount of unsecured senior notes bearing an annual interest rate of 3.375%, which will mature on July 8, 2030. 2027 Loans represent future estimated commitment relating to the principal amount and interests in connection with the issuance of US\$900 million term loan (US\$100 million repaid in the fourth quarter of 2023) and US\$5 million revolving facility bearing annual rate at 128 basis points over Term SOFR as of December 31, 2023, which will mature on August 22, 2027. 2030 Convertible Notes represent future maximum commitment relating to the principal amount and interests in connection with the issuance of US\$330 million in aggregate principal amount of convertible senior notes bearing an annual interest rate of 1.375%, which will mature on December 1, 2030. Other commitments as of December 31, 2023 were as follows:

Other commitments	Total	Less than One Year	One to Three Years (In US\$ thousands)	Three to Five Years	More than Five Years
2024 Senior Notes	\$ 828,000	\$ 828,000	\$ —	\$ —	\$ —
2030 Senior Notes	927,188	25,313	50,625	50,625	800,625
2030 Convertible Notes	361,746	4,538	9,075	9,075	339,058
2027 Loans	1,002,698	53,650	107,301	841,747	—
Total	\$ 3,119,632	\$ 911,501	\$ 167,001	\$ 901,447	\$ 1,139,683

16. Commitments and Contingencies (Continued)

There are uncertainties regarding the legal basis of the Group's ability to operate an Internet business in China. Although China has implemented a wide range of market-oriented economic reforms, the telecommunication, information and media industries remain highly regulated. Not only are such restrictions currently in place, the existing regulations are unclear as to which specific segments of these industries companies with foreign investors, including the Company, may operate. Therefore, the Group may be required to limit the scope of its operations in China, and this could have a material adverse effect on its financial position, results of operations and cash flows.

There are no claims, lawsuits, investigations or proceedings, including unasserted claims that are probable to be assessed, that have in the recent past had, or to the Group's knowledge, are reasonably possible to have, a material impact on the Group's financial statements.

17. Redeemable Non-controlling Interests

In the fourth quarter of 2020, the Group entered into a series of share purchase agreements with then existing shareholders of Shanghai Jiamian Information Technology Co., Ltd. ("JM Tech") to acquire the majority of the company's equity interest. The Group agreed to redeem the non-controlling interests held by the founder and CEO of the company under certain circumstances during the following years subsequent to the acquisition ("redemption period"). The Group determined that the non-controlling interest with redemption rights should be classified as redeemable non-controlling interest since they are contingently redeemable upon the occurrence of certain conditional events, which are not solely within the control of the Group. The redemption price will be established by applying a predetermined multiple to adjusted earnings and could be higher if the founder and CEO of JM Tech is still under employment during the redemption period. The difference of redemption price caused by whether the founder and CEO is still employed is deemed as compensation cost to the founder and CEO with a credit to redeemable non-controlling interests.

The redeemable non-controlling interests is recognized at fair value on the acquisition date. The Group records accretion on the redeemable non-controlling interests to the redemption value over the period from the date of the acquisition to the date of earliest redemption. The accretion using the effective interest method, is recorded as deemed dividends to preferred shareholders, which reduce retained earnings and equity classified non-controlling interests, and earnings available to common shareholders in calculating basic and diluted earnings per share.

The process of adjusting redeemable non-controlling interests to its redemption value (the "Mezzanine Adjustment") should be performed after attribution of the subsidiary's net income or loss pursuant to ASC 810, Consolidation. The carrying amount of redeemable non-controlling interests will equal the higher of the amount resulting from application of ASC 810 or the amount resulting from the Mezzanine Adjustment. As the expected redemption value is less than the carrying value of redeemable non-controlling interests, there is nil mezzanine adjustment recognized for the years ended December 31, 2021 and 2022.

Pursuant to the agreements between the Group and the founder and CEO who is also an employee of JM Tech, the founder and CEO is required to be incumbent and JM Tech should meet certain performance conditions during the following two years till December 31, 2022 for the founder and CEO to be entitled to his proportionate share in JM Tech's existing and future retained earnings during the period. Such entitlement will automatically be forfeited upon the termination of his employment during the period. The Company considered this arrangement as certain economic interests associated with the founder and CEO's non-controlling interests in JM Tech till December 31, 2022. Therefore, the Company recognized compensation costs for the founder and CEO's share of JM Tech's retained earnings with the credit increasing non-controlling interests and redeemable non-controlling interests. During the year ended December 31, 2021, US\$23.2 million compensation costs were recognized, of which US\$20.0 million was recorded to increase redeemable non-controlling interests. As of December 31, 2022, the management of the Company had assessed the performance of JM Tech since the acquisition date and concluded that JM Tech did not meet the performance conditions defined in the share purchase agreements, which entitles the founder and CEO of JM Tech his proportionate share in the retained earnings during the period. Thus, the Group has reversed the accumulated US\$36.2 million compensation costs related to JM Tech's retained earnings recognized during the period, of which US\$31.9 million was recorded to reduce redeemable non-controlling interests and US\$4.3 million was recorded to reduce non-controlling interests. The reduction recorded in 2022 in redeemable non-controlling interests led to the carrying value below the redemption amount; therefore, accretion to redeemable non-controlling interests amounting US\$12.8 million was recorded for the year ended December 31, 2023. For the year ended December 31, 2023, US\$11.5 million of compensation costs was recognized with the founder and CEO's incumbency.

18. Secondary Listing in Hong Kong

On December 8, 2021, the Company completed its global offering and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEX”). Weibo offered 5,500,000 Class A ordinary shares of the Company and Sina Corporation (the “Selling Shareholder”) offered 5,500,000 Class A ordinary shares of the Company, which were converted from the same number of Class B ordinary shares of the Company prior to the listing of Weibo’s Class A ordinary shares on the HKEX. Net proceeds from the global offering, after deducting estimated underwriting fees and other offering expenses, were US\$178.4 million. The Company did not receive any proceeds from the sale of the Class A ordinary shares offered by the Selling Shareholder.

In addition, the Selling Shareholder granted an over-allotment option to the underwriters, to require the Selling Shareholder to sell up to an aggregate of 1,650,000 additional Class A ordinary shares of the Company (converted from the same number of Class B ordinary shares). The Selling Shareholder sold 1,453,620 shares to the underwriters for the option granted.

The underwriters borrowed 1,650,000 shares, which were included in the Company’s total outstanding shares as of December 31, 2021, from WB HZGS Estate (Hong Kong) Limited (a wholly-owned subsidiary of Weibo) to facilitate the settlement of over-allocations. The borrowed shares were returned to WB HZGS Estate (Hong Kong) Limited in the first quarter of 2022.

19. Special Cash Dividend

In May 2023, the Company’s board of directors approved a special cash dividend of US\$0.85 per ordinary share and ADS to the holders of its ordinary shares and ADSs as of the close of business on June 26, 2023. The aggregate amount of the special cash dividend was US\$200.1 million and paid in July, 2023.

20. Subsequent Events

In March 2024, the Company’s board of directors has approved a special cash dividend of US\$0.82 per ordinary share and ADS to holders of its ordinary shares and ADSs as of the close of business on April 12, 2024. The aggregate amount of the dividend will be approximately US\$200 million and expected to be paid in May 2024.

Company No.: 241654

**FOURTH AMENDED AND RESTATED
MEMORANDUM AND
ARTICLES OF ASSOCIATION
OF**

WEIBO CORPORATION

微博股份有限公司

(adopted by Special Resolution passed on May 24, 2023)

Incorporated on the 7th day of June 2010

INCORPORATED IN THE CAYMAN ISLANDS

THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

FOURTH AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION

OF
WEIBO CORPORATION

微博股份有限公司

(adopted by Special Resolution passed on May 24, 2023)

1. The name of the Company is **Weibo Corporation 微博股份有限公司**.
2. The Registered Office of the Company shall be at the offices of **Vistra (Cayman) Limited** P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman, KY1-1205, Cayman Islands or at such other place as the Directors may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - (a) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
 - (b) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.
 - (c) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any

company in which the Company is interested upon such terms as may be thought fit.

- (d) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
- (e) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
- (f) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration thereof.
- (g) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum in general, and of this Clause 3 in particular, no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

- 4. Except as prohibited or limited by the Companies Act, the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it

necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon.

5. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
6. The share capital of the Company is the aggregate of US\$600,000 divided into (i) 1,800,000,000 Class A ordinary shares of a par value of US\$0.00025 each; (ii) 200,000,000 Class B ordinary shares of a par value of US\$0.00025 each; and (iii) 400,000,000 shares of a par value of US\$0.00025 each of such class or classes (however designated) as the Board may determine in accordance with Article 3 of the Articles. The Company shall have the power to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Act, this Memorandum and the Articles and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.
7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act and, subject to the provisions of the Companies Act and the Articles of the Company, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
8. Capitalised terms used in this Memorandum and not defined herein shall have the meanings set out in the Articles.

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**FOURTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
WEIBO CORPORATION**

微博股份有限公司

(adopted by Special Resolution passed on May 24, 2023)

TABLE A

EXCLUSION OF TABLE A

The regulations contained in Table A in the First Schedule to the Companies Act shall not apply to the Company.

INTERPRETATION

DEFINITIONS

1. The marginal notes to these Articles shall not affect the interpretation hereof. In these Articles, unless there be something in the subject or context inconsistent therewith:

ADS “ADS” shall mean an American depositary share, each representing a certain number of Class A Ordinary Shares, which is listed on the Designated Stock Exchange;

AFFILIATE “Affiliate” with respect to any person, shall mean another person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified person. With respect to a natural person, “Affiliate” shall also mean such person’s spouse, parents, children and siblings, whether by blood, marriage or adoption or anyone residing in such person’s home;

AUDIT COMMITTEE	“Audit Committee” shall mean the audit and compliance committee of the Company formed by the Board, or any successor audit committee.
THESE ARTICLES	“these Articles” or the “the Articles” shall mean the Articles of Association of the Company as amended and/or restated from time to time;
AUDITORS	“Auditors” shall mean the persons appointed by the Company from time to time to perform the duties of auditors of the Company;
BOARD	“Board” shall mean the majority of the Directors present and voting at a meeting of Directors at which a quorum is present;
BRANCH REGISTER	“branch register” shall mean any branch register of members of the Company of such category or categories of members as the Company may from time to time determine;
CAPITAL	“capital” shall mean the share capital from time to time of the Company;
CLASS A ORDINARY SHARES	“Class A Ordinary Shares” shall mean class A ordinary shares of par value US\$0.00025 each of the Company having the rights set out in these Articles;
CLASS B ORDINARY SHARES	“Class B Ordinary Shares” shall mean class B ordinary shares of par value US\$0.00025 each of the Company having the rights set out in these Articles;
THE CHAIRMAN	“the Chairman” shall mean the chairman presiding at any meeting of members or of the Board;
CLEARING HOUSE	“clearing house” shall mean a clearing house recognised by the laws of the jurisdiction in which the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such jurisdiction, and shall include the Hong Kong Securities Clearing Corporation;
COMMUNICATION FACILITIES	“Communication Facilities” shall mean video, video-conferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and be heard by each other;

THE COMPANIES ACT / THE ACT	“the Companies Act” or “the Act” shall mean the Companies Act (As Revised) of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
THE COMPANY	“the Company” or “this Company” shall mean Weibo Corporation 微博股份有限公司;
COMPANY’S WEBSITE	“Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members;
CONVERSION DATE	“Conversion Date” in respect of a Conversion Notice shall mean the day on which that Conversion Notice is delivered or deemed to be delivered;
CONVERSION NOTICE	“Conversion Notice” shall mean a written notice delivered or deemed to be delivered to the Company at its office stating that a holder of Class B Ordinary Shares elects to convert the number of Class B Ordinary Shares specified therein pursuant to Article 5;
CONVERSION RIGHT	“Conversion Right” in respect of a Class B Ordinary Share shall mean the right of its holder, subject to the provisions of these Articles and to any applicable fiscal or other laws or regulations including the Act, to convert each of its Class B Ordinary Shares, into one Class A Ordinary Share;
DEPOSITORY	“Depository” shall mean a depository recognised by the laws of the jurisdiction in which the shares or ADSs of the Company are listed or quoted on Designated Stock Exchange;
DESIGNATED STOCK EXCHANGE	“Designated Stock Exchange” shall mean the stock exchange on which the Company’s ADSs or Shares are listed for trading;
DIRECTORS	“Directors” shall mean the directors from time to time of the Company;
DIVIDEND	“dividend” shall include bonus dividends and distributions permitted by the Act to be categorised as dividends;
ELECTRONIC RECORD	“Electronic Record” shall have the same meaning ascribed to such term in the Electronic Transactions Act;

ELECTRONIC TRANSACTIONS ACT	“Electronic Transactions Act” shall mean the Electronic Transactions Act (As Revised) of the Cayman Islands, and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
FOUNDER	“Founder” shall mean Mr. Charles Chao;
FOUNDER’S AFFILIATE	“Founder’s Affiliate” shall mean: <ul style="list-style-type: none"> (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;
HONG KONG	“Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;
MEMBER	“member” means any person who is duly registered as the holder from time to time of Shares in the register, including persons who are jointly so registered;
MEMORANDUM / MEMORANDUM OF ASSOCIATION	“this Memorandum” or “the Memorandum” or “Memorandum of Association” shall mean the Memorandum of Association of the Company, as amended and or restated from time to time;
MONTH	“month” shall mean a calendar month;
ORDINARY RESOLUTION	“ordinary resolution” shall mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting held in accordance with these Articles and includes an ordinary resolution passed pursuant to Article 82;
ORDINARY SHARES	“Ordinary Shares” shall mean Class A Ordinary Shares and Class B Ordinary Shares, collectively or any of them;

PERSON	“Person” shall mean any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;
PRESENT	<p>“Present” shall mean, in respect of any Person, such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:</p> <p>(a) physically present at the meeting; or</p> <p>(b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, connected by means of the use of such Communication Facilities;</p>
PRINCIPAL REGISTER	“principal register” shall mean the principal register of members of the Company maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time;
PUBLISHED IN THE NEWSPAPERS	“published in the newspapers” means published as a paid advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper;
REGISTER OF MEMBERS / REGISTER	“the Register of Members” or the “Register” shall mean the principal register and any branch register(s) of members;
SEAL	“seal” shall include the common seal of the Company, the securities seal or any duplicate seal adopted by the Company pursuant to Article 132;
SECRETARY	“Secretary” shall mean the person appointed as company secretary by the Board from time to time;
SHARES	“shares” shall mean a share in the capital of the Company. All references to “shares” shall be deemed to be shares of any or all classes as the context may require. For the avoidance of doubt, in these Articles the expression “share” shall include a fraction of a share;

SPECIAL RESOLUTION	“special resolution” shall have the same meaning as ascribed thereto in the Act and shall include a unanimous written resolution of all members: for this purpose, the requisite majority shall be not less than two-thirds of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution passed pursuant to Article 82;
TRANSFER OFFICE	“transfer office” shall mean the place where the Principal Register is situated for the time being;
TREASURY SHARE	“Treasury Share” shall mean a share registered in the name of the Company in the register as a treasury share in accordance with the Companies Act;
US\$	reference to a dollar or dollars (or US\$) and to a cent or cents is reference to dollars and cents of the United States of America;
VIRTUAL MEETING	“Virtual Meeting” shall mean any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairman of such meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities;
INTERPRETATION	
WORDS IN LAW TO BEAR SAME MEANING IN ARTICLES	any words defined in the Act shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles;
WRITING/PRINTING	“writing” or “printing” shall include writing, printing, lithograph, photograph, type-writing and every other mode of representing words or figures in a legible and non-transitory form, including any Electronic Record;
GENDER	words importing either gender shall include the other gender and the neuter;
PERSONS/ COMPANIES	words importing persons and the neuter shall include companies and corporations and vice versa;

SINGULAR AND PLURAL	words denoting the singular shall include the plural and words denoting the plural shall include the singular;
ELECTRONIC TRANSACTIONS ACT	Sections 8 and 19 of the Electronic Transactions Act shall not apply to these Articles.

SHARE CAPITAL AND MODIFICATION OF RIGHTS

CAPITAL

2. The share capital of the Company is US\$600,000 divided into (i) 1,800,000,000 Class A Ordinary Shares of par value of US\$0.00025 each; (ii) 200,000,000 Class B Ordinary Shares of par value of US\$0.00025 each; and (iii) 400,000,000 shares of a par value of US\$0.00025 each of such class or classes (however designated) as the Board may determine in accordance with Article 3 of these Articles.

ISSUE OF SHARES

3. (a) Subject to the provisions in the Memorandum and these Articles and to any direction that may be given by the Company in a general meeting, the Directors may, in their absolute discretion and without approval of the existing members, issue shares, grant rights over existing shares or issue other securities in one or more series as they deem necessary and appropriate and determine designations, powers, preferences, privileges and other rights, including dividend rights, conversion rights, terms of redemption and liquidation preferences, any or all of which may be greater than the powers and rights associated with the shares held by existing members, at such times and on such other terms as the Directors think proper.
 - (b) Notwithstanding Article 6, the Directors may provide, out of the unissued shares (other than unissued Ordinary Shares), for series of preference shares in their absolute discretion and without approval of the existing members. Before any preference shares of any such series are issued, the Directors shall fix, by resolution or resolutions, the following provisions of the preference shares thereof:
 - (i) the designation of such series, the number of preference shares to constitute such series and the subscription price thereof if different from the par value thereof;
 - (ii) whether the shares of such series shall have voting rights, in addition to any voting rights provided by law, and, if so, the terms of such voting rights, which may be general or limited;
 - (iii) the dividends, if any, payable on such series, whether any such dividends shall be cumulative, and, if so, from what dates, the conditions and dates upon which such dividends shall be payable, the preference or relation
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which such dividends shall bear to the dividends payable on any shares of any other class or any other series of preference shares;

- (iv) whether the preference shares of such series shall be subject to redemption by the Company, and, if so, the times, prices and other conditions of such redemption;
 - (v) the amount or amounts payable upon preference shares of such series upon, and the rights of the holders of such series in, a voluntary or involuntary liquidation, dissolution or winding up, or upon any distribution of the assets, of the Company;
 - (vi) whether the preference shares of such series shall be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the preference shares of such series for retirement or other corporate purposes and the terms and provisions relative to the operation thereof;
 - (vii) whether the preference shares of such series shall be convertible into, or exchangeable for, shares of any other class or any other series of preference shares or any other securities and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, and any other terms and conditions of conversion or exchange;
 - (viii) the limitations and restrictions, if any, to be effective while any preference shares of such series are outstanding upon the payment of dividends or the making of other distributions on, and upon the purchase, redemption or other acquisition by the Company of, the existing shares or shares of any other class of shares or any other series of preference shares;
 - (ix) the conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issue of any additional shares, including additional shares of such series or of any other class of shares or any other series of preference shares; and
 - (x) any other powers, preferences and relative, participating, optional and other special rights, and any qualifications, limitations and restrictions thereof.
- (c) Subject to the Act and to any special rights conferred on any members or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer.
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ISSUE OF WARRANTS

4. The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a Depository (in its capacity as such) is a member of the Company. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

SHARE RIGHTS

5. Except for the conversion rights and voting rights as set out below and other rights expressly provided in these Articles, the Class A Ordinary Shares and Class B Ordinary Shares shall carry equal rights and rank pari passu with one another, including but not limited to the rights to dividends and other capital distributions:
 - (a) As regards conversion
 - (i) Subject to the provisions hereof and to compliance with all fiscal and other laws and regulations applicable thereto, including the Act, a holder of Class B Ordinary Shares shall have the Conversion Right in respect of each Class B Ordinary Share owned by such holder. For the avoidance of doubt, a holder of Class A Ordinary Shares shall have no rights of conversion in respect of any Class A Ordinary Share.
 - (ii) Any Class B Ordinary Share shall be converted at the option of its holder, at any time after issue and without the payment of any additional sum, into fully paid Class A Ordinary Shares on a one to one basis. Such conversion shall take effect on the Conversion Date. A Conversion Notice shall not be effective if it is not accompanied by the share certificate(s) (if any) in respect of the relevant Class B Ordinary Shares and such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right (or, if such certificates have been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require).
 - (iii) On the Conversion Date, the Company shall enter or procure the entry of the name of the relevant holder of Class B Ordinary Shares as the holder of the relevant number of Class A Ordinary Shares resulting from the conversion of the Class B Ordinary Shares in, and make any other necessary and consequential changes to, the Register and shall procure that a certificate or certificates in respect of the relevant Class A Ordinary Shares, together with a new certificate for any unconverted Class B Ordinary Shares comprised in the certificate(s) surrendered by the holder of the Class B Ordinary Shares, are issued to the holders of the Class A Ordinary Shares and Class B Ordinary Shares, as the case may be.
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(iv) Any conversion of Class B Ordinary Shares into Class A Ordinary Shares pursuant to these Articles shall be effected by means of the re-designation of each relevant Class B Ordinary Share as a Class A Ordinary Share. Such conversion shall become effective forthwith upon entries being made in the Register to record the re-designation of the relevant Class B Ordinary Shares as Class A Ordinary Shares. Upon any such re-designation, the authorised capital of the Company shall automatically be varied and amended by a reduction in the relevant number of Class B Ordinary Shares and a corresponding increase in the relevant number of Class A Ordinary Shares, and Clause 6 of the Memorandum and Article 2 shall be deemed to be amended accordingly.

(b) As regards voting rights

Holders of Ordinary Shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Holders of Class A Ordinary Shares and Class B Ordinary Shares shall, at all times, vote together as one class on all matters submitted to a vote by the members at any such general meeting. Each Class A Ordinary Share shall be entitled to one (1) vote on all matters subject to the vote at general meetings of the Company, and each Class B Ordinary Share shall be entitled to three (3) votes on all matters subject to the vote at general meetings of the Company.

(c) As regards transfer

(i) Each Class B Ordinary Share shall automatically and immediately be converted (by way of being re-designated) into one Class A Ordinary Share without any action being required by the holders of Class B Ordinary Shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent, if at any time SINA Corporation and its Affiliates in the aggregate hold less than five percent (5%) of the issued Class B Ordinary Shares in the capital of the Company, and no Class B Ordinary Shares shall be issued by the Company thereafter.

(ii) Upon (A) any sale, transfer, assignment or disposition of Class B Ordinary Shares by a holder thereof to any person or entity which is not the Founder or a Founder's Affiliate; or (B) a change of control of any direct or indirect holder of any Class B Ordinary Shares, 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 to be held by such person or entity that is not the Founder or a Founder's Affiliate shall be automatically and immediately converted

(by way of being re-designated) into an equal number of Class A Ordinary Shares.

“**Control**” shall mean having (A) the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of, or (B) 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.

“**SINA Parent Companies**” shall mean the holding companies of the Company, including New Wave MMXV Limited, Sina Group Holding Company Limited, SINA Corporation and any other intermediate holding company(ies) of SINA Corporation that may be established in the future.

- (iii) For the avoidance of doubt, (A) a sale, transfer, assignment or disposition shall be effective upon the Company’s registration of such sale, transfer, assignment or disposition in the Register; and (B) the creation of any pledge, charge, encumbrance or other third party right of whatever description on any of Class B Ordinary Shares to secure a holder’s contractual or legal obligations shall not be deemed as a sale, transfer, assignment or disposition unless and until any such pledge, charge, encumbrance or other third party right is enforced and results in the third party holding legal title to the related Class B Ordinary Shares, in which case all the related Class B Ordinary Shares shall be automatically and immediately converted (by way of being re-designated) into the same number of Class A Ordinary Shares upon the Company’s registration of the third party or its designee as a member holding that number of Class A Ordinary Shares in the Register.

HOW CLASS RIGHTS MAY BE MODIFIED

- 6. (a) If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Act, be varied or abrogated with the consent in writing of the holders of not less than two-thirds in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. To every such separate meeting all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class, and that any holder of shares of the class Present may demand a poll.
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- (b) The rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied or abrogated by the creation or issue of further shares ranking PARI PASSU therewith or by the creation or issue of preference shares pursuant to Article 3(b).

COMPANY MAY PURCHASE AND FINANCE THE PURCHASE OF OWN SHARES

- 7. (a) Subject to the provisions of the Companies Act and subject as hereinafter in these Articles provided, the Company may repurchase all or any portion of the shares held by any member (including any redeemable Shares) on such terms and in such manner as have been approved by the Board, provided that:
 - (i) on any such repurchase the Board shall have the power to divide the whole or any part of the assets of the Company and appropriate such assets in satisfaction or part satisfaction of the repurchase price and any other sums payable on repurchase as is herein provided;
 - (ii) no repurchase of part of the member's holding of shares may be made if as a result thereof the member would hold fewer shares than such minimum number of shares as may from time to time be specified (either generally or in any particular case or cases) by the Board;
 - (iii) whenever any request for repurchase provides for the repurchase proceeds to be paid by telegraphic transfer or to a person other than the holder of the shares to be repurchased, the signature of the holder on such request and details of that bank account shall, unless the Board (or such other person duly appointed by the Board for this purpose) otherwise determines, be verified in such manner as the Board (or such person as aforesaid) may from time to time determine.
 - (b) On a repurchase of a share:
 - (i) the nominal or par value shall be redeemed out of profits of the Company or at the discretion of the Board in such other manner (including out of capital) as is permitted by the Companies Act; and
 - (ii) the premium (if any) on such share shall be paid from the share premium account or out of profits of the Company or at the discretion of the Board in such other manner (including out of capital) as is permitted by the Companies Act.
 - (c) Upon the repurchase of a share being effected pursuant to these Articles the holder thereof shall cease to be entitled to any rights in respect of that share and accordingly his name shall be removed from the Register of Members with respect thereto and such share shall be cancelled (unless the Directors determine that such share shall be held as a Treasury Share pursuant to Articles 13 to 16
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hereof), but shall be available as a share for re-issue and until re-issue shall form part of the unissued share capital of the Company.

REDEMPTION

8. Subject to the provisions of the Act, the Memorandum and these Articles and, where applicable, the rules of the Designated Stock Exchange and/or any competent regulatory authority, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner as may be determined, before the issue of such shares, by either the Board or by the members by special resolution. The Company may make a payment in respect of the redemption of its own shares in any manner permitted by the Companies Act, including out of capital.

PURCHASE OR REDEMPTION NOT TO GIVE RISE TO OTHER PURCHASES OR REDEMPTIONS

9. (a) The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.

CERTIFICATES TO BE SURRENDERED FOR CANCELLATION

- (b) The holder of any shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its principal place of business or such other place as the Board shall specify the certificate(s) (if any) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

SHARES AT THE DISPOSAL OF THE BOARD

10. Subject to the provisions of the Act, the Memorandum and these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Board shall determine.

COMPANY MAY PAY COMMISSIONS

11. The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Act shall be observed and complied with.
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COMPANY NOT TO RECOGNISE TRUSTS IN RESPECT OF SHARES

12. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

TREASURY SHARES

13. Shares that the Company purchases, redeems or acquires (by way of surrender or otherwise) may, at the option of the Company, be cancelled immediately or held as Treasury Shares in accordance with the Act. The Directors may, prior to the purchase, redemption or surrender of any share, determine that such share shall be held as a Treasury Share. In the event that the Directors do not specify that the relevant Shares are to be held as Treasury Shares, such Shares shall be cancelled.
14. No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be declared or paid in respect of a Treasury Share.
15. The Company shall be entered in the Register as the holder of the Treasury Shares provided that:
 - (a) the Company shall not be treated as a member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of these Articles or the Act, save that an allotment of Shares as fully paid bonus shares in respect of a Treasury Share is permitted and Shares allotted as fully paid bonus shares in respect of a treasury share shall be treated as Treasury Shares.
16. Treasury Shares may be disposed of by the Company on such terms and conditions as determined by the Directors. The Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

REGISTER OF MEMBERS AND SHARE CERTIFICATES

REGISTER

17. (a) The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit a principal register of the members and there shall be
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entered therein the particulars of the members and the shares issued to each of them and other particulars required under the Act.

- (b) If the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Board thinks fit. The principal register and the branch register(s) shall together be treated as the Register of Members for the purposes of these Articles.
 - (c) The Board may, in its absolute discretion, at any time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.
 - (d) Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies Act.
18. (a) Subject to the additional provisions of these Articles, the principal register may be kept open to the inspection for such times and on such terms and conditions as the Board shall determine by any member without charge.
- (b) Except when the Register of Members is closed, the branch register maintained in Hong Kong shall during business hours be kept open for inspection by any member without charge.
- (c) The reference to business hours in paragraph (b) of this Article is subject to such reasonable restrictions as the Company in general meeting may impose.
- (d) The Register of Members may be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the Register of Members shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the Register of Members or part thereof which is closed by virtue of this Article with a certificate under the hand of any Director or the Secretary stating the period for which, and by whose authority, it is closed.

SHARE CERTIFICATES

19. The Company is not obligated to issue certificates representing shares and a member shall only be entitled to a share certificate if the Board resolves that share certificates shall be issued.
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ISSUANCE OF A SHARE CERTIFICATES

20. Every certificate for shares or debentures or representing any other form of security of the Company may be issued under the seal of the Company, which shall only be affixed with the authority of the Board, or with the signature of a Director.

EVERY CERTIFICATE TO SPECIFY NUMBER OF SHARES

21. Every share certificate shall specify the number and class of shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as the Board may from time to time prescribe.

JOINT HOLDERS

22. The Company shall not be bound to register more than four persons as joint holders of any share. If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

REPLACEMENT OF SHARE CERTIFICATES

23. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as the Board may from time to time require and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

LIEN

COMPANY'S LIEN

24. (a) The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member (whether solely or jointly with others) for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether such person is a member of the Company or not.
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LIEN EXTENDS TO DIVIDENDS AND BONUSES

- (b) The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may resolve that any share shall for some specified period be exempt wholly or partially from the provisions of this Article.

SALE OF SHARES SUBJECT TO LIEN

- 25. The Company may sell in such manner as the Board thinks fit any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person, of which the Company has notice, entitled to the shares by reason of such holder's death, mental disorder or bankruptcy.

APPLICATION OR PROCEEDS OF SUCH SALE

- 26. The net proceeds of such sale by the Company after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the holder immediately before such sale of the share. For giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

CALLS ON SHARES

CALLS, HOW MADE

- 27. The Board may from time to time make such calls as it may think fit upon any member or members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. A call may be revoked or postponed as the Board may determine.
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NOTICE OF CALL

28. At least 14 days' notice of any call shall be given to each relevant member (upon whom the call is being made) specifying the time and place of payment and to whom such payment shall be made.

COPY OF NOTICE TO BE SENT

29. A copy of the notice referred to in Article 28 shall be sent in the manner in which notices may be sent to members by the Company as herein provided.

EVERY MEMBER LIABLE TO PAY CALL AT APPOINTED TIME AND PLACE

30. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

NOTICE OF CALL MAY BE PUBLISHED IN NEWSPAPERS

31. In addition to the giving of notice in accordance with Article 29, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published in the newspapers.

WHEN CALL DEEMED TO HAVE BEEN MADE

32. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.

LIABILITY OF JOINT HOLDERS

33. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.

BOARD MAY EXTEND TIME FIXED FOR CALL

34. The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as to all or any of the members, whom by reason of residence outside Hong Kong or other cause the Board considers it reasonable to grant an extension to, but no member shall be entitled to any such extension as a matter of grace and favour.

INTEREST ON CALLS

35. If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 15% per annum as the Board shall
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determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

SUSPENSION OF PRIVILEGES WHILE CALL IN ARREARS

36. No member shall be entitled to receive any dividend or bonus or to be Present and vote (save as proxy for another member) at any general meeting, either personally or by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all sums or instalments due from him to the Company in respect of any call, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

EVIDENCE IN ACTION FOR CALL

37. At the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.

SUMS PAYABLE ON ALLOTMENT/IN FUTURE DEEMED A CALL

38. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium or otherwise, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, liabilities of joint holders, forfeiture and the like, shall apply as if such sum had become payable by virtue of a call duly made and notified.

PAYMENT OF CALLS IN ADVANCE

39. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
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TRANSFER OF SHARES

FORM OF TRANSFER

40. Subject to applicable securities laws and these Articles, including, without limitation, Article 5(c) in the case of Class B Ordinary Shares, all transfers of shares may be effected by an instrument of transfer in the usual common form or in a form prescribed by the Designated Stock Exchange or in any other form consistent with the standard form of transfer as approved by the Board. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.

EXECUTION

41. The instrument of transfer shall be executed by or on behalf of the transferor and by or on behalf of the transferee PROVIDED that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The instrument of transfer of any share shall be in writing and shall be executed with a manual signature or facsimile signature (which may be machine imprinted or otherwise as the Board may approve from time to time) if the transferor or transferee is a Depository or its nominee(s). The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register in respect thereof.

BOARD MAY REFUSE TO REGISTER A TRANSFER

42. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien.

NOTICE OF REFUSAL

43. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

REQUIREMENTS AS TO TRANSFER

44. The Board may also decline to register any transfer of any shares unless:
 - (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (b) the instrument of transfer is in respect of only one class of shares; and
 - (c) the instrument of transfer is properly stamped (in circumstances where stamping is required); and
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- (d) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four; and
- (e) the shares concerned are free of any lien in favour of the Company.

CERTIFICATE TO BE GIVEN UP ON TRANSFER

- 45. Except as otherwise decided by the Board, upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor, a new certificate in respect thereof shall be issued to him. The Company may also retain the instrument(s) of transfer.

WHEN REGISTER OF MEMBERS MAY CLOSE

- 46. The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers, by electronic means or by any other means in accordance with the rules of the Designated Stock Exchange, be suspended and the Register of Members closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

TRANSMISSION OF SHARES

DEATH OF REGISTERED HOLDER OR OF JOINT HOLDER OF SHARES

- 47. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

REGISTRATION OF PERSONAL REPRESENTATIVES AND TRUSTEE IN BANKRUPTCY

- 48. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some other person nominated by him registered as the transferee thereof.
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NOTICE OF ELECTION TO BE REGISTERED/REGISTRATION OF NOMINEE

49. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee a transfer of such share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

RETENTION OF DIVIDENDS, ETC., UNTIL TRANSFER OR TRANSMISSION OF SHARES OF A DECEASED OR BANKRUPT MEMBER

50. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 85 being met, such a person may vote at meetings.

FORFEITURE OF SHARES

IF CALL OR INSTALMENT NOT PAID NOTICE MAY BE GIVEN

51. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 37, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

FORM OF NOTICE

52. The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is unpaid will be liable to be forfeited. The Board may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these Articles to forfeiture shall include surrender.

IF NOTICE NOT COMPLIED WITH SHARES MAY BE FORFEITED

53. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that
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effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture.

FORFEITED SHARES TO BE DEEMED PROPERTY OF COMPANY

54. Any share so forfeited shall be deemed to be the property of the Company, and may be transferred, sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a transfer, sale or disposition the forfeiture may be cancelled by the Board on such terms as it thinks fit.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

55. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 15% per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares forfeited, at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived, be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

EVIDENCE OF FORFEITURE

56. A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any transfer, sale or disposition thereof and the Board may authorise any person to execute a letter of re-allotment or transfer the share in favour of the person to whom the share is transferred, sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the subscription or purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, transfer, sale or other disposal of the share.

NOTICE AFTER FORFEITURE

57. When any share shall have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. Notwithstanding the above, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
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POWER TO REVERSE FORFEITURE

58. Notwithstanding any such forfeiture as aforesaid, the Board may at any time, before any share so forfeited shall have been transferred, sold, or otherwise disposed of, permit the share forfeited to be re-acquired by the person who was the holder of such share immediately prior to such forfeiture, upon the payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as the Board thinks fit.

FORFEITURE NOT TO PREJUDICE COMPANY'S RIGHT TO CALL OR INSTALMENT

59. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

FORFEITURE FOR NON-PAYMENT OF ANY SUM DUE ON SHARES

60. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

61. (a) The Company may from time to time by ordinary resolution:

INCREASE OF CAPITAL, CONSOLIDATION AND DIVISION OF CAPITAL AND SUB-DIVISION AND CANCELLATION OF CAPITAL

- (i) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
 - (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
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- (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the Act; and
 - (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, subject nevertheless to the provisions of the Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.
- (b) No alteration may be made of the kind contemplated by Article 61(a), or otherwise, to the par value of the Class A Ordinary Shares or the Class B Ordinary Shares unless an identical alteration is made to the par value of the Class B Ordinary Shares or the Class A Ordinary Shares, as the case may be.

REDUCTION OF CAPITAL

- (c) The Company may by special resolution reduce its share capital, any capital redemption reserve or any share premium account in any manner authorised and subject to any conditions prescribed by the Act.

BORROWING POWERS

POWER TO BORROW

62. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

CONDITIONS ON WHICH MONEY MAY BE BORROWED

63. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debts, liability or obligations of the Company or of any third party.

ASSIGNMENT

64. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
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SPECIAL PRIVILEGES

65. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

REGISTER OF CHARGES TO BE KEPT

66. (a) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified and otherwise.

REGISTER OF DEBENTURES OR DEBENTURE STOCK

- (b) If the Company issues debentures or debenture stock (whether as part of a series or as individual instruments) not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.

MORTGAGE OF UNCALLED CAPITAL

67. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

GENERAL MEETINGS

WHEN ANNUAL GENERAL MEETING TO BE HELD

68. The Company must in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that financial year. The annual general meeting may be held at such time and place as the Board shall appoint.

EXTRAORDINARY GENERAL MEETING

69. All general meetings other than annual general meetings shall be called extraordinary general meetings.

CONVENING OF GENERAL MEETING

70. (a) The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members of the Company deposited at the principal office of the Company or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and the resolutions to be added to the meeting agenda and signed by the requisitionists, provided that such
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requisitionists held as at the date of deposit of the requisition not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings. If the Board does not within 14 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

- (b) The Board may make Communication Facilities available for a specific general meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meetings by means of such Communication Facilities. Without limiting the generality of the foregoing, the Board may determine that any general meeting may be held as a Virtual Meeting.

NOTICE OF MEETINGS; RECORD DATE

- 71. (a) An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, and particulars of the resolutions to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to consider and vote upon a special resolution shall specify the intention to propose the resolution as a special resolution. The notice of any general meeting (including a postponed or reconvened meeting) at which Communication Facilities will be utilised (including any Virtual Meeting) must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting. Notice of every general meeting shall be given to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
 - (b) The Board may fix any date as the record date for determining the members entitled to receive notice of and to vote at any general meeting of the Company but, unless so fixed, as regards the entitlement to receive notice of a meeting or notice of any other matter, the record date shall be the date of despatch of the notice and, as regards the entitlement to vote at a meeting, and any adjournment thereof, the record date shall be the date of the original meeting.
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- (c) Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in paragraph (a) hereof, it shall be deemed to have been duly called if it is so agreed:
 - (i) in the case of a meeting called as an annual general meeting, by all the members of the Company (or in the case of a member being a corporation, by its duly authorized representative) entitled to attend and vote thereat or their proxies; and
 - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.
- (d) There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.

OMISSION TO GIVE NOTICE/INSTRUMENT OF PROXY

- 72. (a) The accidental omission to give any such notice to, or the non-receipt of any such notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (b) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

NOTICE REQUIRED WHEN MEMBER PROPOSES BUSINESS FOR DELIBERATION AT AN ANNUAL GENERAL MEETING

- 73. No business other than that stated in the Company's notice of an extraordinary general meeting shall be transacted at such extraordinary general meeting. At an annual general meeting, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual general meeting, business must be: (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board, (ii) otherwise properly brought before the meeting by or at the direction of the Board, or (iii) otherwise properly brought before the meeting by a member. In addition to any other applicable requirements, for business to be properly brought before an annual general meeting by a member, the member must have given timely notice thereof in writing to any Director or the Secretary and the member, or his or her representative who is qualified to present the business on his or her behalf, must attend the meeting to present the business. To be timely, a member's notice must be delivered to or mailed and received at the principal offices of the Company not less than the close of business on the forty-fifth (45th) day nor earlier than the close of business on
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the seventy-fifth (75th) day prior to the first anniversary of the date on which the Company first mailed its proxy materials for the preceding year's annual general meeting; provided, however, that in the event that no annual general meeting was held in the previous year or the date of the annual general meeting has been changed by more than thirty (30) days from the date contemplated at the time of the previous year's proxy statement, notice by the member to be timely must be so received not earlier than the close of business on the one hundred and fifth (105th) day prior to the date of the annual general meeting and not less than the close of business on the later of the seventy-fifth (75th) day prior to such annual general meeting date or, in the event public announcement of the date of such annual general meeting is first made by the Company fewer than eighty-five (85) days prior to the date of such annual general meeting, the close of business on the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Company. A member's notice to the Director or Secretary shall set forth as to each matter the member proposes to bring before the annual general meeting: (a) a brief description of the business desired to be brought before the annual general meeting and the reasons for conducting such business at the annual general meeting, (b) the name and address, as they appear on the Register, of the member proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the member, (d) any material interest of the member in such business and (e) any other information that is required to be provided by the member pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), in his or her capacity as a proponent of a member's proposal. Notwithstanding anything in these Articles to the contrary, no business shall be conducted at any annual general meeting except in accordance with the procedures set forth in this Article; provided, however, that nothing in this Article shall be deemed to preclude discussion by any member of any business properly brought before the annual general meeting in accordance with such procedures.

QUORUM

74. For all purposes the quorum for a general meeting shall be one or more members (or in the case of a member being a corporation, by its duly authorized representative) together holding (or representing by proxy) at the date of the relevant meeting not less than 10% of all votes attaching to all shares Present, which carry the right to vote at general meetings. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be Present at the commencement of the business.

IF QUORUM NOT PRESENT MEETING TO BE DISSOLVED OR ADJOURNED

75. If within 15 minutes from the time appointed for the meeting a quorum is not Present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to reconvene at some other time and at the same or some other place as shall be determined by the Board. When a meeting is adjourned, unless these Articles otherwise require, notice need not be given of the adjourned meeting if the time and place, if any, thereof and the means of remote communications, if any, by which members and holders of proxies may be deemed to be Present and vote at such
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adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Company may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each member of record entitled to vote at the meeting in accordance with Article 71.

CHAIRMAN OF GENERAL MEETING

76. (a) The Chairman shall take the chair at every general meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be Present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors Present shall choose another Director as Chairman, and if no Director be Present, or if all the Directors Present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members Present shall choose one of their own number to be Chairman.
- (b) The Chairman of any general meeting shall be entitled to attend and participate at such general meeting by means of Communication Facilities, and to act as the Chairman, in which event:
- (i) the Chairman shall be deemed to be Present at the meeting; and
 - (ii) if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other Persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman of the meeting for the remainder of the meeting; provided that (aa) if no other Director is Present at the meeting, or (bb) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.

POWER TO ADJOURN GENERAL MEETING/BUSINESS OF ADJOURNED MEETING

77. The Chairman may, with the consent of any general meeting at which a quorum is Present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
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RIGHT TO DEMAND A POLL AND WHAT IS TO BE EVIDENCE OF THE PASSING OF A RESOLUTION WHERE POLL NOT DEMANDED

78. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) any member or members Present.

Unless a poll is so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

POLL

79. (a) If a poll is demanded as aforesaid, it shall (subject as provided in Article 80) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier. On a poll votes may be given either personally or by proxy. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

BUSINESS MAY PROCEED NOTWITHSTANDING DEMAND FOR POLL

- (b) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

IN WHAT CASE POLL TAKEN WITHOUT ADJOURNMENT

80. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

CHAIRMAN DOES NOT HAVE CASTING VOTE

81. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall not be entitled to a second or casting vote.

WRITTEN RESOLUTIONS

82. A resolution in writing (in one or more counterparts), including a special resolution, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed on the date on which it was signed by the last member to sign.

VOTING

VOTES OF MEMBERS

83. (a) Members holding shares have the right to receive notice of, attend, speak and vote at general meetings of the Company except where a member is required, by the rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration. Except as required by applicable law and subject to these Articles, holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all matters submitted to a vote of the members.
- (b) Where any member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.
- (c) Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares by or in accordance with these Articles and the applicable rules under the rules of the Designated Stock Exchange, as amended from time to time (unless otherwise waived), at any general meeting:
- (i) on a poll every member holding Class A Ordinary Shares Present shall have one vote for every fully paid Class A Ordinary Share of which he is the holder; and
 - (ii) on a poll every member holding Class B Ordinary Shares Present shall have three (3) votes for every fully paid Class B Ordinary Share of which he is the holder.
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84. All questions submitted to a meeting shall be decided by a simple majority of votes cast by such members as, being entitled to do so, vote in person or, by proxy or, in the case of a member being a corporation, by its duly authorised representative except where a greater majority is required by these Articles or by the Act.

VOTES IN RESPECT OF DECEASED AND BANKRUPT MEMBERS

85. Any person entitled under Article 50 to be registered as a member may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposed to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

VOTES OF JOINT HOLDERS

86. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be Present at any meeting personally or by proxy, that one of the said persons so Present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

VOTES OF MEMBER OF UNSOUND MIND

87. A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by any person authorised in such circumstances to do so, and such person may vote on a poll by proxy.

QUALIFICATION FOR VOTING

88. (a) Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be Present (or in the case of a member being a corporation, by its duly authorized representative) or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

OBJECTIONS TO VOTING

- (b) No objection shall be raised as to the qualification of any person exercising or purporting to exercise any vote or to the admissibility of any vote except at the
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meeting or adjourned meeting at which the person exercising or purporting to exercise his vote or the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. In the case of any dispute as to the admission or rejection of any vote, the Chairman of the meeting shall determine the same and such determination shall be final and conclusive.

PROXIES

89. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

INSTRUMENT APPOINTING PROXY

90. The instrument appointing a proxy shall be in writing. The instrument of proxy shall be signed or, in the case of a transmission by electronic mail or through the Internet, electronically signed in a manner acceptable to the Chairman, by the appointor or by the appointor's attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or signed or, in the case of a transmission by electronic mail or through the Internet, electronically signed in a manner acceptable to the Chairman, by a duly authorised officer or attorney.

DELIVERY OF AUTHORITY FOR APPOINTMENT OF PROXY OR COPY RESOLUTION APPOINTING REPRESENTATIVE

91. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of cable, telex, telecopier, facsimile, electronic mail or through the Internet confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
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FORM OF PROXY

92. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form as the Board may from time to time approve, provided that it shall enable a member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates.

AUTHORITY UNDER INSTRUMENT APPOINTING PROXY

93. The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.

WHEN VOTE BY PROXY/REPRESENTATIVE VALID THOUGH AUTHORITY REVOKED

94. A vote given in accordance with the terms of an instrument of proxy or resolution of a member shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy or resolution of a member was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article 91, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS/DEPOSITORY ACTING BY REPRESENTATIVES AT MEETINGS

95. (a) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being Present at any meeting in person.
- (b) If a clearing house (or its nominee(s)) or a Depository (or its nominee) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number
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and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) or Depository (or its nominee) which he represents as that clearing house (or its nominee(s)) or Depository (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such authorisation, including the right to speak and the right to vote individually on a show of hands notwithstanding any contrary provision contained in Article 83.

REGISTERED OFFICE

REGISTERED OFFICE

96. The registered office of the Company shall be at such place in the Cayman Islands as the Board shall from time to time appoint.

BOARD OF DIRECTORS

CONSTITUTION

Unless otherwise determined by the members in general meeting, the number of Directors shall not be less than two. There shall be no maximum number of Directors unless otherwise determined from time to time by the members in general meeting.

QUALIFICATION OF DIRECTORS

97. A Director need not hold any qualification shares. No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.

DIRECTORS' REMUNERATION

98. (a) The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting or by the Board, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.
- (b) Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from
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office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

DIRECTORS' EXPENSES

99. The Directors shall be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from Board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

SPECIAL REMUNERATION

100. The Board may grant special remuneration to any Director, who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

WHEN OFFICE OF DIRECTOR TO BE VACATED

101. The office of a Director shall be vacated:

- (i) if the Director gives notice in writing to the Company that such Director resigns the office of Director;
 - (ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
 - (iii) if, without leave, he is absent from meetings of the Board for a continuous period of 12 months, and the Board resolves that his office be vacated;
 - (iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
 - (v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;
 - (vi) if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or
 - (vii) if he shall be removed from office by an ordinary resolution of the members of the Company pursuant to Article 107.
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DIRECTORS' INTERESTS

102. A Director may:

- (i) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;
- (ii) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;
- (iii) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and, unless otherwise agreed, no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Articles the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as Directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such other company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

103. Subject to the Act and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director

so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 104 herein.

104. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:

- (i) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (ii) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

Following a declaration being made pursuant to the last preceding two Articles, subject to any separate requirement for Audit Committee approval under applicable law or the listing rules of the Company's Designated Stock Exchange, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum at such meeting.

APPOINTMENT AND REMOVAL OF DIRECTORS

POWER TO FIX, INCREASE OR REDUCE THE NUMBER OF DIRECTORS TO APPOINT DIRECTORS

105. The members may from time to time by ordinary resolution fix, increase or reduce the number of Directors but so that the number of Directors shall not be less than two Directors. Subject to the Articles and the Act, the members may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board.

BOARD MAY FILL VACANCIES/APPOINT ADDITIONAL DIRECTORS

106. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting provided that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 109.

POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

107. (a) The members may by ordinary resolution at any time remove any Director (including a managing Director or executive Director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead.
- (b) Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

REGISTER OF DIRECTORS AND NOTIFICATION OF CHANGES TO REGISTRAR

108. The Company shall keep at its office a register of directors containing their names and addresses and occupations and any other particulars of the Directors required by the Act and shall from time to time notify to the Registrar of Companies of the Cayman Islands any change that takes place in relation to such Directors as required by the Act.

ROTATION OF DIRECTORS

ROTATION AND RETIREMENT OF DIRECTORS

109. At each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.

MEETING TO FILL UP VACANCIES

110. The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.
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RETIRING DIRECTORS TO REMAIN IN OFFICE TILL SUCCESSORS APPOINTED

111. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:
- (a) it shall be determined at such meeting to reduce the number of Directors; or
 - (b) it is expressly resolved at such meeting not to fill up such vacated offices; or
 - (c) a resolution for the re-election of such Directors is put to the meeting and lost.

POWERS OF DIRECTORS

GENERAL POWERS OF COMPANY VESTED IN BOARD

112. (a) The management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Act and of these Articles and to any resolution from time to time passed by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no resolution so passed shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (b) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:
- (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and
 - (ii) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

PROCEEDINGS OF DIRECTORS

ALTERNATE DIRECTORS

113. Any Director may in writing appoint another person to be his alternate and, save to the extent provided otherwise in the form of appointment, such alternate shall have authority to sign written resolutions on behalf of the appointing Director, but shall not be
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authorised to sign such written resolutions where they have been signed by the appointing Director, and to act in such Director's place at any meeting of the Directors. Every such alternate shall be entitled to attend and vote at meetings of the Directors as the alternate of the Director appointing him and where he is a Director to have a separate vote in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Such alternate shall not be an officer solely as a result of his appointment as an alternate other than in respect of such times as the alternate acts as a Director. The remuneration of such alternate shall be payable out of the remuneration of the Director appointing him and the proportion thereof shall be agreed between them.

114. Any Director may appoint any Person, whether or not a Director, to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director, or in the absence of such instructions at the discretion of the proxy, at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting.

MEETINGS OF DIRECTORS/QUORUM ETC.

115. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world. A majority of the Directors then in office on the Board or a committee thereof shall be a quorum for meetings of the Board or such committee, respectively. A meeting of the Board or any committee of the Board may be held by means of a telephone or teleconferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A Director may be represented at any meetings of the Board or a committee thereof by a proxy appointed in writing by such Director. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.

CONVENING OF BOARD MEETING; NOTICE

116. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be deemed to be duly given to a Director if it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose not less than twenty-four hours in advance of the time of the meeting for which notice is being given.
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HOW QUESTIONS TO BE DECIDED

117. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

CHAIRMAN

118. The Board may elect a Chairman of its meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

POWER OF MEETING

119. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.

POWER TO APPOINT COMMITTEE AND TO DELEGATE

120. The Board may delegate any of its powers to committees consisting of such member or members of the Board as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

ACTS OF COMMITTEE TO BE OF SAME EFFECT AS ACT OF DIRECTORS

121. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

PROCEEDINGS OF COMMITTEE

122. (a) The meetings and proceedings of any such committee consisting of two or more members of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 120.

MINUTES OF PROCEEDINGS OF MEETINGS AND DIRECTORS

- (b) The Board shall cause minutes to be made of:
- (i) all appointments of officers made by the Board;
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- (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 120;
- (iii) all declarations made or notices given by any Director of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
- (iv) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

Any such minutes shall be prima facie evidence of any such proceedings if they purport to be signed by the Chairman of the meeting, by any director present at the meeting or by the Chairman of the succeeding meeting.

WHEN ACTS OF DIRECTORS OR COMMITTEE TO BE VALID NOTWITHSTANDING DEFECTS

123. All acts bona fide done by any meeting of the Board or by a committee of Directors or by any person acting as Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee as the case may be.

DIRECTORS' POWERS WHEN VACANCIES EXIST

124. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

DIRECTORS' RESOLUTIONS

125. A resolution in writing and signed, or if transmitted by electronic mail or through the internet, electronically signed in a manner acceptable to the Chairman, by all Directors (or their respective proxies pursuant to Article 115) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one or more of the Directors.

MANAGERS

APPOINTMENT AND REMUNERATION OF MANAGERS

126. The Board may from time to time appoint, as officers of the Company, a general manager, manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working
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expenses of any of the staff of the general manager, manager or managers who may be employed by him or them in connection with the conduct of the business of the Company. In furtherance of the foregoing, the Board shall be vested with the power to appoint the president, the principal financial officer and the principal operating officers of the Company or persons performing similar functions, which powers may be delegated, re-delegated or revoked at any time by a resolution adopted by the Board.

TENURE OF OFFICE AND POWERS

127. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board as it may think fit.

TERMS AND CONDITIONS OF APPOINTMENT

128. Subject to Article 126, the Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

SECRETARY

APPOINTMENT OF SECRETARY

129. The Board may appoint a Secretary for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.

SAME PERSON NOT TO ACT IN TWO CAPACITIES AT ONCE

130. A provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

GENERAL MANAGEMENT AND USE OF THE SEAL

CUSTODY AND USE OF SEAL

131. The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which such seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some
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other person appointed by the Board for the purpose. The securities seal which shall be a facsimile of the common seal with the word "Securities" engraved thereon shall be used exclusively for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued. The Board may either generally or in any particular case resolve that the securities seal or any signatures or any of them may be affixed to certificates for shares, warrants, debentures or any other form of security by facsimile or other mechanical means specified in such authority or that any such certificates sealed with the securities seal need not be signed by any person. Every instrument to which the seal is affixed as aforesaid shall, as regards all persons dealing in good faith with the Company, be deemed to have been affixed to that instrument with the authority of the Directors previously given.

DUPLICATE SEAL

132. The Company may have a duplicate seal for use outside of the Cayman Islands as and where the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the agents of the Company for the purpose of affixing and using such duplicate seal and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal as aforesaid.

POWER TO APPOINT ATTORNEY

133. (a) The Board may from time to time and at any time, by power of attorney (whether under seal or under hand), appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

EXECUTION OF DEEDS BY ATTORNEY

- (b) An attorney appointed under paragraph (a) above may be empowered, either generally or in respect of any specified matter, to execute deeds and instruments on behalf of the Company in any part of the world and to enter into contracts and sign the same on behalf of the Company and every deed executed by such attorney on behalf of the Company shall bind the Company and have the same effect as if it were executed by the Company.

REGIONAL OR LOCAL BOARDS

134. The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Cayman Islands, Hong Kong,
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the People's Republic of China or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

POWER TO ESTABLISH PENSION FUNDS AND EMPLOYEE SHARE OPTION SCHEMES

135. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or provident or superannuation funds or (with the sanction of an ordinary resolution) employee or executive share option schemes for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any of its Affiliates, or who are or were at any time directors or officers of the Company or of any of its Affiliates, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

CAPITALISATION OF RESERVES

POWER TO CAPITALISE

136. The Company in general meeting may upon the recommendation of the Board by ordinary resolution resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares,
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debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in proportion aforesaid or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members of the Company as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the Act.

EFFECT OF RESOLUTION TO CAPITALISE

137. (a) Wherever such a resolution as referred to in Article 136 shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:
- (i) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) as they think fit in cases where shares, debentures or other securities become distributable in fractions;
 - (ii) to exclude the right of participation or entitlement of any member with a registered address outside any territory where in the absence of a registration statement or other special or onerous formalities the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider the costs, expense or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefits of the Company; and
 - (iii) to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.
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- (b) The Board may, in relation to any capitalisation sanctioned under this Article in its absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such capitalisation, shall allot and distribute credited as fully paid up the unissued shares, debentures or other securities to which that member is entitled to such person or persons as that member may nominate by notice in writing to the Company, such notice to be received not later than the day for which the general meeting of the Company to sanction the capitalisation is convened.

DIVIDENDS AND RESERVES

POWER TO DECLARE DIVIDENDS

138. (a) Subject to the Act and these Articles, the Company in general meeting of members or by Board resolutions may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board. All shares shall rank *pari passu* with regard to all distributions by way of dividend or otherwise. At any and every time the Board declare dividends, Class A Ordinary Shares and Class B Ordinary Shares shall have identical rights in the dividends so declared.
- (b) The dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the Company's investments, and any commissions, trusteeship, agency, transfer and other fees and current receipts of the Company shall, subject to the payment there out of the expenses of management, interest upon borrowed money and other expenses which in the opinion of the Board are of a revenue nature, constitute the profits of the Company available for distribution.

BOARD'S POWER TO PAY INTERIM DIVIDENDS

139. (a) The Board may from time to time, subject to the Act, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide*, the Board shall not incur any responsibility to the holders of shares conferring any preferential rights.
- (b) The Board may also pay half-yearly or at other intervals to be selected by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits available for distribution justify the payment.
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POWERS OF DIRECTORS TO DECLARE AND PAY SPECIAL DIVIDENDS

- (c) The Board may in addition from time to time, subject to the Act, declare and pay special dividends on shares of any class of such amounts and on such dates as they think fit, and the provisions of paragraph (a) as regards the powers and the exemption from liability of the Board as relate to declaration and payment of interim dividends shall apply, mutatis mutandis, to the declaration and payment of any such special dividends.

DIVIDENDS NOT TO BE PAID OUT OF CAPITAL

- 140. No dividend shall be declared or payable except out of the profits and reserves of the Company or other accounts lawfully available for distribution including share premium. No dividend shall carry interest against the Company.

SCRIP DIVIDENDS

- 141. (a) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:

AS TO CASH ELECTION

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (aa) the basis of any such allotment shall be determined by the Board;
 - (bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (cc) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
 - (dd) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as
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aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve (if there be any such reserve)) or profit or loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis;

AS TO SCRIP ELECTION

- (ii) that members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
 - (aa) the basis of any such allotment shall be determined by the Board;
 - (bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (cc) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
 - (dd) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve (if there be any such reserve)) or profit and loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
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- (b) The shares allotted pursuant to the provisions of paragraph (a) of this Article shall be of the same class as the class of, and shall rank *pari passu* in all respects with the shares then held by the respective allottees save only as regards participation:
- (i) in the relevant dividend (or share or cash election in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend, unless contemporaneously with the announcement by the Board of its proposal to apply the provisions of paragraph (i) or (ii) of paragraph (a) in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of this paragraph (b) shall rank for participation in such distributions, bonuses or rights.
- (c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (d) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (a) a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.
- (e) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (a) shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefit of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.
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SHARE PREMIUM AND RESERVES

142. (a) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies Act. The Company shall at all times comply with the provisions of the Companies Act in relation to the share premium account.
- (b) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (including shares, warrants and other securities of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

DIVIDENDS TO BE PAID IN PROPORTION TO PAID UP CAPITAL

143. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article no amount paid up on a share in advance of calls shall be treated as paid up on the share.

RETENTION OF DIVIDENDS, ETC.

144. (a) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (b) The Board may retain any dividends or other monies payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained, entitled to become a member, or in respect of which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
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DEDUCTION OF DEBTS

- (c) The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

DIVIDEND AND CALL TOGETHER

- 145. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting resolves, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

DISTRIBUTION IN SPECIE

- 146. The Board, with the sanction of the members in general meeting, may direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

EFFECT OF TRANSFER

- 147. (a) A transfer of shares shall not pass therewith the right to any dividend or bonus declared thereon before the registration of the transfer.
 - (b) Any resolution declaring or resolving upon the payment of a dividend or other distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or made to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.
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RECEIPT FOR DIVIDENDS BY JOINT HOLDERS OF SHARE

148. If two or more persons are registered as joint holders of any shares, any one of such persons may give effectual receipts for any dividends, interim and special dividends or bonuses and other moneys payable or rights or property distributable in respect of such shares.

PAYMENT BY POST

149. (a) Unless otherwise directed by the Board, any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of the person whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares and shall be sent at his or their risk, and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.
- (b) The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

UNCLAIMED DIVIDEND

150. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the exclusive benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or be required to account for any money earned thereon. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses.

UNTRACEABLE MEMBERS

SALE OF SHARES OF UNTRACEABLE MEMBERS

151. (a) The Company shall be entitled to sell any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that:
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- (i) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
- (ii) the Company has not during that time or before the expiry of the three month period referred to in paragraph (iv) below received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law;
- (iii) during the 12-year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and
- (iv) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, giving notice of its intention to sell such shares, and a period of three months has elapsed since such advertisement.

The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

- (b) To give effect to any sale contemplated by paragraph (a) the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such other documents as are necessary to effect the transfer, and such documents shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares or other securities in or of the Company or its holding company if any) or as the Board may from time to time think fit.

DOCUMENT DESTRUCTION

DESTRUCTION OF REGISTRABLE DOCUMENTS, ETC.

- 152. The Company shall be entitled to destroy all instruments of transfer, probate, letters of administration, stop notices, powers of attorney, certificates of marriage or death and other documents relating to or affecting title to securities in or of the Company ("Registrable Documents") which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications
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of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register if purporting to have been made on the basis of an instrument of transfer or Registrable Document so destroyed was duly and properly made and every instrument of transfer or Registrable Document so destroyed was a valid and effective instrument or document duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice of the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of any documents referred to in this Article or any other documents in relation to share registration which may have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim.

ANNUAL RETURNS AND FILINGS

ANNUAL RETURNS AND FILINGS

153. The Board shall make the requisite annual returns and any other requisite filings in accordance with the Act.

ACCOUNTS

ACCOUNTS TO BE KEPT

154. The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Act.
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WHERE ACCOUNTS ARE TO BE KEPT

155. The books of account shall be kept at the Company's principal place of business or, subject to the provisions of the Act, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

INSPECTION BY MEMBERS

156. The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Act or any other relevant law or regulation or as authorised by the Board or by the Company in general meeting.

AUDIT

APPOINTMENT AND REMUNERATION OF AUDITORS

157. Subject to applicable law and rules of the Designated Stock Exchange, the Board may appoint an Auditor, who shall hold office until removed from office by a resolution of the Board, to audit the accounts of the Company. The remuneration of the Auditor shall be determined by the Audit Committee or, in the absence of such an Audit Committee, by the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board shall fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act.

AUDITORS

158. The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. The Auditors shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

NOTICES

SERVICE OF NOTICES

159. (a) Any notice or document (including a share certificate) may be served by the Company and any notices may be served by the Board on any member either personally or by sending it to such member at his registered address as appearing in the Register of Members or (in the case of notice) by advertisement published in the newspapers or by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website. For the purposes of this Article, a notice
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may be sent by letter mail, courier service, cable, telex, telecopier, facsimile, electronic mail, through the Internet or other mode of representing words in a legible form. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

- (b) Notice of every general meeting shall be given in any manner hereinbefore authorised to:
- (i) every person shown as a member in the Register of Members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members;
 - (ii) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting; and
 - (iii) each Director.

No other person shall be entitled to receive notices of general meetings.

WHEN NOTICE DEEMED TO BE SERVED

160. Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof. Any notice delivered or left at a registered address otherwise than by post shall be deemed to have been served at the time when the same would be delivered in the ordinary course of transmission and, in proving such service, it shall be sufficient to prove that the notice was properly addressed and prepaid, delivered to the courier or to the cable company or transmitted by telex, facsimile, electronic mail, through the Internet, or such other method as the case may be. Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates). Any notice given by electronic means as provided herein shall be deemed to have been served on the day on which it is successfully transmitted.

SERVICE OF NOTICE TO PERSONS ENTITLED ON DEATH, MENTAL DISORDER OR BANKRUPTCY OF A MEMBER

161. A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it
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through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

TRANSFeree BOUND BY PRIOR NOTICES

162. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.

NOTICE VALID THOUGH MEMBER DECEASED

163. Any notice or document delivered or sent by post or left at the registered address of any member otherwise than by post in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

HOW NOTICE TO BE SIGNED

164. The signature to any notice to be given by the Company may be written or printed by means of facsimile or by electronic means.

INFORMATION

MEMBER NOT ENTITLED TO INFORMATION

165. No member shall be entitled to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the members or the Company to communicate to the public.

DIRECTORS ENTITLED TO DISCLOSE INFORMATION

166. The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its members including, without limitation, information contained in the register of members and transfer books of the Company.
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167. The Directors, or any authorised service providers (including the officers, the secretary and the registered office agent of the Company), shall be entitled to disclose to any regulatory or judicial authority, or to any stock exchange on which the Shares may from time to time be listed, any information regarding the affairs of the Company including, without limitation, information contained in the Register and books of the Company, that such regulatory or judicial authority or stock exchange is lawfully entitled to require, provided that the disclosing person, other than the Board, shall (i) promptly notify the Company (to the extent legally permissible) prior to such disclosure of the existence, terms and circumstances surrounding such requirement to allow the Company to contest such disclosure, seek a protective order or other appropriate remedy or to agree the timing and content of such disclosure, (ii) consult with the Company on the advisability of taking legally available steps to resist or narrow such requirement and cooperate with the Company and take such steps as the Company may reasonably require to prevent or minimize the disclosure, and (iii) if disclosure of such information is required, to furnish only that portion of the information which the disclosing person is required to disclose in compliance with such requirement and cooperate with any action by the Company to obtain an appropriate protective order or other reliable assurance that confidential treatment, as requested by the Company, will be accorded to the disclosed information.

WINDING UP

POWER TO DISTRIBUTE ASSETS IN SPECIE FOLLOWING LIQUIDATION

168. Subject to the Act, the Company may by special resolution resolve that the Company be wound up voluntarily. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court), the liquidator may, with the authority of a special resolution of the Company and any other sanction required by the Act divide among the members in specie or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of one kind or shall consist of properties of different kinds) and may for such purpose set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority or sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like authority or sanction and subject to the Act, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

DISTRIBUTION OF ASSETS IN LIQUIDATION

169. If the Company shall be wound up, and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding
-

up, the excess shall be distributed amongst the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

INDEMNITIES

INDEMNITIES OF DIRECTORS AND OFFICERS

170. (a) The Directors, Secretary and other officers for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless to the fullest extent permissible by applicable law out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, *provided* that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.
- (b) Each Member agrees to the fullest extent permissible by applicable law to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company, *provided* that such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

FINANCIAL YEAR

FINANCIAL YEAR

171. The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. Unless the Board otherwise prescribe, the financial year of the Company shall end on 31st December in each year and shall begin on 1st January in each year.
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AMENDMENT OF MEMORANDUM AND ARTICLES

AMENDMENT OF MEMORANDUM AND ARTICLES

172. Subject to the Act, the Company may at any time and from time to time by special resolution alter or amend the Memorandum and these Articles in whole or in part.

EXCLUSIVE FORUM

EXCLUSIVE FORUM

173. Unless the Company consents in writing to the selection of an alternative forum, the United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, the state courts in New York County, New York) shall be the exclusive forum within the United States for the resolution of any complaint asserting a cause of action arising out of or relating in any way to the federal securities laws of the United States, regardless of whether such legal suit, action, or proceeding also involves parties other than the Company. Any person or entity purchasing or otherwise acquiring any Share or other securities in the Company, or purchasing or otherwise acquiring ADSs issued pursuant to deposit agreements, shall be deemed to have notice of and consented to the provisions of this Article. Without prejudice to the foregoing, if the provision in this Article is held to be illegal, invalid or unenforceable under applicable law, the legality, validity or enforceability of the rest of these Articles shall not be affected and this Article shall be interpreted and construed to the maximum extent possible to apply in the relevant jurisdiction with whatever modification or deletion may be necessary so as best to give effect to the intention of the Company.
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WEIBO CORPORATION

as Issuer

AND

CITICORP INTERNATIONAL LIMITED

as Trustee

AND

CITIBANK, N.A.

as Agents

INDENTURE

Dated as of December 4, 2023

1.375% Convertible Senior Notes due 2030

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INDENTURE dated as of December 4, 2023 among Weibo Corporation, a Cayman Islands company, as issuer (the “**Company**,” as more fully set forth in Section 1.01), Citicorp International Limited, a private company limited by shares incorporated in Hong Kong, as trustee (the “**Trustee**”) and Citibank, N.A., as Note Registrar, Paying Agent, Transfer Agent and Conversion Agent (the “**Agents**,” as set forth in Section 1.01).

WITNESSETH:

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issuance of its 1.375% Convertible Senior Notes due 2030 (the “**Notes**”), in an aggregate principal amount not to exceed US\$300,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchaser pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Form of Note, the certificate of authentication to be borne by each Note, the Form of Notice of Conversion, the Form of Repurchase Notice, the Form of Fundamental Change Repurchase Notice and the Form of Assignment and Transfer to be borne by the Notes are to be substantially in the forms hereinafter provided for; and

WHEREAS, all acts and things necessary to make the Notes, when executed by the Company and authenticated and delivered by the Trustee or a duly authorized authenticating agent, as in this Indenture provided, the valid, binding and legal obligations of the Company, and this Indenture a valid agreement according to its terms, have been done and performed, and the execution of this Indenture and the issuance hereunder of the Notes have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Notes are, and are to be, authenticated, issued and delivered, and in consideration of the premises and of the purchase and acceptance of the Notes by the Holders thereof, the Company covenants and agrees with the Trustee for the equal and proportionate benefit of the respective Holders from time to time of the Notes (except as otherwise provided below), as follows:

**ARTICLE 1
DEFINITIONS**

Section 1.01. *Definitions.* The terms defined in this Section 1.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.01. All other terms used in this Indenture that are defined in the Trust Indenture Act or that are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the

execution of this Indenture. The words “herein,” “hereof,” “hereunder,” and words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

“**Additional ADSs**” shall have the meaning specified in Section 14.03(a).

“**Additional Amounts**” shall have the meaning specified in Section 4.07(a).

“**Additional Interest**” means all amounts, if any, payable pursuant to Section 4.06(d), Section 4.06(e) and Section 6.01(b), as applicable.

“**ADS**” means an American depositary share, issued pursuant to the Deposit Agreement or Restricted Deposit Agreement, as applicable, representing one Class A Ordinary Share of the Company as of the date of this Indenture, and deposited with the ADS Custodian.

“**ADS Custodian**” shall have the meaning specified in the Deposit Agreement.

“**ADS Depositary**” means JPMorgan Chase Bank, N.A., as depositary for the ADSs.

“**ADS Price**” shall have the meaning specified in Section 14.03(c).

“**Affiliate**” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control,” when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Agents**” means the Note Registrar, Paying Agent, Transfer Agent and Conversion Agent.

“**Amendment Event**” shall have the meaning specified in Section 14.08(a).

“**Bankruptcy Law**” means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

“**Board of Directors**” means the board of directors of the Company or a committee of such board duly authorized to act for it hereunder.

“**Board Resolution**” means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“**Business Day**” means, with respect to any Note, any day other than a Saturday, a Sunday or a day that is on which banking institutions in Hong Kong are authorized or obligated by law or executive order to be closed or on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

“**Capital Stock**” means, for any entity, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that entity.

“**Cash Settlement**” shall have the meaning specified in Section 14.02(a).

“**CCASS**” means Central Clearing and Settlement System of the Hong Kong Stock Exchange.

“**Certificated Notes**” means permanent certificated Notes in registered form issued in minimum denominations of US\$1,000 principal amount and multiples thereof.

“**Change in Tax Law**” shall have the meaning specified in Section 16.01(a).

“**Class A Ordinary Shares**” means, subject to Section 14.07, Class A ordinary shares of the Company, par value US\$0.00025 per share.

“**Clause A Distribution**” shall have the meaning specified in Section 14.04(c).

“**Clause B Distribution**” shall have the meaning specified in Section 14.04(c).

“**Clause C Distribution**” shall have the meaning specified in Section 14.04(c).

“**Cleanup Redemption**” shall have the meaning specified in Section 16.03.

“**close of business**” means 5:00 p.m. (New York City time).

“**Combination Settlement**” shall have the meaning specified in Section 14.02(a).

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Commission**” means the U.S. Securities and Exchange Commission.

“**Common Equity**” of any Person means Capital Stock of such Person that is generally entitled (a) to vote in the election of directors of such Person or (b) if such Person is not a corporation, to vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

“**Company**” means Weibo Corporation, a Cayman Islands company, and subject to the provisions of Article 11, shall include its successors and assigns.

“**Company Notice**” shall have the meaning specified in Section 15.01(a).

“**Company Order**” means a written request or order signed in the name of the Company by two Officers of the Company.

“**Consolidated Affiliated Entity**” means the VIEs and the VIEs’ direct and indirect Subsidiaries.

“**Conversion Agent**” shall have the meaning specified in Section 4.02.

“**Conversion Consideration**” shall have the meaning specified in Section 14.14(b).

“**Conversion Date**” shall have the meaning specified in Section 14.02(c).

“**Conversion Obligation**” shall have the meaning specified in Section 14.01.

“**Conversion Price**” means as of any time, US\$1,000, *divided by* the Conversion Rate as of such time.

“**Conversion Rate**” shall have the meaning specified in Section 14.01.

“**Corporate Trust Office**” means the designated office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 20/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Hong Kong, Attention: Agency and Trust, Facsimile: + 852 3009 0294, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the designated corporate trust office of any successor trustee (or such other address as such successor trustee may designate from time to time by notice to the Holders and the Company).

“**Custodian**” means Citibank, N.A., as custodian for the Depository, with respect to the Global Notes, or any successor entity thereto.

“**Daily Conversion Value**” means, for each of the 90 consecutive Trading Days during the Observation Period, one-ninetieth (1/90) of the product of (a) the Conversion Rate in effect immediately after the close of business on such Trading Day and (b) the Daily VWAP for such Trading Day.

“**Daily Measurement Value**” means the Specified Dollar Amount (if any), *divided by* 90.

“**Daily Settlement Amount,**” for each of the 90 consecutive Trading Days during the Observation Period, shall consist of:

(a) cash in an amount equal to the lesser of (i) the Daily Measurement Value and (ii) the Daily Conversion Value on such Trading Day; and

(b) if the Daily Conversion Value on such Trading Day exceeds the Daily Measurement Value, a number of ADSs equal to (i) the difference between the Daily Conversion Value and the Daily Measurement Value, *divided by* (ii) the Daily VWAP for such Trading Day.

“**Daily VWAP**” means, for each of the 90 consecutive Trading Days during the relevant Observation Period, the per ADS volume-weighted average price as displayed under the heading “Bloomberg VWAP” on Bloomberg page “WB <equity> AQR” (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading until the

scheduled close of trading of the primary trading session on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one ADS on such Trading Day determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained for this purpose by the Company). The “**Daily VWAP**” shall be determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours.

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

“**Defaulted Amounts**” means any amounts on any Note (including, without limitation, the Redemption Price, the Repurchase Price, the Fundamental Change Repurchase Price, principal and interest) that are payable by the Company but are not punctually paid or duly provided for.

“**Default Settlement Method**” shall have the meaning specified in Section 14.02(a)(iii).

“**Deposit Agreement**” means the amended and restated deposit agreement dated as of August 10, 2020, by and among the Company, the ADS Depositary and the holders and beneficial owners of the ADSs delivered thereunder or, if amended or supplemented as provided therein, as so amended or supplemented.

“**Depositary**” means, with respect to each Global Note, the Person specified in Section 2.05(c) as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this Indenture, and thereafter, “**Depositary**” shall mean or include such successor.

“**Designated Financial Institution**” shall have the meaning specified in Section 14.14(b).

“**Distributed Property**” shall have the meaning specified in Section 14.04(c).

“**DTC**” shall have the meaning specified in Section 10.01(a).

“**Effective Date**” shall have the meaning specified in Section 14.03(c), except that, as used in Section 14.04 and Section 14.05, “Effective Date” means the first date on which ADSs trade on the applicable exchange or in the applicable market, regular way, reflecting the relevant share split or share combination, as applicable.

“**Event of Default**” shall have the meaning specified in Section 6.01(a).

“**Ex-Dividend Date**” means the first date on which the ADSs trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Company or, if applicable, from the seller of the ADSs on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

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

“**Exchange Election**” shall have the meaning specified in Section 14.14(a).

“**Expiring Rights**” means any rights, options or warrants to purchase Class A Ordinary Shares or ADSs that expire on or prior to the Maturity Date.

“**FATCA**” shall mean Sections 1471 through 1474 of the Code.

“**Fiscal Year**” means a fiscal year of the Company.

“**Form of Assignment and Transfer**” shall mean the “Form of Assignment and Transfer” attached as Attachment 4 to the Form of Note attached hereto as Exhibit A.

“**Form of Fundamental Change Repurchase Notice**” shall mean the “Form of Fundamental Change Repurchase Notice” attached as Attachment 3 to the Form of Note attached hereto as Exhibit A.

“**Form of Notice of Conversion**” shall mean the “**Form of Notice of Conversion**” attached as Attachment 1 to the Form of Note attached hereto as Exhibit A.

“**Form of Repurchase Notice**” shall mean the “**Form of Repurchase Notice**” attached as Attachment 2 to the Form of Note attached hereto as Exhibit A.

“**Fundamental Change**” means the occurrence of any of the following events:

(a) a “person” or “group” within the meaning of Section 13(d) of the Exchange Act other than the Permitted Holders, SINA Corporation (or its successors), the Company, the Company’s Subsidiaries or the Company’s or such Subsidiaries’ employee benefit plans files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect “beneficial owner,” as defined in Rule 13d-3 under the Exchange Act, of the Ordinary Shares (including Class A Ordinary Shares held in the form of ADSs) representing more than 50% of the voting power of all outstanding classes of the Company’s Common Equity entitled to vote generally in the election of the Company’s directors or (2) the Permitted Holders, SINA Corporation (or its successors), the Company, the Company’s Subsidiaries or the Company’s or such Subsidiaries’ employee benefit plans become the direct or indirect “beneficial owners”, as defined in Rule 13d-3 under the Exchange Act, of Common Equity representing more than 60%, in the aggregate, of the number of our outstanding Ordinary Shares;

(b) (i) the Company merges or consolidates with or into any other Person, another Person merges with or into the Company, or the Company conveys, sells, transfers or leases all or substantially all of its assets to another Person, or (ii) the Company engages in any recapitalization, reclassification, binding share exchange or other transaction in which all or substantially all of the Ordinary Shares (including Class

A Ordinary Shares held in the form of ADSs) are exchanged for or converted into cash, securities or other property; *provided* that (x) any merger or consolidation pursuant to subsection (i) above that does not result in a reclassification, conversion, exchange or cancellation of the outstanding Ordinary Shares (including Class A Ordinary Shares held in the form of ADSs) and pursuant to which the holders of the Ordinary Shares (including Class A Ordinary Shares held in the form of ADSs) immediately prior to the transaction are entitled to exercise, directly or indirectly, 50% or more of the total voting power of all shares of Capital Stock entitled to vote generally in the election of directors of the continuing or surviving corporation immediately after such transaction in substantially the same proportions as their respective ownership of voting securities of the Company immediately prior to the transaction shall not be a Fundamental Change; (y) any transaction pursuant to subsection (ii) above in which the holders of all classes of Ordinary Share capital immediately prior to the transaction are entitled to exercise, directly or indirectly, 50% or more of the total voting power of all shares of capital stock entitled to vote generally in the election of directors of the continuing or surviving corporation immediately after such transaction in substantially the same proportions as their respective ownership of the Company's voting securities immediately prior to the transaction shall not be a Fundamental Change; and (z) any merger or consolidation pursuant to subsection (i) above or any transaction pursuant to subsection (ii) above, in either case, which is effected solely to change the Company's jurisdiction of incorporation and results in a reclassification, conversion or exchange of the outstanding Ordinary Shares (including Class A Ordinary Shares held in the form of ADSs) solely into common stock of the surviving entity or a direct or indirect parent of the surviving entity (*provided* that such parent owns, directly or indirectly, 100% of the equity of the surviving entity) shall not be a Fundamental Change;

(c) the Company is liquidated or dissolved or holders of the Ordinary Shares (including Class A Ordinary Shares held in the form of ADSs) approve any plan or proposal for the liquidation or dissolution of the Company;

(d) if the Ordinary Shares, or depositary receipts or shares of, or certificates representing, any common stock or equity interest into which the Notes are convertible pursuant to the terms of this Indenture, are not listed for trading on any of the New York Stock Exchange, The Nasdaq Global Market or The Nasdaq Global Select Market (or any of their respective successors); or

(e) any change in or amendment to the laws, regulations and rules of the PRC or the official interpretation or official application thereof (a "**change in law**") that results in (x) the Company, its subsidiaries and its Consolidated Affiliated Entities (collectively, the "**company group**") (as in existence immediately subsequent to such change in law), as a whole, being legally prohibited from operating substantially all of the business operations conducted by the company group (as in existence immediately prior to such change in law) as of the last date of the period described in the Company's consolidated financial statements for the most recent fiscal quarter and (y) the Company being unable to continue to derive substantially all of the economic benefits from the business operations conducted by the company group (as in existence immediately prior

to such change in law) in the same manner as reflected in the Company's consolidated financial statements for the most recent fiscal quarter.

provided, however, that notwithstanding the foregoing, a Fundamental Change pursuant to clause (a) or (b) shall not be deemed to occur, in each case, if at least 90% of the consideration paid for the ADSs (excluding cash payments for fractional ADSs and cash payments made pursuant to dissenter's appraisal rights and cash dividends) in connection with such transaction or event consists of ordinary shares, depositary receipts or other certificates representing common equity interests traded on any of the New York Stock Exchange, The Nasdaq Global Market or The Nasdaq Global Select Market (or any of their respective successors) (or that will be so traded immediately following the completion of the merger or consolidation or such other transaction or event) and, as a result of such transaction or event, the notes become convertible into the Reference Property as described in Section 14.07.

"Fundamental Change Company Notice" shall have the meaning specified in Section 15.02(d).

"Fundamental Change Repurchase Date" shall have the meaning specified in Section 15.02(a).

"Fundamental Change Repurchase Notice" shall have the meaning specified in Section 15.02(b)(i).

"Fundamental Change Repurchase Price" shall have the meaning specified in Section 15.02(a).

"Global Note" shall have the meaning specified in Section 2.05(b).

"HKSCC" means the Hong Kong Securities Clearing Company Limited.

"Holder," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), shall mean any Person in whose name at the time a particular Note is registered on the Note Register.

"Indebtedness" means, with respect to any Person, without duplication, (1) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (2) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guarantees, surety bonds and similar instruments; (3) net obligations of such Person under any swap contract; (4) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and not past due for more than 60 days after the date on which such trade account was created); (5) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse; *provided* that the amount of such Indebtedness shall be the lesser of (a) the Fair Market Value of such property at such date of determination and (b) the amount of such Indebtedness; (6) all attributable debt in

respect of capitalized leases of such Person; (7) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any capital stock of or other ownership, profit or equity interest in such Person or any other Person or any warrant, right or option to acquire such capital stock (except dividends or other distributions with respect to the Ordinary Shares of the Company (including Class A Ordinary Shares held in the form of ADSs) and the rights of the Company in respect of the note hedge and warrant transactions in connection with its issuance and sale of the Notes) or ownership, profit or equity interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference *plus* accrued and unpaid dividends; and (8) all guarantees of such Person in respect of any of the foregoing. For the avoidance of doubt, Indebtedness is not deemed to be outstanding until it is incurred, and the entry into a binding commitment shall not, in and of itself, be deemed to be an incurrence.

“**Hong Kong Stock Exchange**” means the Main Board of The Stock Exchange of Hong Kong Limited.

“**Hong Kong Share Registrar**” means the share registrar engaged by the Company to maintain the branch register of members in Hong Kong for the Class A Ordinary Shares, which shall initially be Computershare Hong Kong Investor Services Limited.

“**Indenture**” means this instrument as originally executed or, if amended or supplemented as herein provided, as so amended or supplemented.

“**Initial Purchaser**” means Goldman Sachs (Asia) L.L.C., as the representative of the Initial Purchaser (as defined in the Purchase Agreement).

“**Interest Payment Date**” means each June 1 and December 1 of each year or, if the relevant date is not a Business Day, the immediately following Business Day, beginning on June 1, 2024.

“**Last Reported Sale Price**” of the ADSs on any date means the closing sale price per ADS (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which the ADSs are traded. If the ADSs are not listed for trading on a U.S. national or regional securities exchange on the relevant date, the “Last Reported Sale Price” shall be the last quoted bid price for the ADSs in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. or a similar organization. If the ADSs are not so quoted, the “Last Reported Sale Price” shall be the average of the mid-point of the last bid and ask prices for the ADSs on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

“**Lien**” means, with respect to any property or assets, any mortgage or deed of trust, pledge, hypothecation, assignment, security interest, lien, encumbrance, or any other security arrangement of any kind or nature whatsoever on or with respect to such property or assets (including any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing).

“**Make-Whole Fundamental Change**” means any transaction or event described in clause (a), (b), (d) or (e) of the definition of Fundamental Change (determined after giving effect to any exceptions to or exclusions from such definition, including in the *proviso* immediately succeeding clause (e) of the definition thereof, but without regard to the *proviso* in clause (b) of the definition thereof).

“**Market Disruption Event**” means, for the purposes of determining amounts due upon conversion (a) a failure by the primary U.S. national or regional securities exchange or market on which the ADSs are listed or admitted for trading to open for trading during its regular trading session or (b) the occurrence or existence prior to 1:00 p.m., New York City time, on any Scheduled Trading Day for the ADSs for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in the ADSs or in any options contracts or futures contracts relating to the ADSs.

“**Maturity Date**” means December 1, 2030.

“**Merger Event**” shall have the meaning specified in Section 14.07(a).

“**Note**” or “**Notes**” shall have the meaning specified in the first paragraph of the recitals of this Indenture.

“**Note Register**” shall have the meaning specified in Section 2.05(a).

“**Note Registrar**” shall have the meaning specified in Section 2.05(a).

“**Notice of Conversion**” shall have the meaning specified in Section 14.02(b).

“**Observation Period**”, with respect to any Note surrendered for conversion means:

(a) subject to clause (b), if the relevant Conversion Date occurs prior to the 96th Scheduled Trading Day before the Maturity Date, the 90 consecutive Trading Day period beginning on, and including, the second Trading Day immediately succeeding such Conversion Date;

(b) if the relevant Conversion Date occurs on or after the date of the Company’s issuance of a Redemption Notice with respect to the Notes pursuant to Article 16 and prior to the close of business on the fifth Business Day immediately preceding the related Redemption Date, the 90 consecutive Trading Days beginning on, and including, the 94th Scheduled Trading Day immediately preceding such Redemption Date; and

(c) subject to clause (b), if the relevant Conversion Date occurs on or after the 96th Scheduled Trading Day before the Maturity Date, the 90 consecutive Trading Days beginning on, and including, the 94th Scheduled Trading Day immediately preceding the Maturity Date.

“**Offering Memorandum**” means the preliminary offering memorandum dated November 29, 2023 as supplemented by the pricing term sheet dated November 30, 2023, relating to the offering and sale of the Notes.

“**Officer**” means, with respect to the Company, the Chairman, the President, any Vice President, the Secretary, the General Counsel or the Chief Financial Officer of the Company.

“**Officers’ Certificate**” means a certificate signed by two officers of the Company, one of whom must be the principal executive officer, the principal financial officer or the principal accounting officer of the Company. Each Officers’ Certificate (other than certificates provided pursuant to TIA Section 314(a)(4)) shall include the statements provided for in TIA Section 314(e).

“**open of business**” means 9:00 a.m. (New York City time).

“**Opinion of Counsel**” means an opinion in writing signed by legal counsel, who may be an employee of or counsel to the Company, or other counsel acceptable to the Trustee, that is delivered to the Trustee. Each such opinion shall include the statements provided for in Section 17.06 if and to the extent required by the provisions of such Section and may include such assumptions, qualifications, exceptions and limitations reasonably required by such counsel.

“**Ordinary Shares**” means, collectively, the Class A Ordinary Shares and the Company’s Class B ordinary shares.

“**outstanding**,” when used with reference to Notes, shall subject to the provisions of Section 8.04, mean, as of any particular time, all Notes authenticated and delivered by the Trustee under this Indenture, except:

- (a) Notes theretofore canceled by the Note Registrar or accepted by the Note Registrar for cancellation;
- (b) Notes, or portions thereof, that have become due and payable and in respect of which monies in the necessary amount shall have been deposited with the Trustee or with any Paying Agent (other than the Company) or shall have been set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent);
- (c) Notes that have been paid pursuant to Section 2.06 or Notes in lieu of which, or in substitution for which, other Notes shall have been authenticated and delivered pursuant to the terms of Section 2.06 unless proof satisfactory to the Trustee is presented that any such Notes are held by protected purchasers in due course;
- (d) Notes converted pursuant to Article 14 and required to be canceled pursuant to Section 2.08;
- (e) Notes redeemed pursuant to Article 16; and

(f) Notes repurchased by the Company pursuant to the third sentence of Section 2.10.

“**Paying Agent**” shall have the meaning specified in Section 4.02.

“**Paying Agent Office**” means the designated office of the Paying Agent at which any time this Indenture shall be administered, which office at the date hereof is located at 480 Washington Boulevard, 30th Floor, Jersey City, New Jersey 07310, United States of America, Attention: Agency and Trust, or such other address as the Paying Agent may designate from time to time by notice to the Holders and the Company, or the designated office of any successor paying agent (or such other address as such successor paying agent may designate from time to time by notice to the Holders and the Company).

A “**Permitted Exchange**” means any of the Hong Kong Stock Exchange, London Stock Exchange or The Stock Exchange of Singapore (or any of their respective successors).

“**Permitted Holders**” means any or all of the following:

- (a) Mr. Charles Chao;
- (b) the spouse and lineal descendants and spouses of lineal descendants of any natural person named in clause (a);
- (c) the estate or legal representatives of any natural person named in clause (a),
- (d) trusts established for the benefit of any natural person named in clause (a) or (b); and
- (e) any person both the Common Equity and the voting power of which (or in the case of a trust, the beneficial interests in which) are owned 80% or more by one or more of the persons specified in clauses (a) and (b).

“**Person**” means an individual, a corporation, a limited liability company, an association, a partnership, a joint venture, a joint stock company, a trust, an unincorporated organization or a government or an agency or a political subdivision thereof.

“**Physical Settlement**” shall have the meaning specified in Section 14.02(a).

“**Predecessor Note**” of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 2.06 in lieu of or in exchange for a mutilated, lost, destroyed or stolen Note shall be deemed to evidence the same debt as the mutilated, lost, destroyed or stolen Note that it replaces.

“**Purchase Agreement**” means that certain Purchase Agreement, dated as of November 30, 2023, between the Company and the Initial Purchaser.

“**Record Date**” means, with respect to any dividend, distribution or other transaction or event in which the holders of Class A Ordinary Shares (directly or in the form of ADSs) (or other applicable security) have the right to receive any cash, securities or other property or in which the ADSs (or other applicable security) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the ADSs (or other applicable security) entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors, statute, contract or otherwise).

“**Redemption Date**” shall have the meaning specified in Section 16.01(a).

“**Redemption Notice**” means the written notice of redemption of any Notes delivered by the Company to each Holder of such Notes, the Trustee and the Agents pursuant to Section 16.04.

“**Redemption Notice Date**” means, with respect to a redemption of any Notes, the date on which the Company sends the Redemption Notice for such redemption pursuant to Article 16.

“**Redemption Period**” means, with respect to a Cleanup Redemption or a Tax Redemption pursuant to Article 16, the period from the Redemption Notice Date for such Cleanup Redemption or Tax Redemption, as applicable, until the close of business on the fifth Business Day immediately preceding the Redemption Date (or, if the Company fails to pay the Redemption Price, the fifth Business Day immediately preceding the date on which the Redemption Price has been paid or duly provided for).

“**Redemption Reference Date**” shall have the meaning specified in Section 14.03(g).

“**Redemption Reference Price**” shall have the meaning specified in Section 14.03(g).

“**Redemption Price**” shall have the meaning specified in Section 16.01(a).

“**Reference Property**” shall have the meaning specified in Section 14.07(a).

“**Regular Record Date,**” with respect to any Interest Payment Date, shall mean the May 15 or November 15 (whether or not such day is a Business Day) immediately preceding the applicable June 1 or December 1 or Interest Payment Date, respectively.

“**Relevant Exchange**” shall have the meaning specified in Section 14.08(b).

“**Relevant Taxing Jurisdiction**” shall have the meaning specified in Section 4.07(a).

“**Repurchase Date**” shall have the meaning specified in Section 15.01(a).

“**Repurchase Expiration Time**” shall have the meaning specified in Section 15.01(a).

“**Repurchase Notice**” shall have the meaning specified in Section 15.01(a).

“**Repurchase Price**” shall have the meaning specified in Section 15.01(a).

“**Resale Restriction Termination Date**” shall have the meaning specified in Section 2.05(c).

“**Responsible Officer**” means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, trust officer, managing director, director, associate or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

“**Restricted Deposit Agreement**” means the deposit agreement for restricted securities dated as of December 4, 2023 by and among the Company, the ADS Depository and the holders and beneficial owners of the restricted ADSs delivered thereunder or, if amended or supplemented as provided therein, as so amended or supplemented.

“**Restricted Securities**” shall have the meaning specified in Section 2.05(c).

“**Rule 144**” means Rule 144 as promulgated under the Securities Act.

“**Rule 144A**” means Rule 144A as promulgated under the Securities Act.

“**Scheduled Trading Day**” means a day that is scheduled to be a Trading Day on the principal U.S. national or regional securities exchange or market on which the ADSs are listed or admitted for trading. If the ADSs are not so listed or admitted for trading, “**Scheduled Trading Day**” means a “**Business Day**.”

“**SEC**” means the Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**Settlement Amount**” has the meaning specified in Section 14.02(a)(v).

“**Settlement Method**” means, with respect to any conversion of Notes, Physical Settlement, Cash Settlement or Combination Settlement, as elected (or deemed to have been elected) by the Company.

“**Settlement Notice**” has the meaning specified in Section 14.02(a)(iii).

“**Significant Subsidiary**” means, at any date of determination, any Subsidiary of the Company that would constitute a “**significant subsidiary**” (or any group of Subsidiaries that, taken together, would constitute a “**significant subsidiary**”) within the meaning of Rule 1-02(w) of Regulation S-X under the Exchange Act. Each of the Company’s Consolidated Affiliated Entities will be deemed to be a “**subsidiary**” for purposes of the definition of “**significant subsidiary**” in Article 1, Rule 1-02 of Regulation S-X. For the avoidance of doubt, the term “**Subsidiary**” or “**Subsidiaries**” should include the Company’s Consolidated Affiliated Entities.

“**Specified Dollar Amount**” means the maximum cash amount per US\$1,000 principal amount of Notes to be received upon conversion as specified in the Settlement Notice related to any converted Notes.

“**Spin-Off**” shall have the meaning specified in Section 14.04(c).

“**Subsidiary**” means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person.

“**Successor Company**” shall have the meaning specified in Section 11.01(a).

“**Tax Redemption**” shall have the meaning specified in Section 16.01(a).

“**Trading Day**” means a day on which (i) trading in the ADSs (or other security for which a closing sale price must be determined) generally occurs on The Nasdaq Global Select Market or, if the ADSs (or such other security) are not then listed on The Nasdaq Global Select Market, on the principal other U.S. national or regional securities exchange on which the ADSs (or such other security) are then listed or, if the ADSs (or such other security) are not then listed on a U.S. national or regional securities exchange, on the principal other market on which the ADSs (or such other security) are then traded and (ii) a Last Reported Sale Price for the ADSs (or closing sale price for such other security) is available on such securities exchange or market; *provided* that if the ADSs (or such other security) are not so listed or traded, “**Trading Day**” means a Business Day, and *provided, further*, that for purposes of determining amounts due upon conversion only, “**Trading Day**” means a day on which (x) there is no Market Disruption Event and (y) trading in the ADSs generally occurs on The New York Stock Exchange or, if the ADSs are not then listed on The Nasdaq Global Select Market, on the principal other U.S. national or regional securities exchange on which the ADSs are then listed or, if the ADSs are not then listed on a U.S. national or regional securities exchange, on the principal other market on which the ADSs are then listed or admitted for trading, except that if the ADSs are not so listed or admitted for trading, “**Trading Day**” means a Business Day.

“**transfer**” shall have the meaning specified in Section 2.05(c).

“**Transfer Agent**” shall have the meaning specified in Section 2.05(a).

“**Trigger Event**” shall have the meaning specified in Section 14.04(c).

“**Trust Indenture Act**” or “**TIA**” means the Trust Indenture Act of 1939, as amended, as it was in force at the date of execution of this Indenture, except as provided in Section 10.03; *provided*, however, that in the event the Trust Indenture Act of 1939 is amended after the date hereof, the term “**Trust Indenture Act**” shall mean, to the extent required by such amendment, the Trust Indenture Act of 1939, as so amended.

“**Trustee**” means the Person named as the “**Trustee**” in the first paragraph of this Indenture until a successor trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “**Trustee**” shall mean or include each Person who is then a Trustee hereunder.

“**Uniform Commercial Code**” means the New York Uniform Commercial Code as in effect from time to time.

“**unit of Reference Property**” shall have the meaning specified in Section 14.07(a).

“**U.S. Exchange**” means any of The New York Stock Exchange, The Nasdaq Global Select Market or The Nasdaq Global Market (or any of their respective successors).

“**Valuation Period**” shall have the meaning specified in Section 14.04(c).

“**VIes**” or “**variable interest entities**” are the entities including, among others, Beijing Weimeng Technology Co., Ltd., or Weimeng, and Beijing Weimeng Chuangke Investment Management Co., Ltd., or Weimeng Chuangke, all of which are domestic PRC companies in which the Company does not have equity interests but whose financial results have been consolidated into the Company’s consolidated financial statements in accordance with U.S. GAAP.

Section 1.02. *Incorporation by Reference of Trust Indenture Act.* Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

“**indenture securities**” means the Notes.

“**indenture to be qualified**” means this Indenture.

“**indenture trustee**” or “**institutional trustee**” means the Trustee.

“**obligor**” on the indenture securities means the Company and any other obligor on the indenture securities.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them by such definitions. Save for such terms and provisions which are specifically incorporated by express reference herein, application of TIA to this Indenture shall be expressly excluded to the extent permitted by applicable law.

Section 1.03. *Rules of Construction.*

- (1) a term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it and shall be construed in accordance with GAAP;

- (3) “or” is not exclusive;
- (4) “including” means including, without limitation;
- (5) words in the singular include the plural, and words in the plural include the singular; and
- (6) all references to US\$, dollars, cash payments or money refer to United States currency.

Section 1.04. *References to Interest.* Unless otherwise explicitly stated, any reference to interest on, or in respect of, any Note in this Indenture shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of Section 4.06(d), Section 4.06(e) and Section 6.01(b). Unless the context otherwise requires, any express mention of Additional Interest in any provision hereof shall not be construed as excluding Additional Interest in those provisions hereof where such express mention is not made.

Section 1.05. *References to Class A Ordinary Shares in lieu of ADSs.* Unless the context otherwise requires, any reference to Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion in this Indenture shall be deemed to refer to the Class A Ordinary Shares delivered or deliverable upon conversion of the Notes in lieu of such ADSs at a Holder’s election pursuant to Section 14.02(a)(vii).

ARTICLE 2 ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01. *Designation and Amount.* The Notes shall be designated as the “1.375% Convertible Senior Notes due 2030.” The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is initially limited to US\$300,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchaser pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), subject to Section 2.10 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.05, Section 2.06, Section 2.07, Section 10.04, Section 14.02 and Section 15.04.

Section 2.02. *Form of Notes.* The Notes and the Trustee’s certificate of authentication to be borne by such Notes shall be substantially in the respective forms set forth in Exhibit A, the terms and provisions of which shall constitute, and are hereby expressly incorporated in and made a part of this Indenture. To the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

Any Global Note may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Indenture as may be required by the Depository, or as may be required to comply with any applicable law or any regulation thereunder or with the rules and regulations of any securities exchange or automated

quotation system upon which the Notes may be listed or traded or designated for issuance or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Notes are subject.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the Officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

Each Global Note shall represent such principal amount of the outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be increased or reduced to reflect repurchases, redemptions, cancellations, conversions, transfers or exchanges permitted hereby. Any endorsement of the Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Trustee or the Note Registrar in such manner and upon instructions given by the Holder of such Notes in accordance with this Indenture. Payment of principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest on, the Global Note shall be made to the Holder of such Note on the date of payment, unless a record date or other means of determining Holders eligible to receive payment is provided for herein.

Section 2.03. *Date and Denomination of Notes; Payments of Interest and Defaulted Amounts.* (a) The Notes shall be issuable in registered form without coupons in minimum denominations of US\$1,000 principal amount and integral multiples in excess thereof. Each Note shall be dated the date of its authentication and shall bear interest from, and including, the date specified on the face of such Note. Accrued interest on the Notes shall be computed on the basis of a 360-day year composed of twelve 30-day months and, for partial months, on the basis of actual days elapsed over a 30-day month.

(b) The Person in whose name any Note (or its Predecessor Note) is registered on the Note Register at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office or agency of the Company maintained by the Company for such purposes, which shall initially be the Paying Agent Office. The Company shall pay, or cause the Paying Agent to pay, interest (i) on Certificated Notes, if any, by wire transfer in immediately available funds to that Holder's account within the United States, which application shall remain in effect until the Holder notifies, in writing, the Note Registrar to the contrary or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Depositary or its nominee.

(c) Any Defaulted Amounts shall forthwith cease to be payable to the Holder on the relevant payment date but shall accrue interest per annum at the rate per annum borne by the Notes *plus* 0.50%, subject to the enforceability thereof under applicable law, from, and including, such relevant payment date, and such Defaulted Amounts together with such interest thereon shall be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Amounts to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on a special record date for the payment of such Defaulted Amounts, which shall be fixed in the following manner. The Company shall notify the Paying Agent (with a copy to the Trustee) in writing of the amount of the Defaulted Amounts proposed to be paid on each Note and the date of the proposed payment (which shall be not less than 25 days after the receipt by the Paying Agent of such notice), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount to be paid in respect of such Defaulted Amounts or shall make arrangements satisfactory to the Paying Agent for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Amounts as in this clause provided. Thereupon the Company shall fix a special record date for the payment of such Defaulted Amounts which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment, and not less than 10 days after the receipt by the Paying Agent of the notice of the proposed payment. The Company shall promptly notify the Paying Agent in writing of such special record date and the Paying Agent, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Amounts and the special record date therefor to be mailed, first-class postage prepaid (at the Company's expense), to each Holder at its address as it appears in the Note Register or, in the case of Global Notes, sent electronically in accordance with the applicable procedures of the Depositary, not less than 10 days prior to such special record date, in the form of notice prepared by the Company. Notice of the proposed payment of such Defaulted Amounts and the special record date therefor having been so sent, such Defaulted Amounts shall be paid to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on such special record date and shall no longer be payable pursuant to the following clause (ii) of this Section 2.03(c).

(ii) The Company may make payment of any Defaulted Amounts in any other lawful manner not inconsistent with the requirements of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, and upon such notice as may be required by such exchange or automated quotation system, if, after written notice given by the Company to the Paying Agent (with a copy to Trustee) of the proposed payment pursuant to this clause, such manner of payment shall be made in accordance with the applicable procedures of the Depositary.

(iii) The Trustee or the Agents shall not at any time be under any duty or responsibility to any Holder to determine the Defaulted Amounts, or with respect to the

nature, extent, or calculation of the amount of Defaulted Amounts owed, or with respect to the method employed in such calculation of the Defaulted Amounts.

Section 2.04. *Execution, Authentication and Delivery of Notes.* The Notes shall be signed in the name and on behalf of the Company by the manual or facsimile signature of its Chief Executive Officer or Chief Financial Officer. With the delivery of this Indenture, the Company is furnishing, and from time to time thereafter may furnish, the Trustee and the Agents with a certificate signed by the Company's Chief Executive Officer or Chief Financial Officer substantially in the form of Exhibit B (an "**Incumbency Certificate**") identifying and certifying the incumbency and specimen (and/or facsimile) signatures of its active authorized Officers. Until the Trustee and the Agents receive a subsequent Incumbency Certificate, the Trustee and the Agents shall be entitled to conclusively rely on the last Incumbency Certificate delivered to it for purposes of determining the relevant authorized Officers. Typographical and other minor errors or defects in any signature shall not affect the validity or enforceability of any Note which has been duly authenticated and delivered by the Trustee.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Notes, and the Trustee in accordance with such Company Order shall authenticate and deliver such Notes, without any further action by the Company hereunder, subject to the Trustee's requirement for an Officers' Certificate and an Opinion of Counsel in accordance with Section 17.06 hereof.

The Company Order shall specify the amount of Notes to be authenticated, the applicable rate at which interest will accrue on such Notes, the date on which the original issuance of such Notes is to be authenticated, the date from which interest will begin to accrue, the date or dates on which interest on such Notes will be payable and the date on which the principal of such Notes will be payable and other terms relating to such Notes. The Trustee shall thereupon authenticate and deliver said Notes to or upon the written order of the Company (as set forth in such Company Order).

The Trustee shall have the right to decline to authenticate and deliver any Notes under this Indenture (a) unless and until it receives from the Company a Company Order instructing it to so authenticate and deliver such Notes and an Officers' Certificate and an Opinion of Counsel in accordance with Section 17.06 hereof; (b) if the Trustee determines that such action may not lawfully be taken; or (c) if the Trustee determines that such action would expose the Trustee to personal liability, unless indemnity and/or security and/or prefunding reasonably satisfactory to the Trustee against such liability is provided to the Trustee.

Only such Notes as shall bear thereon a certificate of authentication substantially in the form set forth on the Form of Note attached as Exhibit A hereto, executed manually or electronically by an authorized officer of the Trustee, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Note executed by the Company shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

In case any Officer of the Company who shall have signed any of the Notes shall cease to be such Officer before the Notes so signed shall have been authenticated and delivered by the Trustee, or disposed of by the Company, such Notes nevertheless may be authenticated and delivered or disposed of as though the Person who signed such Notes had not ceased to be such Officer of the Company; and any Note may be signed on behalf of the Company by such Persons as, at the actual date of the execution of such Note, shall be the Officers of the Company, although at the date of the execution of this Indenture any such Person was not such an Officer.

Section 2.05. *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.* (a) The Company shall cause to be kept a register (the register maintained in such office or in any other office or agency of the Company designated pursuant to Section 4.02, the “**Note Register**”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and of transfers of Notes. Such register shall be in written form or in any form capable of being converted into written form within a reasonable period of time. Citibank, N.A. is hereby initially appointed the “**Note Registrar**” and “**Transfer Agent**” for the purpose of registering Notes and transfers of Notes as herein provided. The Company may appoint one or more co-Note Registrars in accordance with Section 4.02.

Upon surrender for registration of transfer of any Note to the Note Registrar or any co-Note Registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.05, the Company shall execute, and the Trustee shall, upon receipt of a Company Order, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount and bearing such restrictive legends as may be required by Section 2.05(c).

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall, upon receipt of a Company Order, authenticate and deliver, the Notes that the Holder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Note Registrar or any co-Note Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Holder thereof or its attorney-in-fact duly authorized in writing.

No service charge shall be imposed by the Company, the Trustee or the Note Registrar for any exchange or registration of transfer of Notes, but the Company, the Trustee or Note Registrar may require a Holder to pay a sum sufficient to cover any documentary, stamp, issue, transfer tax or other similar governmental charge required by law or as a result of the name of the Holder of new Notes issued upon such exchange or registration of transfer being different from the name of the Holder of the old Notes surrendered for exchange or registration of transfer. The Company shall pay the ADS Depositary’s fees for issuance of the ADSs due upon conversion of the Notes.

None of the Company, the Transfer Agent, the Trustee, the Note Registrar or any co-Note Registrar shall be required to exchange or register a transfer of (i) any Notes surrendered for conversion or, if a portion of any Note is surrendered for conversion, such portion thereof surrendered for conversion or (ii) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article 15.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Indenture shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture as the Notes surrendered upon such registration of transfer or exchange.

Neither the Trustee nor any Agents shall have any responsibility or obligation to any direct or indirect participant or any other Person with respect to the accuracy of the books or records, or the acts or omissions, of the Depositary or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any direct or indirect participant or other Person (other than the Depositary and any other registered Holder of Notes) of any notice (including any Redemption Notice) or the payment of any amount, under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders under the Notes shall be given or made only to or upon the order of the registered Holders (which shall be the Depositary or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through the Depositary subject to the customary procedures of the Depositary. The Trustee and the Agents may rely and shall be fully protected in relying upon information furnished by the Depositary with respect to its direct or indirect participants.

Neither the Trustee nor the Agents shall have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among direct or indirect participants in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(b) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, subject to the fourth paragraph from the end of Section 2.05(c), all Notes shall be represented by one or more Notes in global form (each, a “**Global Note**”) registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note that does not involve the issuance of a Certificated Note shall be effected through the Depositary in accordance with this Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

(c) Every Note that bears or is required under this Section 2.05(c) to bear the legend set forth in this Section 2.05(c) (together with any ADSs (including the Class A Ordinary Shares represented thereby) delivered upon conversion of the Notes that are required to bear the legend set forth in Section 2.05(d) and the Class A Ordinary Shares deliverable in lieu of any ADSs

deliverable upon conversion of the Notes that are required to be subject to certain transfer restrictions set forth in Section 2.05(d), collectively, the “**Restricted Securities**”) shall be subject to the restrictions on transfer set forth in this Section 2.05(c) (including the legend set forth below), unless such restrictions on transfer shall be eliminated or otherwise waived by written consent of the Company, and the Holder of each such Restricted Security, by such Holder’s acceptance thereof, agrees to be bound by all such restrictions on transfer. As used in this Section 2.05(c) and Section 2.05(d), the term “transfer” encompasses any sale, pledge, transfer or other disposition whatsoever of any Restricted Security.

Until the date (the “**Resale Restriction Termination Date**”) that is the later of (1) the date that is one year after the last date of original issuance of the Notes, or such shorter period of time as permitted by Rule 144 under the Securities Act or any successor provision thereto, and (2) such later date, if any, as may be required by applicable law, any certificate evidencing such Note (and all securities issued in exchange therefor or substitution thereof, other than ADSs (including the Class A Ordinary Shares represented thereby or deliverable in lieu thereof) issued upon conversion thereof, which shall bear the legend or be subject to certain transfer restrictions, in each case set forth in Section 2.05(d), if applicable) shall bear a legend in substantially the following form (unless such Notes have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company in writing, with notice thereof to the Trustee):

THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), ARE “**RESTRICTED SECURITIES**” WITHIN THE MEANING OF RULES 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

- (1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT), AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF WEIBO CORPORATION (THE “**COMPANY**”), AND
- (2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY, OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X)

ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT

- (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR
- (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR
- (C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR
- (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR
- (E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) AND 2(E) ABOVE, THE COMPANY, THE DEPOSITARY AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION HEREOF AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY, OR A BENEFICIAL INTEREST HEREIN OR THEREIN.

No transfer of any Note prior to the Resale Restriction Termination Date will be registered by the Note Registrar unless the applicable box on the Form of Assignment and Transfer has been checked.

Any Note (or security issued in exchange or substitution therefor) as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of such Note for exchange to the Note Registrar in accordance with the provisions of this Section 2.05, be exchanged for a new Note or Notes, of like tenor and aggregate principal amount, which

shall not bear the restrictive legend required by this Section 2.05(c) and shall not be assigned a restricted CUSIP number. The Company shall be entitled to instruct the Custodian (with a copy to the Trustee) in writing to so surrender any Global Note as to which such restrictions on transfer shall have expired in accordance with their terms for exchange, and, upon such instruction, the Custodian (with a copy to Trustee) shall so surrender such Global Note for exchange; and any new Global Note so exchanged therefor shall not bear the restrictive legend specified in this Section 2.05(c) and shall not be assigned a restricted CUSIP number. The Company shall promptly notify the Trustee and the Agents in writing upon the occurrence of the Resale Restriction Termination Date and after a registration statement, if any, with respect to the Notes or the ADSs (including the Class A Ordinary Shares represented thereby or deliverable upon conversion of notes in lieu thereof) issued upon conversion of the Notes has been declared effective under the Securities Act.

Notwithstanding any other provisions of this Indenture (other than the provisions set forth in this Section 2.05(c)), a Global Note may not be transferred as a whole or in part except (i) by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository and (ii) for transfers of portions of a Global Note in certificated form made upon request of a member of, or a participant in, the Depository (for itself or on behalf of a beneficial owner) by written notice given to the Custodian (with a copy to the Trustee) by or on behalf of the Depository in accordance with customary procedures of the Depository and in compliance with this Section 2.05(c).

The Depository shall be a clearing agency registered under the Exchange Act. The Company initially appoints The Depository Trust Company to act as Depository with respect to each Global Note. Initially, each Global Note shall be issued to the Depository, registered in the name of Cede & Co., as the nominee of the Depository, and deposited with the Custodian as custodian for the Depository.

If (i) the Depository notifies the Company at any time that the Depository is unwilling or unable to continue as depository for the Global Notes and a successor depository is not appointed within 90 days, (ii) the Depository ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days or (iii) an Event of Default with respect to the Notes has occurred and is continuing and a beneficial owner of any Note requests that its beneficial interest therein be issued as a Certificated Note, the Company shall execute, and the Trustee, upon receipt of an Officers' Certificate and a Company Order for the authentication and delivery of Notes, shall authenticate and deliver (x) in the case of clause (iii), a Certificated Note to such beneficial owner in a principal amount equal to the principal amount of such Note corresponding to such beneficial owner's beneficial interest and (y) in the case of clause (i) or (ii), Certificated Notes to each beneficial owner of the related Global Notes (or a portion thereof) in an aggregate principal amount equal to the aggregate principal amount of such Global Notes in exchange for such Global Notes, and upon delivery of the Global Notes to the Trustee such Global Notes shall be canceled.

Certificated Notes issued in exchange for all or a part of the Global Note pursuant to this Section 2.05(c) shall be registered in such names and in such authorized denominations as the Depository, pursuant to instructions from its direct or indirect participants or otherwise, shall

instruct the Note Registrar in writing. Upon execution and authentication, the Note Registrar shall deliver such Certificated Notes to the Persons in whose names such Certificated Notes are so registered.

At such time as all interests in a Global Note have been converted, canceled, repurchased, redeemed or transferred, such Global Note shall be, upon receipt thereof, canceled by the Note Registrar in accordance with standing procedures and existing instructions of the Depositary. At any time prior to such cancellation, if any interest in a Global Note is exchanged for Certificated Notes, converted, canceled, repurchased, redeemed or transferred to a transferee who receives Certificated Notes therefor or any Certificated Note is exchanged or transferred for part of such Global Note, the principal amount of such Global Note shall, in accordance with the standing procedures and existing instructions of the Depositary, be appropriately reduced or increased, as the case may be, and an endorsement shall be made on such Global Note, by the Trustee, to reflect such reduction or increase.

None of the Company, the Trustee, the Paying Agent, any agent of the Company or any agent of the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Note or maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(d) Until the Resale Restriction Termination Date, any certificate representing ADSs (including the Class A Ordinary Shares represented thereby) issued upon conversion of a Note shall bear a legend in substantially the following form (unless the Note or such ADSs (including the Class A Ordinary Shares represented thereby) has been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such ADS or the Class A Ordinary Shares represented thereby have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company with written notice thereof to the Trustee, the Agent, and any transfer agent for the ADSs):

THE SECURITIES EVIDENCED HEREBY AND THE UNDERLYING CLASS A ORDINARY SHARES REPRESENTED THEREBY (“**UNDERLYING SHARES**”) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), ARE “**RESTRICTED SECURITIES**” AS DEFINED IN RULE 144 PROMULGATED UNDER THE SECURITIES ACT, AND ARE SUBJECT TO RESTRICTIONS ON TRANSFER UNDER THE SECURITIES ACT AND THE RESTRICTED ISSUANCE AGREEMENT, DATED AS OF DECEMBER 4, 2023, AMONG WEIBO CORPORATION (THE “**COMPANY**”), JPMORGAN CHASE BANK, N.A., AS DEPOSITARY (THE “**DEPOSITARY**”), AND ALL HOLDERS AND BENEFICIAL OWNERS FROM TIME TO TIME OF RESTRICTED AMERICAN DEPOSITARY RECEIPTS ISSUED THEREUNDER. THE SECURITIES AND UNDERLYING SHARES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT

IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

- (1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A **“QUALIFIED INSTITUTIONAL BUYER”** (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF THE COMPANY, AND
- (2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THE SECURITIES EVIDENCED HEREBY AND THE UNDERLYING SHARES, OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE OF THE CONVERTIBLE NOTE PURSUANT TO WHICH THE SECURITIES REPRESENTED HEREBY WERE ISSUED OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:
 - (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR
 - (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR
 - (C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR
 - (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE); OR
 - (E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) AND 2(E) ABOVE, THE COMPANY AND THE DEPOSITARY RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THE SECURITIES EVIDENCED HEREBY OR A BENEFICIAL INTEREST THEREIN.

Pursuant to the terms of the Deposit Agreement and the Restricted Deposit Agreement, as applicable, the ADS Depository will not accept the surrender of any ADSs subject to such restrictions on transfer for the purpose of withdrawal of the Class A Ordinary Shares represented thereby prior to the Resale Restriction Termination Date. Any such ADSs as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of the certificates representing such ADSs for exchange in accordance with the procedures of the transfer agent for the ADSs, the Restricted Deposit Agreement, as applicable, be exchanged for a new certificate or certificates for a like aggregate number of ADSs, which shall not bear the restrictive legend required by this Section 2.05(d).

Until the Resale Restriction Termination Date, the Class A Ordinary Shares deliverable in lieu of ADSs upon conversion shall be subject to the same transfer restrictions as described in the legend in this Section 2.05(d) and as imposed by the Hong Kong Share Registrar, unless the Note or such Class A Ordinary Shares has been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such Class A Ordinary Shares in lieu thereof have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company and the Hong Kong Share Registrar with written notice thereof to the Note Registrar.

(e) Any Note or ADS (or Class A Ordinary Shares in lieu thereof) delivered upon the conversion or exchange of any Note that is repurchased or owned by any Affiliate of the Company may not be resold by such Affiliate (or a Holder that was the Company's Affiliate at any time during three months preceding the resale) unless registered under the Securities Act or resold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act in a transaction that results in such Note or ADS (or Class A Ordinary Shares in lieu thereof), as the case may be, no longer being a "restricted security" (as defined under Rule 144 under the Securities Act). The Company shall cause any Note that is repurchased or owned by it to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08.

Section 2.06. *Mutilated, Destroyed, Lost or Stolen Notes.* In case any Note shall become mutilated or be destroyed, lost or stolen, the Company in its discretion may execute, and upon the receipt of a Company Order, the Trustee shall authenticate and deliver, a new Note, bearing a registration number not contemporaneously outstanding, in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen.

In every case the applicant for a substituted Note shall furnish to the Company and to the Trustee such security and/or indemnity and/or prefunding as may be required by them to save each of them harmless from any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Company and to the Trustee evidence to their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

The Trustee may authenticate any such substituted Note and deliver the same upon the receipt of such security and/or indemnity and/or prefunding as the Trustee and the Company may require. No service charge shall be imposed by the Company, the Transfer Agent, the Note Registrar, any co-Note Registrar or the Paying Agent upon the issuance of any substitute Note, but the Company may require a Holder to pay a sum sufficient to cover any documentary, stamp, issue, transfer tax or other similar governmental charge required in connection therewith as a result of the name of the Holder of the new substitute Note being different from the name of the Holder of the old Note that became mutilated or was destroyed, lost or stolen. In case any Note that has matured or is about to mature or has been surrendered for repurchase (and not withdrawn) in accordance with Article 15 or has been selected for redemption in accordance with Article 16 or is about to be converted in accordance with Article 14 shall become mutilated or be destroyed, lost or stolen, the Company may, in its sole discretion, instead of issuing a substitute Note, pay or authorize the payment of or convert or authorize the conversion of the same (without surrender thereof except in the case of a mutilated Note), as the case may be, if the applicant for such payment or conversion shall furnish to the Company and to the Trustee such security and/or indemnity and/or prefunding as may be required by them to save each of them harmless for any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, evidence satisfactory to the Company, and the Trustee evidence of their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

Every substitute Note issued pursuant to the provisions of this Section 2.06 by virtue of the fact that any Note is destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be found at any time, and shall be entitled to all the benefits of (but shall be subject to all the limitations set forth in) this Indenture equally and proportionately with any and all other Notes duly issued hereunder. To the extent permitted by law, all Notes shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment, redemption, conversion or repurchase of mutilated, destroyed, lost or stolen Notes and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment, redemption, conversion or repurchase of negotiable instruments or other securities without their surrender.

Section 2.07. *Temporary Notes.* Pending the preparation of Certificated Notes, the Company may execute and the Trustee shall, upon receipt of a Company Order, authenticate and deliver temporary Notes (printed or lithographed). Temporary Notes shall be issuable in any authorized denomination, and substantially in the form of the Certificated Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Company. Every such temporary Note shall be executed by the Company and authenticated by the Trustee upon the same conditions and in substantially the same manner, and

with the same effect, as the Certificated Notes. Without unreasonable delay, the Company shall execute and deliver to the Trustee Certificated Notes (other than any Global Note) and thereupon any or all temporary Notes (other than any Global Note) may be surrendered in exchange therefor, at each office or agency maintained by the Company pursuant to Section 4.02 and the Trustee shall, upon receipt of a Company Order, authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of Certificated Notes. Such exchange shall be made by the Company at its own expense and without any charge therefor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and subject to the same limitations under this Indenture as Certificated Notes authenticated and delivered hereunder.

Section 2.08. *Cancellation of Notes Paid, Converted, Etc.* The Company shall cause all Notes surrendered for the purpose of payment, repurchase (including as described in Section 2.10), redemption, registration of transfer or exchange or conversion, if surrendered to any Person other than the Trustee (including any of the Company's agents, Subsidiaries, Consolidated Affiliated Entities or Affiliates), to be delivered and surrendered to the Note Registrar for cancellation. All Notes delivered to the Note Registrar shall be canceled promptly by it. Except for Notes surrendered for transfer or exchange, no Notes shall be authenticated in exchange for any Notes cancelled as provided in this Indenture. The Note Registrar shall dispose of canceled Notes in accordance with its customary procedures and, after such disposition, shall deliver a certificate of such cancellation and disposition to the Company, at the Company's written request in a Company Order.

Section 2.09. *CUSIP Numbers.* The Company in issuing the Notes may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee and the Agents shall use "CUSIP" numbers in all notices issued to Holders as a convenience to such Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or on such notice and that reliance may be placed only on the other identification numbers printed on the Notes. The Company shall promptly notify the Trustee and the Agents in writing of any change in the "CUSIP" numbers.

Section 2.10. *Additional Notes; Repurchases.* The Company may, without the consent of, or notice to, the Holders and notwithstanding Section 2.01, reopen this Indenture and issue additional Notes hereunder with the same terms and with the same CUSIP number as the Notes initially issued hereunder (except for any differences in the issue price, the issue date and interest accrued, if any, and, if applicable, restrictions on transfer in respect of such additional Notes) in an unlimited aggregate principal amount; *provided* that if any such additional Notes are not fungible with the Notes initially issued hereunder for U.S. federal income tax or securities law purposes, such additional Notes shall have a separate CUSIP number from the Notes. Prior to the issuance of any such additional Notes, the Company shall deliver to the Trustee a Company Order, an Officers' Certificate and an Opinion of Counsel, such Officers' Certificate and Opinion of Counsel to cover such matters, in addition to those required by Section 17.06, as the Trustee shall reasonably request. In addition, the Company may, to the extent permitted by law, and directly or indirectly (regardless of whether such Notes are surrendered to the Company), repurchase Notes in the open market or otherwise, without prior notice to Holders, whether by the Company or through its Subsidiaries or Consolidated Affiliated Entities or through a private or public tender or exchange offer or through counterparties to private agreements. The

Company shall cause any Notes so repurchased to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08 and upon receipt of a Company Order, the Note Registrar shall cancel all Notes so surrendered and such Notes shall no longer be considered outstanding under this Indenture upon their repurchase. The Company may also enter into cash-settled swaps or other derivatives with respect to the Notes. For the avoidance of doubt, any Notes underlying such cash-settled swaps or other derivatives shall not be required to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08, and will continue to be considered outstanding for purposes of this Indenture, subject to the provisions of Section 8.04.

ARTICLE 3 SATISFACTION AND DISCHARGE

Section 3.01. *Satisfaction and Discharge.* This Indenture shall upon request of the Company contained in an Officers' Certificate cease to be of further effect, and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when (a)(i) all Notes theretofore authenticated and delivered (other than (x) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.06 and (y) Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 4.04(c)) have been delivered to the Note Registrar for cancellation; or (ii) the Company has deposited with the Trustee or delivered to Holders, as applicable, after the Notes have become due and payable, whether on the Maturity Date, a Redemption Date, any Repurchase Date, any Fundamental Change Repurchase Date, upon declaration of acceleration, conversion or otherwise, cash, ADSs (or Class A Ordinary Shares in lieu thereof) or a combination thereof, as applicable, solely to satisfy the Company's Conversion Obligation, sufficient to pay all of the outstanding Notes and all other sums due and payable under this Indenture by the Company; and (b) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with. Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 7.06 shall survive.

ARTICLE 4 PARTICULAR COVENANTS OF THE COMPANY

Section 4.01. *Payment of Principal and Interest.* The Company covenants and agrees that it will cause to be paid the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest on, each of the Notes at the places, at the respective times and in the manner provided herein and in the Notes.

Section 4.02. *Maintenance of Office or Agency.* The Company will maintain in the contiguous United States of America, an office or agency (which will be the Paying Agent Office initially) where the Notes may be surrendered for registration of transfer or exchange or for presentation for payment or repurchase ("**Paying Agent**") or for conversion ("**Conversion Agent**") and where notices and demands to or upon the Company in respect of the Notes and this

Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and of any change in the location, of any such office or agency (other than a change in the location of the Corporate Trust Office of the Trustee). If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Paying Agent Office, *provided, however*, that the legal service of process against the Company shall in no circumstance be made at the address of the Agents or the Trustee set forth in Section 17.03.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the contiguous United States of America, for such purposes.

The Company hereby appoints Citibank, N.A. as the Paying Agent, Note Registrar, Conversion Agent and Transfer Agent, and Citibank, N.A. hereby accepts such appointment. By accepting such appointment, Citibank, N.A. agrees to be bound by and to perform the services, through their attorneys and agents or otherwise, with respect to itself set forth in the terms and conditions set forth herein and in the Notes. The Agents in their respective capacity shall be entitled to the compensation to be agreed upon with the Company for all services rendered by it under this Indenture. The Company hereby agrees and covenants:

(i) that it will pay promptly such compensation and reimburse the Agents for its documented out-of-pocket expenses (including, without limitation, fees and expenses of counsel) properly incurred by it in connection with the services rendered by it under this Indenture; and

(ii) that it will indemnify the Agents in their respective capacity and their respective officers, directors, agents and employees and any successors thereto for, and to hold it harmless against, any loss, liability or expense (including, without limitation, fees and expenses of counsel) incurred without gross negligence and wilful default on their part arising out of or in connection with their acting as an Agent hereunder.

The obligations of the Company under this Section shall survive the settlement of the Notes, the termination or the expiry of this Indenture and the resignation or removal of any Agent. Under no circumstances will the Agents be liable to the Company or any other party to this Indenture for any indirect, consequential, punitive or special loss or damages of any kind whatsoever (inter alia, being loss of business, goodwill, opportunity or profit), whether or not foreseeable, even if advised of the possibility of such loss or damage and regardless of the form of action. The Company may change the Paying Agent or Note Registrar without prior notice to the Holders in accordance with the procedure agreed separately with such Agents, and the Company may act as Paying Agent or Note Registrar.

In acting under this Indenture and in connection with the Notes, each Agent is acting solely as agent of the Company and does not assume any fiduciary duty or obligation towards or relationship of agency or trust for or with any Person other than the Company. Where more than

one Paying Agent has been appointed pursuant to this Section 4.02, the obligations of the Paying Agents under this Indenture and the Notes shall be several and not joint.

Section 4.03. *Appointments to Fill Vacancies in Trustee's Office.* The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.10, a trustee, so that there shall at all times be a trustee hereunder.

Section 4.04. *Provisions as to Paying Agent.* (a) If the Company shall appoint a Paying Agent, the Company will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 4.04:

(i) that it will hold all sums held by it as such agent for the payment of the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest including Additional Interest on, and any Additional Amounts with respect to, the Notes in trust for the benefit of the Holders of the Notes;

(ii) that it will give the Trustee prompt written notice of any failure by the Company to make any payment of the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest, including Additional Interest on, and any Additional Amounts with respect to, the Notes when the same shall be due and payable; and

(iii) that at any time during the continuance of an Event of Default, upon the reasonable written request of the Trustee, it will forthwith pay to the Trustee all sums so held in trust.

The Company shall, on or before each due date of the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, or accrued and unpaid interest on, the Notes, deposit with the account of the Paying Agent a sum sufficient to pay such principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) or accrued and unpaid interest including any Additional Interest or any Additional Amounts, and the Company will promptly notify the Trustee in writing of any failure to take such action; *provided* that if such deposit is made on the due date, such deposit must be received by the Paying Agent by the close of business on the Business Day immediately preceding such date. If the Company shall act as its own Paying Agent, it will, on or before each due date of the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest, including any Additional Interest on, and any Additional Amounts with respect to, the Notes, set aside, segregate and hold in trust for the benefit of the Holders of the Notes a sum sufficient to pay such principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) and accrued and unpaid interest, including any Additional Interest on, and any Additional Amounts, so becoming due and will promptly notify the Trustee in writing of any failure to take such action and of any failure by the Company to make any payment of the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the

Redemption Price, if applicable) of, or accrued and unpaid interest, including any Additional Interest on, and any Additional Amounts with respect to, the Notes when the same shall become due and payable. Neither the Trustee nor any of the Agents shall have any duty to monitor the accuracy of any of the calculations made by the Company, nor shall be bound to make payment until it is satisfied that full payment due to be paid to it by the Company has been received in immediately available and cleared funds.

(b) Anything in this Section 4.04 to the contrary notwithstanding, the Company may, at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture, or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company or by Paying Agent hereunder as required by this Section 4.04, such sums to be held by the Trustee upon the trusts herein contained, and upon such payment by the Company or any Paying Agent to the Trustee, the Company or such Paying Agent shall be released from all further liability with respect to such sums.

(c) Any money and ADSs (or any Class A Ordinary Shares in lieu thereof) deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, and accrued and unpaid interest, including any Additional Interest, on, and any Additional Amounts with respect to, any Note (or, in the case of ADSs or any Class A Ordinary Shares in lieu thereof, in satisfaction of the Conversion Obligation) and remaining unclaimed for two years after such principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) or interest has become due and payable or such Conversion Obligation has become due shall be paid or delivered, as the case may be, to the Company on request of the Company contained in an Officers' Certificate, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such money and ADSs (or any Class A Ordinary Shares in lieu thereof), and all liability of the Company as trustee thereof, shall thereupon cease.

Section 4.05. *Existence.* Subject to Article 11, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence.

Section 4.06. *Rule 144A Information Requirement and Annual Reports.* (a) At any time the Company is not subject to Section 13 or 15(d) of the Exchange Act, the Company shall, so long as any of the Notes, any ADSs deliverable upon conversion thereof or any Class A Ordinary Shares underlying, or in lieu of, ADSs deliverable upon conversion thereof shall, at such time, constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, promptly provide to the Trustee and shall, upon written request, provide to any Holder, beneficial owner or prospective purchaser of such Notes or the ADSs (or Class A Ordinary Shares in lieu thereof) deliverable upon conversion of such Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to facilitate the resale of such Notes or ADSs (or Class A Ordinary Shares in lieu thereof) pursuant to Rule 144A. The Company shall take such further action as any Holder or beneficial owner of such Notes or such ADSs (or Class A Ordinary Shares in lieu thereof) may reasonably request to the extent from time to time required to enable such Holder or beneficial owner to sell such Notes or ADSs (or

Class A Ordinary Shares in lieu thereof) in accordance with Rule 144A, as such rule may be amended from time to time.

(b) The Company shall provide to the Trustee within 15 days after the same are required to be filed with the Commission, copies of any documents or reports that the Company is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act (giving effect to any applicable grace period provided by Rule 12b-25 under the Exchange Act). Any such document or report that the Company files with the Commission via the Commission's EDGAR system (or any successor thereto) shall be deemed to be provided to the Trustee for purposes of this Section 4.06(b) at the time such documents are filed via the EDGAR system (or any successor thereto). The Trustee shall have no obligation to determine if and when any such reports are filed.

(c) Delivery of the reports and documents described in subsection (b) above to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely on an Officers' Certificate).

(d) If, at any time during the six-month period beginning on, and including, the date that is six months after the last date of original issuance of the Notes, the Company fails to timely file any document or report that it is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, as applicable (after (i) giving effect to all applicable grace periods thereunder and (ii) other than reports on Form 6-K to the extent such reports are not required to satisfy the "current public information" requirement of Rule 144), or the Notes are not otherwise freely tradable pursuant to Rule 144 by Holders other than the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding (as a result of restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes), the Company shall pay or cause the Paying Agent (on behalf of the Company and subject to receipt of funds from the Company pursuant to the last paragraph in Section 4.04(a)) to pay Additional Interest on the Notes. Such Additional Interest shall accrue on the Notes at the rate of 0.50% per annum of the principal amount of the Notes outstanding for each day during such period for which the Company's failure to file has occurred and is continuing or the period during which the Notes are not freely tradable, as described above, by Holders other than Affiliates of the Company (or Holders that were Affiliates of the Company during the three months immediately preceding). As used in this Section 4.06(d), documents or reports that the Company is required to "file" with the Commission pursuant to Section 13 or 15(d) of the Exchange Act does not include documents or reports that the Company furnishes to the Commission pursuant to Section 13 or 15(d) of the Exchange Act.

(e) If, and for so long as, (x) the restrictive legend on the Notes specified in Section 2.05(c) has not been removed, (y) the Notes are assigned a restricted CUSIP or (z) the Notes are not otherwise freely tradable pursuant to Rule 144 by Holders thereof without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes (in each case (x), (y) and (z), except for the Notes that are owned by the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding) as of the

375th day after the last date of original issuance of the Notes, the Company shall pay or cause the Paying Agent (on behalf of the Company and subject to receipt of funds from the Company pursuant to the last paragraph in Section 4.04(a)) to pay Additional Interest on the Notes at a rate equal to 0.50% per annum of the principal amount of Notes outstanding until (x) the restrictive legend on the Notes has been removed in accordance with Section 2.05(c), (y) the Notes have been assigned an unrestricted CUSIP and (z) the Notes are freely tradable by Holders thereof without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes (in each case (x), (y) and (z), except for the Notes that are owned by the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding).

(f) Additional Interest will be payable in arrears on each Interest Payment Date following accrual in the same manner as regular interest on the Notes.

(g) The Additional Interest that is payable in accordance with Section 4.06(d) or Section 4.06(e) shall be in addition to, and not in lieu of, any Additional Interest that may be payable as a result of the Company's election pursuant to Section 6.01(b). In no event shall Additional Interest accrue on any day under the terms of this Indenture (taking any Additional Interest payable pursuant to Section 4.06(d) and Section 4.06(e) together with any Additional Interest payable pursuant to Section 6.01(b) at an annual rate in excess of 0.50%, in the aggregate, for any violation or Default caused by the Company's failure to be current in respect of its Exchange Act reporting obligations.

(h) If Additional Interest is payable by the Company pursuant to Section 4.06(d) or Section 4.06(e), the Company shall deliver to the Paying Agent (with a copy to Trustee) an Officers' Certificate to that effect stating (i) the amount of such Additional Interest that is payable and (ii) the date on which such Additional Interest is payable. Unless and until the Paying Agent receives at the Paying Agent Office such a certificate, the Paying Agent and the Trustee may assume without inquiry that no such Additional Interest is payable. If the Company has paid such Additional Interest directly to the Persons entitled to it, the Company shall deliver to the Paying Agent (with a copy to the Trustee) an Officers' Certificate setting forth the particulars of such payment.

(i) The Company shall not, and shall not permit any of its Subsidiaries to, resell any of the Notes that have been reacquired by the Company or any such Subsidiaries.

Section 4.07. *Additional Amounts.* (a) All payments and deliveries made by the Company or any successor to the Company under or with respect to this Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable, the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price), payments of interest, including any Additional Interest, and payments of cash and/or deliveries of ADSs (or, at the Holder's election, Class A Ordinary Shares in lieu of such ADSs), together with payments of cash for any fractional ADSs, if applicable, upon conversion, shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company or any successor to the Company is organized or otherwise resident for tax purposes or from or through which payment is made (or any political subdivision or taxing

authority thereof or therein) (each, as applicable, a “**Relevant Taxing Jurisdiction**”) unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company or any successor to the Company shall pay or deliver to each Holder such additional amounts of cash or ADSs (or, at the Holder’s election, Class A Ordinary Shares in lieu of such ADSs), as applicable (the “**Additional Amounts**”) as may be necessary to ensure that the net amount received by the beneficial owner after such withholding or deduction (and after deducting any taxes on the Additional Amounts) shall equal the amounts that would have been received by such beneficial owner had no such withholding or deduction been required; *provided* that no Additional Amounts shall be payable:

(i) for or on account of:

(A) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(1) the existence of any present or former connection between the relevant Holder or beneficial owner of such Note and the Relevant Taxing Jurisdiction, other than merely holding such Note or the receipt of payments or the enforcement of rights thereunder, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Taxing Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(2) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder or beneficial owner of such Note would have been entitled to such Additional Amounts on presenting such Note for payment on any date during such 30-day period; or

(3) the failure of the Holder or beneficial owner to comply with a timely request from the Company or any successor of the Company, addressed to the Holder or beneficial owner, as the case may be, to provide certification, information, documents or other evidence concerning such Holder’s or beneficial owner’s nationality, residence, identity or connection with the Relevant Taxing Jurisdiction, or to make any declaration or satisfy any other reporting requirement relating to such matters, if and to the extent that due and timely compliance with such request is required by statute, regulation or administrative practice of the Relevant Taxing Jurisdiction to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder or beneficial owner; or

(4) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Taxing Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(B) any estate, inheritance, gift, sale, transfer, excise, personal property or similar tax, assessment or other governmental charge;

(C) any tax, duty, assessment or other governmental charge that is payable otherwise than by withholding or deduction from payments or deliveries under or with respect to the Notes;

(D) any tax, assessment, withholding or deduction required by FATCA, any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA or any law enacted by such other jurisdiction to give effect to such agreement, or any agreement with the U.S. Internal Revenue Service under FATCA; or

(E) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (A), (B), (C) or (D); or

(ii) with respect to any payment of the principal of (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable), and interest, including any Additional Interest on, such Note or the payment of cash and/or the delivery of ADSs or, at the Holder's election, Class A Ordinary Shares in lieu thereof (together with payment of cash for any fractional ADS) upon conversion of such Note by a Holder, if the Holder is a fiduciary, partnership or person other than the sole beneficial owner of that payment to the extent that such payment would be required to be included in the income under the laws of the Relevant Taxing Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

(b) The Company will make any required withholding or deduction of taxes and remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Company will furnish to the Trustee and the Agents, within 30 days after the date the payment of any taxes so deducted or withheld is due pursuant to applicable law, either certified copies of tax receipts evidencing such payment or, if such receipts are not obtainable, other evidence of payments reasonably satisfactory to the Paying Agent. Upon request, copies of those receipts or other evidence of payments, as the case may be, will be made available by the Paying Agent to the Holders or beneficial owners of the Notes. Neither the Trustee, the Paying Agent, or any other Agents shall be responsible for withholding or deducting any taxes or other sums required by any applicable law or liable to pay any additional amount in respect of such withholding or deduction by the Company.

(c) In addition, the Company will pay any stamp, issue, registration, court, documentary or value added taxes, or any other excise or property taxes, charges or similar levies (including, in each case, interest and penalties) payable in respect of the creation, issue, offering, execution, delivery, registration, enforcement or making payments in respect of the Notes, or any documentation with respect thereto, excluding any such taxes, charges or similar levies imposed by any jurisdiction other than a Relevant Taxing Jurisdiction except those resulting from, or required to be paid in connection with, the enforcement of the Notes after the occurrence and during the continuance of a Default with respect to the Notes.

(d) Any reference in this Indenture or the Notes in any context to the payment of cash and/or the delivery of ADSs or Class A Ordinary Shares in lieu thereof (together with payments of cash for any fractional ADS) upon conversion of any Note or the payment of principal of (including Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) and any interest (including any Additional Interest) on, any Note or any amount payable with respect to such Note, shall be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable with respect to that amount pursuant to this Section 4.07.

(e) The foregoing obligations of the Company shall survive termination or discharge of this Indenture.

Section 4.08. *Stay, Extension and Usury Laws.* The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law that would prohibit or forgive the Company from paying all or any portion of the principal of or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture; and the Company (to the extent it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.09. *Compliance Certificate; Statements as to Defaults.* The Company shall deliver to the Trustee, within 120 days after the end of each Fiscal year (beginning with the Fiscal Year ending on December 31, 2024), an Officers' Certificate, in substantially the form attached hereto as Exhibit C stating that the Company has fulfilled its obligations hereunder (on which the Trustee may rely conclusively on as to such compliance and shall not be liable to Holders or any other person for such reliance), and whether the authorized Officers thereof have knowledge of any Default by the Company that occurred during the previous year that is then continuing and, if so, specifying each such Default and the nature thereof.

In addition, the Company shall deliver to the Trustee as soon as reasonably practicable, but in any event within 30 days, after the Company becomes aware of the occurrence of any Default, an Officers' Certificate setting forth the details of such Default, its status and the action that the Company is taking or proposes to take in respect thereof.

Section 4.10. *Further Instruments and Acts.* Upon the reasonable written request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

ARTICLE 5
LISTS OF HOLDERS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 5.01. *Lists of Holders.* The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee and the Agents, promptly after any Regular Record Date, and at such other times as the Trustee or any Agents may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders. The Trustee shall be entitled to assume, without any liability to any Person in connection with such assumption, that such list so furnished to it accurately and completely reflects the information contained in the Note Register as of the date such list is so received.

Section 5.02. *Preservation of Lists.* (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders contained in the most recent list furnished to it as provided in Section 5.01. The Trustee may destroy any list furnished to it as provided in Section 5.01 upon receipt of a new list so furnished.

Section 5.03. *Reports by Trustee.* (a) The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within 60 days after each July 1 following the date of this Indenture, deliver to Holders a brief report, dated as of such July 1, that complies with the provisions of such Section 313(a).

(b) A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each securities exchange and automated quotation system upon which the Notes are listed and with the Company. The Company will notify the Trustee in writing within a reasonable time when the Notes are listed on any securities exchange or automated quotation system and when any such listing is discontinued.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default.* (a) Each of the following shall be an “**Event of Default**”:

- (i) default for 30 days in payment of any interest (including any Additional Interest) when due and payable on the Notes;
- (ii) default in payment of principal of any Note when due and payable at maturity, upon redemption, upon required repurchase, upon declaration of acceleration or otherwise;

(iii) default in the obligations of the Company to satisfy the Conversion Obligation upon exercise of a Holder's conversion right and such default is not cured or such conversion is not rescinded within three Business Days;

(iv) failure by the Company to comply with its obligations under Article 11;

(v) default in the notice obligations under Section 14.03, Section 15.01, Section 15.02, or Article 16;

(vi) default by the Company or any of its Significant Subsidiaries in the payment of principal, interest or premium when due under any other instruments of Indebtedness having an aggregate outstanding principal amount US\$50 million (or its equivalent in any other currency or currencies) or more in the aggregate of the Company and/or any Subsidiary of the Company, whether such Indebtedness now exists or shall hereafter be created, which default results (A) in such Indebtedness becoming or being declared due and payable or (B) from a failure to pay the principal of any such Indebtedness when due and payable at its stated maturity, upon redemption, upon required purchase, upon declaration of acceleration or otherwise and, in each case, such default continues for more than 30 days after the expiration of any grace period or extension of time for payment applicable thereto; *provided* that any such Event of Default shall be deemed cured and not continuing upon payment of such Indebtedness, rescission of such declaration of acceleration or waiver or with consent of the lender;

(vii) default by the Company in the performance of any other covenants or agreements contained in this Indenture or the Notes for 60 days after written notice to the Company from the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding;

(viii) failure by the Company or any of its Significant Subsidiaries to pay final judgments aggregating in excess of US\$50 million (or its equivalent in any other currency or currencies) (excluding any amounts covered by insurance) rendered against the Company or any of the Company's Significant Subsidiaries, which judgement remains unpaid, undischarged or unstayed for a period of more than 60 days;

(ix) the Company or any Significant Subsidiary shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Company or any such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or any such Significant Subsidiary or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due; or

(x) an involuntary case or other proceeding shall be commenced against the Company or any Significant Subsidiary seeking liquidation, reorganization or other relief

with respect to the Company or such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or such Significant Subsidiary or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 consecutive days.

(b) Notwithstanding anything to the contrary in this Indenture and without limitation of the Holders' rights in the event of the occurrence of any other Event of Default, to the extent elected by the Company, the sole remedy for an Event of Default relating to the failure to comply with Section 4.06(a) hereof will, for the first 180 days after the occurrence of such an Event of Default (which occurrence will be the 60th day after written notice is provided to the Company in accordance with an Event of Default pursuant to Section 6.01(a)(vii)), consist exclusively of the right to receive Additional Interest on the Notes at an annual rate equal to (x) 0.25% of the outstanding principal amount of the Notes for the first 90 days such Event of Default is continuing in such 180-day period and (y) 0.50% of the outstanding principal amount of the Notes for the remaining 90 days such Event of Default is continuing in such 180-day period. The Additional Interest payable pursuant to this Section 6.01(b) will be in addition to any Additional Interest that may accrue pursuant to Section 4.06; *provided* that, in no event will the rate of any such Additional Interest payable described in this Section 6.01(b), when taken together with that of Additional Interest payable as described under Section 4.06, exceed a total rate of 0.50% per annum. If the Company so elects, the Additional Interest payable under this Section 6.01(b) will be payable on all Notes outstanding from and including the date on which such Event of Default first occurs (which will be the 60th day after written notice is provided to the Company in accordance with an Event of Default pursuant to Section 6.01(a)(vii)) to, but excluding, the 181st day thereafter, or such earlier date on which such Event of Default has been cured or waived or ceases to exist. On the 181st day after such Event of Default, if such Event of Default has not been cured or waived prior to such 181st day, the Notes will be subject to acceleration as provided in Section 6.02. To the extent the Company elects to pay Additional Interest pursuant to this Section 6.01(b), it will be payable in arrears on each Interest Payment Date following accrual in the same manner as regular interest on the Notes. In the event the Company does not elect to pay the Additional Interest payable pursuant to this Section 6.01(b) following an Event of Default in accordance with this paragraph or the Company elected to make such payment but does not pay the Additional Interest when due, the Notes will immediately be subject to acceleration as provided in Section 6.02.

In order to elect to pay the Additional Interest on the Notes payable pursuant to this Section 6.01(b) as the sole remedy during the first 180 days after the occurrence of an Event of Default relating to the failure to comply with Section 4.06(a) in accordance with the immediately preceding paragraph, the Company must notify all Holders, the Trustee and Paying Agent of such election on or before the close of business on the date on which such Event of Default first occurs. Upon the failure to timely give all Holders, the Trustee and Paying Agent such notice, the Notes will be immediately subject to acceleration as provided in Section 6.02.

Section 6.02. *Acceleration.* The Trustee shall not be deemed to have knowledge of an Event of Default unless and until a Responsible Officer of the Trustee receives from the Company or Holders of at least 25% of the aggregate principal amount of the outstanding Notes

written notification of such Event of Default describing the circumstances of such, and identifying circumstances constituting such Event of Default. In the absence of such notice, the Trustee may assume, without any liability in connection with such assumption, there is no Event of Default. Subject to Section 6.01(b), if an Event of Default occurs and is continuing, the Trustee by notice to the Company may, and the Trustee at the request of Holders of at least 25% of the aggregate principal amount of the outstanding Notes accompanied by security and/or indemnity and/or prefunding satisfactory to it, shall, declare 100% of the principal of and accrued and unpaid interest, including any Additional Interest, on, and any Additional Amounts with respect to, all the Notes to be due and payable. Upon such a declaration of acceleration, all principal and accrued and unpaid interest, including any Additional Interest, on, and any Additional Amounts with respect to, the Notes will be due and payable immediately without any action on part of the Trustee. However, upon an Event of Default arising out of Section 6.01(a)(ix) or (x) involving the Company, the aggregate principal amount and accrued and unpaid interest, including any Additional Interest, and any Additional Amounts, will be due and payable immediately.

Section 6.03. *Payments of Notes on Default; Suit Therefor.* If an Event of Default described in clause (i) or (ii) of Section 6.01(a) shall have occurred and be continuing, the Company shall, upon demand of the Trustee, pay to it, for the benefit of the Holders of the Notes, the whole amount then due and payable on the Notes for principal and interest, if any, with interest on any overdue principal and interest, if any, at the rate borne by the Notes at such time, and, in addition thereto, such further amount as shall be sufficient to cover any amounts due to the Trustee under Section 7.06. If the Company shall fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon the Notes and collect the monies adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon the Notes, wherever situated.

Upon the occurrence of an Event of Default and the subsequent declaration by the Trustee that the principal amount of all the Notes is due and payable immediately, the Trustee may by notice in writing require any Paying Agent to act as agent of the Trustee under this Indenture and the Notes, and thereafter to hold all Notes and all monies, documents and records held by it in respect of the Notes to the order of the Trustee.

In the event there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor on the Notes under any Bankruptcy Law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or such other obligor, the property of the Company or such other obligor, or in the event of any other judicial proceedings relative to the Company or such other obligor upon the Notes, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 6.03, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal and accrued and

unpaid interest in respect of the Notes, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents and to take such other actions as it may deem necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents (including the Agents) and counsel) and of the Holders allowed in such judicial proceedings relative to the Company or any other obligor on the Notes, its or their creditors, or its or their property, and to collect and receive any monies or other property payable or deliverable on any such claims, and to distribute the same after the deduction of any amounts due to the Trustee under Section 7.06; and any receiver, assignee or trustee in bankruptcy or reorganization, liquidator, custodian or similar official is hereby authorized by each of the Holders to make such payments to the Trustee, as administrative expenses, and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for reasonable compensation, expenses, advances and disbursements, including agents and counsel fees and expenses, and including any other amounts due to the Trustee under Section 7.06, incurred by it up to the date of such distribution. To the extent that such payment of reasonable compensation, expenses, advances and disbursements out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, monies, securities and other property that the Holders of the Notes may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting such Holder or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

All rights of action and of asserting claims under this Indenture, or under any of the Notes, may be enforced by the Trustee without the possession of any of the Notes, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes.

In any proceedings brought by the Trustee (and in any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party) the Trustee shall be held to represent all the Holders of the Notes, and it shall not be necessary to make any Holders of the Notes parties to any such proceedings.

In case the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of any waiver or any rescission and annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company, the Holders, and the Trustee shall, subject to any determination in such proceeding, be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Company, the Holders, and the Trustee shall continue as though no such proceeding had been instituted.

Section 6.04. *Application of Monies Collected by Trustee.* Any monies collected by the Trustee pursuant to this Article 6 with respect to the Notes shall be applied in the following order, at the date or dates fixed by the Trustee for the distribution of such monies, upon presentation of the several Notes, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First, to the payment of all amounts due to the Trustee and each of the Agents (except those claimed by the Company or any of its Affiliates due to their acting in a capacity of an Agent), including payment of compensation, documented expenses (including indemnity payments) and liabilities incurred, and advances made, by the Trustee and the Agents, their agents and counsels and the documented and properly incurred costs and expenses of collection;

Second, in case the principal of the outstanding Notes shall not have become due and be unpaid, to the payment of interest on the Notes, including any Additional Interest, in default in the order of the date due of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest at the rate borne by the Notes at such time, such payments to be made ratably to the Persons entitled thereto;

Third, in case the principal of the outstanding Notes shall have become due, by declaration or otherwise, and be unpaid to the payment of the whole amount including the payment of the Repurchase Price, Fundamental Change Repurchase Price, the Redemption Price and the cash component of the Conversion Obligation, if any, then owing and unpaid upon the Notes for principal and premium, if any, and interest, including any Additional Interest, with interest on the overdue principal and premium, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest at the rate borne by the Notes at such time, and any Additional Amounts and in case such monies shall be insufficient to pay in full the whole amounts so due and unpaid upon the Notes, then to the payment of such principal and premium, if any, and interest without preference or priority of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably to the aggregate of such principal and premium, if any, and accrued and unpaid interest; and

Fourth, to the payment of the remainder, if any, to the Company.

Section 6.05. *Proceedings by Holders.* Subject to the immediately following paragraph, no Holder of any Note shall have any right by virtue of or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture, or for the appointment of a receiver, trustee, liquidator, custodian or other similar official, or for any other remedy hereunder, unless:

(i) such Holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof, as herein provided;

(ii) the Holders of at least 25% of aggregate principal amount of the Notes then outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder;

(iii) such Holders shall have offered to the Trustee such security or indemnity and/or prefunding satisfactory to it against any loss, liability or expense to be incurred therein or thereby;

(iv) the Trustee shall have not complied with such written request within 60 days after its receipt of the request and the offer of security and/or indemnity and/or prefunding; and

(v) no direction that is inconsistent with such written request shall have been given to the Trustee by the Holders of more than 50% of the aggregate principal amount of the Notes then outstanding within such 60-day period pursuant to Section 6.08;

provided that, (x) it being understood and intended, and being expressly covenanted by the taker and Holder of every Note with every other taker and Holder and the Trustee that no one or more Holders shall have any right in any manner whatever by virtue of or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any other Holder (it being understood that the Trustee and the Agents do not have an affirmative duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Holders), or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders (except as otherwise provided herein), and (y) for the protection and enforcement of this Section 6.05, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provision of this Indenture and any provision of any Note, the right of any Holder to receive payment or delivery, as the case may be, of (x) the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, (y) accrued and unpaid interest on, and (z) the consideration due upon conversion of, such Note, on or after the respective due dates expressed or provided for in such Note or in this Indenture, or to institute suit for the enforcement of any such payment or delivery, as the case may be, on or after such respective dates against the Company shall not be impaired or affected without the consent of such Holder.

Anything in this Indenture or the Notes to the contrary notwithstanding, the Holder of any Note, without the consent of either the Trustee or the Holder of any other Note, on its own behalf and for its own benefit, may enforce, and may institute and maintain any proceeding suitable to enforce, its rights of conversion as provided herein.

Section 6.06. *Proceedings by Trustee.* In case of an Event of Default the Trustee may in its sole and absolute discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as are necessary to protect and enforce any of such rights, either by suit in equity or by action at law or by proceeding in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this

Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 6.07. *Remedies Cumulative and Continuing.* Except as provided in the last paragraph of Section 2.06, all powers and remedies given by this Article 6 to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders of the Notes, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder of any of the Notes to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Default or Event of Default or any acquiescence therein; and, subject to the provisions of Section 6.05, every power and remedy given by this Article 6 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 6.08. *Direction of Proceedings and Waiver of Defaults by a Majority of Holders.* The Holders of more than 50% of the aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to Notes; *provided, however*, that (a) such direction shall not be in conflict with any rule of law or with this Indenture, and (b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. The Trustee may refuse to follow any direction that conflicts with law or it determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. The Holders of more than 50% in aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 may on behalf of the Holders of all of the Notes may direct the Trustee to waive any past Default or Event of Default or rescind a declaration of acceleration hereunder and its consequences except with respect to (i) nonpayment of principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, interest, including Additional Interest, if any, on, or any Additional Amounts with respect to, any Note when due that has not been cured pursuant to the provisions of Section 6.01, (ii) the Company's failure to comply with its obligation to convert the Notes in accordance with this Indenture upon exercise of a Holder's conversion right; or (iii) any provision under this Indenture that cannot be modified or amended without the consent of the Holders of each outstanding Note affected so long as, in each case, (x) such rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (y) all existing Defaults and Events of Default (other than as a result of (i) or (ii) above) that have become due solely by such declaration of acceleration, have been cured or waived. Upon any such waiver the Company, the Trustee and the Holders of the Notes shall be restored to their former positions and rights hereunder; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 6.08, said Default or Event of Default shall for all purposes of the Notes and this Indenture be deemed to have been cured and to be not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 6.09. *Notice of Defaults.* The Trustee shall, within 90 days after the occurrence and continuance of an Event of Default of which a Responsible Officer has received written notice, mail to all Holders as the names and addresses of such Holders appear upon the Note Register, notice of all Defaults known to a Responsible Officer, unless such Defaults shall have been cured or waived before the giving of such notice; and provided that, except in the case of an Event of Default in the payment of the principal of, or premium, if any, accrued and unpaid interest, including any accrued and unpaid Additional Interest, on, and any Additional Amounts with respect to, any of the Notes, including without limiting the generality of the foregoing any Default in the payment of any Repurchase Price, any Fundamental Change Repurchase Price or any Redemption Price, then in any such event the Trustee shall be protected in withholding such notice if and so long as it in good faith determine that the withholding of such notice is in the interests of the Holders.

Section 6.10. *Undertaking to Pay Costs.* All parties to this Indenture agree, and each Holder of any Note by its acceptance thereof shall be deemed to have agreed, that any court may, in its discretion, require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; *provided* that the provisions of this Section 6.10 (to the extent permitted by law) shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Notes at the time outstanding determined in accordance with Section 8.04, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or accrued and unpaid interest, if any, on any Note (including, but not limited to the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price with respect to the Notes being repurchased or redeemed as provided in this Indenture) on or after the due date expressed or provided for in such Note or to any suit for the enforcement of the right to convert any Note in accordance with the provisions of Article 14.

ARTICLE 7 CONCERNING THE TRUSTEE AND THE AGENTS

Section 7.01. *Duties and Responsibilities of Trustee and Agents.* The Trustee and the Agents, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default that may have occurred, undertake to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations will be read into this Indenture against the Trustee and the Agents. In case an Event of Default has occurred (and has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs; *provided* that if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security and/or prefunding satisfactory to it against any loss, liability, costs and expenses that might be incurred by it in compliance with such request or direction. In case an Event of Default

has occurred (and has not been cured or waived), the Trustee shall be entitled to require each of the Agents to act under its direction.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own gross negligent action, its own gross negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default and after the curing or waiving of all Events of Default that may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture and, after it has been qualified thereunder, the Trust Indenture Act, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture and the Trust Indenture Act against the Trustee; and

(ii) in the absence of gross negligence and willful misconduct on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. The Trustee need not confirm or investigate the accuracy of any mathematical calculations or other facts stated therein);

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of more than 50% of the aggregate principal amount of the Notes at the time outstanding determined as provided in Section 8.04 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(d) whether or not therein provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee and the Agents shall be subject to the provisions of this Section;

(e) the Trustee shall not be liable in respect of any payment (as to the correctness of amount, entitlement to receive or any other matters relating to payment) or notice effected by the Company or any Paying Agent or any records maintained by any Note Registrar with respect to the Notes;

(f) if any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture, requires notice to be sent to the Trustee, the Trustee may conclusively rely on its failure to receive such notice as reason to act as if no such event occurred;

(g) in the absence of written investment direction from the Company, all cash received by the Trustee or any Agent shall be placed in a non-interest bearing trust account, and in no event shall the Trustee or such Agent be liable for the selection of investments or for investment losses incurred thereon or for losses incurred as a result of the liquidation of any such investment prior to its maturity date or the failure of the party directing such investments prior to its maturity date or the failure of the party directing such investment to provide timely written investment direction, and the Trustee or such Agent shall have no obligation to invest or reinvest any amounts held hereunder in the absence of such written investment direction from the Company;

(h) the rights and protections afforded to the Trustee pursuant to this Article 7 shall also be afforded to the Custodian, Note Registrar, Paying Agent, Conversion Agent and Transfer Agent;

(i) none of the provisions contained in this Indenture shall require the Trustee nor the Agents to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its respective duties or in the exercise of any of its respective rights or powers, and the Agents shall not be under any obligation to take any action under this Indenture which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it.;

(j) the Trustee and the Agents shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder;

(k) the Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture; and

(l) The Trustee and the Agents shall not be liable to any Person for having acted on instructions or directions provided to it by the Holders of more than 50% of the aggregate principal amount of outstanding Notes.

Section 7.02. *Reliance on Documents, Opinions, Etc.* Except as otherwise provided in Section 7.01:

(a) the Trustee and any Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, coupon, other evidence of indebtedness, security or other paper or document (whether in original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any Board Resolution may be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company;

(c) the Trustee and any Agent may, at the expense of the Company, consult with counsel and other professional advisers of its selection and require an Opinion of Counsel and any advice of such counsel or Opinion of Counsel shall be full and complete authorization and

protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture, conduct or defend any litigation under this Indenture or in relation to this Indenture or the Notes, unless at the request, order or direction of any of the Holders pursuant to the provisions of this Indenture, and such Holders shall have offered to the Trustee security and/or indemnity and/or prefunding satisfactory to it against the costs, expenses and liabilities that may be incurred therein or thereby;

(e) the Trustee and the Agents shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee or such Agent, in its sole and absolute discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee or such Agent shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company at reasonable times, in a reasonable manner and upon reasonable advance notice, personally or by agent or attorney at the expense of the Company and shall incur no liability of any kind by reason of such inquiry or investigation;

(f) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, custodians, nominees or attorneys and the Trustee may appoint such agents, attorneys or delegates in its sole and absolute discretion and shall not be responsible for any liability, loss, expense, demand, cost, claim or proceedings incurred by reason of any default, misconduct or negligence on the part of any agent, custodian, nominee or attorney appointed by it, and the Trustee shall not be bound to monitor or supervise the proceedings or be responsible for the acts or omissions of any such person;

(g) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Agents in each of its capacities hereunder and other Person employed to act hereunder;

(h) the permissive rights of the Trustee enumerated herein shall not be construed as duties;

(i) in all instances in which the Trustee is called upon to exercise its discretion, such discretion shall be absolute; and

(j) the Trustee and Agents may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law, directive or regulation of any agency of that jurisdiction or, to the extent applicable, of the State of New York; furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or the State of New York or if, in its opinion based on such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law, directive or regulation of any agency in that jurisdiction or in the State of New York or if it is

determined by any court or other competent authority in that jurisdiction that it does not have such power.

In no event shall the Trustee nor any Agent be liable for any special, indirect, punitive, or consequential loss or damage of any kind whatsoever (including but not limited to lost profits, goodwill, opportunity or profit), whether or not foreseeable, even if the Trustee or such Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

Neither the Trustee nor any Agent shall be charged with knowledge of any Default or Event of Default with respect to the Notes, except (1) any Default or Event of Default of which a Responsible Officer shall have actual knowledge or (2) any Default or Event of Default of which written notice shall have been given to the Trustee or such Agent by the Company or by any Holder of the Notes of 25% in aggregate principal amount of the then outstanding Notes. In the absence of such actual knowledge or notice, the Trustee shall be entitled to assume, without any liability in connection with such assumption, there is no Default or Event of Default.

Section 7.03. *No Responsibility for Recitals, Etc.* The recitals contained herein and in the Notes (except in the Trustee's certificate of authentication) shall be taken as the statements of the Company, and the Trustee or the Agents assume no responsibility for the correctness of the same. The Trustee and the Agents make no representations as to the validity or sufficiency of this Indenture or of the Notes. The Trustee or the Agents shall not be accountable for the use or application by the Company of any Notes or the proceeds of any Notes authenticated and delivered by the Trustee in conformity with the provisions of this Indenture .

Section 7.04. *Trustee, Paying Agents, Conversion Agents or Note Registrar May Own Notes.* The Trustee or any Agents in its individual or any other capacity, may become the owner or pledgee of Notes with the same rights it would have if it were not the Trustee or the Agent.

Section 7.05. *Funds Deposited for Payment of Notes.* All monies received by the Trustee or the Agents shall, until used or applied as herein provided, be held for the benefit of the Holders by the Paying Agent for the purposes for which they were received. Money held by the Trustee or the Agents hereunder need not be segregated from other funds except to the extent required by law. The Trustee or the Agents shall be under no liability for interest on any money received by it hereunder except as may be agreed in writing from time to time with the Company.

Section 7.06. *Compensation and Expenses of Trustee and Agents.* The Company covenants and agrees to pay to the Trustee and each of the Agents from time to time, and the Trustee and each Agent shall be entitled to and receive, such compensation as shall be agreed in writing with the Company for all services rendered by it hereunder in any capacity (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and the Company will pay or reimburse the Trustee and such Agent (as the case may be) upon its request for all fees, costs, expenses, disbursements, advances and default interest (if applicable), including expenses properly incurred to consult with its legal counsel and other external advisors, disbursements and advances properly incurred or made and reasonably documented in accordance with any of the provisions of this Indenture in any capacity thereunder (including the compensation, expenses and disbursements for any duties performed

during a Default or an Event of Default that are not explicitly contemplated, or if the Trustee and the Agents is requested by the Company to undertake duties which are of an exceptional nature or otherwise outside the scope of their respective duties under this Indenture, and the properly-incurred compensation and the expenses and disbursements of its agents and counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advance as shall have been caused by its gross negligence or willful misconduct. The Company also covenants to indemnify the Trustee and each Agent in any capacity under this Indenture and any other document or transaction entered into in connection herewith and to hold it harmless against, any and all loss, claim, damage, liability or expense, including taxes (other than taxes based on the income of the Trustee and such Agent (as the case may be)), incurred without gross negligence or willful misconduct on the part of the Trustee and arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending the Trustee and such Agent (as the case may be) against any claim (whether asserted by the Company, a Holder or any other Person) of liability in the premises. The obligations of the Company under this Section 7.06 to compensate or indemnify the Trustee and such Agent (as the case may be) and to pay or reimburse the Trustee and such Agent (as the case may be) for expenses, disbursements and advances shall be secured by a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by the Trustee and such Agent (as the case may be), except, subject to the effect of Section 6.04, funds held in trust herewith for the benefit of the Holders of particular Notes. The right of the Trustee and such Agent (as the case may be) to receive payment of any amounts due under this Section 7.06 shall not be subordinate to any other liability or Indebtedness of the Company (even though the Notes may be so subordinated). The obligations of the Company under this Section 7.06 shall survive the satisfaction and discharge of this Indenture and the earlier resignation or removal of the Trustee and such Agent (as the case may be). The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. The indemnification provided in this Section 7.06 shall survive the termination or defeasance of this Indenture and the resignation or removal of the Trustee and such Agent (as the case may be). The Trustee and each Agent shall notify the Company as soon as reasonably practicable of any claim of which a Responsible Officer receives written notice for which it may seek indemnity.

Without prejudice to any other rights available to the Trustee and the Agents under applicable law, when the Trustee and such Agent and its respective agents and any authenticating agent incur expenses or render services after an Event of Default specified in Section 6.01(a)(ix) or Section 6.01(a)(x) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any bankruptcy, insolvency or similar laws.

Section 7.07. *Officers' Certificate as Evidence.* Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may in the absence of gross negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such Officers' Certificate shall be full warrant to the Trustee for any action taken or omitted by it under the provisions of this Indenture upon the faith thereof.

Section 7.08. *Conflicting Interests of Trustee and Agents.* The Trustee, any Agent and entities associated with the Trustee or such Agent shall be permitted to engage in business and other contractual relationships with the Company and its Affiliates and Subsidiaries and profit therefrom, without having to account for such profits. If the Trustee, such Agent or any such entities associated with the Trustee or such Agent has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, it shall either (a) eliminate such conflict within 90 days or (b) resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture.

The Company hereby irrevocably waives, in favour of the Trustee and the Agents, any conflict of interest which may arise by virtue of the Trustee, the Agents or any affiliate of the Trustee or the Agents acting in various capacities under this Indenture and any other documents relating to the Notes or for other customers of the Trustee or the Agents. The Company hereby acknowledges that the Trustee, the Agents and its affiliates (together, the “**Trustee/Agents Parties**”) may have interests in, or may be providing or may in the future provide financial or other services to, other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) other than as a result of the Trustee and/or the Agents acting as the Trustee and/or the Agents hereunder that the Trustee/Agents Parties may not be entitled to share with the Company. The Trustee/Agents Parties will not disclose confidential information obtained from the Company (without their written consent) to any of the Trustee’s such other customers or affiliates nor will they use on the Company’s behalf any confidential information obtained from any such other customer. Without prejudice to the foregoing, the Company agrees that the Trustee/Agents Parties may deal (whether their own or their customers’ account) in, or advise on, securities of such other customers and that such dealing or giving of advice will not constitute a conflict of interest for the purposes of the Notes or this Indenture.

Section 7.09. *Eligibility of Trustee.* There shall at all times be a Trustee hereunder which shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and has a combined capital and surplus of at least US\$50,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 7.10. *Resignation or Removal of Trustee and Agents.* (a) The Trustee may at any time resign by giving written notice of such resignation to the Company. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 60 days after such notice of resignation has been given to the Issuer, the resigning Trustee may, petition, on behalf of and at the expense of the Company, any court of competent jurisdiction for the appointment of a successor trustee, or any Holder who has been a bona fide Holder of a Note or Notes for at least six months may, subject to the provisions of Section 6.10, on behalf of himself

and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

(i) the Trustee shall fail to comply with Section 7.08 within a reasonable time after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Note or Notes for at least six months, or

(ii) the Trustee shall cease to be eligible in accordance with the provisions of Section 7.09 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(iii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, the Company may by a Board Resolution remove the Trustee and appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.10, any Holder who has been a bona fide Holder of a Note or Notes for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) Each Agent may at any time resign by giving written notice of its resignation to the Company and the Trustee and specifying the date on which its resignation shall become effective. Upon receiving such notice of resignation, the Company shall as soon as practicable appoint a successor Paying Agent or Registrar (the “**Successor Agent**”) by written instrument in triplicate signed on behalf of the Company, one copy of which shall be delivered to the resigning Agent, one copy to the Successor Agent and one copy to the Trustee. Upon the effectiveness of the appointment of a Successor Agent, the resigning Agent shall have no further obligations under this Indenture.

Such resignation shall not become effective until a Successor Agent has been appointed, as provided below. If no Successor Agent shall have been so appointed, 20 days after such written notice of resignation has been given to the Issuer, the resigning Agent may, on behalf of and at the expense of the Company, appoint a successor agent.

The Company may, at any time and for any reason, remove either the Paying Agent or the Registrar and appoint a Successor Agent, by written instrument in triplicate signed on behalf of the Company, one copy of which shall be delivered to the Agent being removed, one copy to the Successor Agent and one copy to the Trustee. Any removal of an Agent and any appointment of a Successor Agent shall become effective upon acceptance of appointment by the Successor Agent as provided below. Upon its resignation or removal, the Agent shall be entitled to the

payment by the Company of its compensation for the services rendered hereunder and to the reimbursement of all out-of-pocket expenses properly incurred in connection with the services rendered by it hereunder.

The Company shall remove either Agent and appoint a Successor Agent if the Agent (i) shall become incapable of acting, (ii) shall be adjudged bankrupt or insolvent, (iii) shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, (iv) shall consent to, or shall have had entered against it a court order for, any such relief or to the appointment of or taking possession by any such official in any involuntary case or other proceedings commenced against it, (v) shall make a general assignment for the benefit of creditors or (vi) shall fail generally to pay its debts as they become due.

Any Successor Agent appointed as provided herein shall execute and deliver to its predecessor and to the Company and the Trustee an instrument accepting such appointment (which may be in the form of an acceptance signature to the letter of the Company appointing such Successor Agent) and thereupon such Successor Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as the Paying Agent or the Registrar and such predecessor shall pay over to such Successor Agent all monies or other property at the time held by it hereunder.

(d) The Holders of more than 50% in aggregate principal amount of the Notes at the time outstanding, as determined in accordance with Section 8.04, may at any time remove the Trustee and nominate a successor trustee that shall be deemed appointed as successor trustee unless within ten days after notice to the Company of such nomination the Company objects thereto, in which case the Trustee so removed or any Holder, upon the terms and conditions and otherwise as in Section 7.10(a) provided, may petition, at the expense of the Company, any court of competent jurisdiction for an appointment of a successor trustee.

(e) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 7.10 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.11.

Section 7.11. *Acceptance by Successor Trustee.* Any successor trustee appointed as provided in Section 7.10 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Company or of the successor trustee, the trustee ceasing to act shall, upon payment of any amounts then due to it pursuant to the provisions of Section 7.06, execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act.

Upon the reasonable written request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by such trustee as such, except for funds held in trust for the benefit of Holders of particular Notes, to secure any amounts then due to it pursuant to the provisions of Section 7.06.

No successor trustee shall accept appointment as provided in this Section 7.11 unless at the time of such acceptance such successor trustee shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09.

Upon acceptance of appointment by a successor trustee as provided in this Section 7.11, each of the Company and the successor trustee, at the written direction and at the expense of the Company shall mail or cause to be mailed notice of the succession of such trustee hereunder to the Holders at their addresses as they shall appear on the Note Register. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

Section 7.12. *Succession by Merger, Etc.* Any corporation or other entity into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation or other entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee (including the administration of this Indenture), shall be the successor to the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that in the case of any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee, such corporation or other entity shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09.

In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture, any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee or authenticating agent appointed by such predecessor trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee or an authenticating agent appointed by such successor trustee may authenticate such Notes either in the name of any predecessor trustee hereunder or in the name of the successor trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Indenture provided that the certificate of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Notes in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

Section 7.13. *Limitation on Rights of Trustee as Creditor.* If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Notes), after qualification under the Trust Indenture Act, the Trustee shall be subject to the provisions of the Trust

Indenture Act regarding the collection of the claims against the Company (or any such other obligor).

Section 7.14. *Trustee's Application for Instructions from the Company.* Any application by the Trustee for written instructions from the Company (other than with regard to any action proposed to be taken or omitted to be taken by the Trustee that affects the rights of the Holders of the Notes under this Indenture) may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer that the Company has indicated to the Trustee should receive such application actually receives such application, unless any such officer shall have consented in writing to any earlier date), unless, prior to taking any such action (or the effective date in the case of any omission), the Trustee shall have received written instructions in accordance with this Indenture in response to such application specifying the action to be taken or omitted.

Section 7.15. *Assume Performance of Obligations.* Neither the Trustee nor the Agents shall be obligated to monitor or supervise the performance of any parties to the transaction documents, including this Indenture, of their respective obligations under the transaction documents or any other documents related thereto, and neither the Trustee nor the Agents shall have any obligation to monitor, determine or inquire as to the financial performance of the Company, and the Trustee and the Agents shall be entitled to assume, until it has received written notice to the contrary, that all such persons are properly performing their duties thereunder. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption, nor shall they be liable to Holders, the Company or any other person for not doing so.

Section 7.16. *Hong Kong Monetary Authority Stay Rules.* If this Agreement is or becomes a "covered contract" (within the meaning of the Financial Institutions (Resolution) (Contractual Recognition of Suspension of Termination Rights – Banking Sector) Rules (Cap, 628C) of Hong Kong (the "Stay Rules")), each party to this Indenture agrees that, despite any other term or conditions of this Agreement or any other agreement, arrangement or understanding, each party to this Indenture will be bound by a suspension of a "termination right" (within the meaning of the Stay Rules) in relation to this Agreement imposed by the Hong Kong Monetary Authority under section 90(2) of the Financial Institutions (Resolution) Ordinance (Cap 628) of Hong Kong.

ARTICLE 8 CONCERNING THE HOLDERS

Section 8.01. *Action by Holders.* Whenever in this Indenture it is provided that the Holders of a specified percentage of the aggregate principal amount of the Notes may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action, the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument

or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in writing, or (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Article 9, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders. Whenever the Company or the Trustee solicits the taking of any action by the Holders of the Notes, the Company or the Trustee may, but shall not be required to, fix in advance of such solicitation, a date as the record date for determining Holders entitled to take such action. The record date if one is selected shall be not more than fifteen days prior to the date of commencement of solicitation of such action.

Section 8.02. *Proof of Execution by Holders.* Subject to the provisions of Section 7.01, Section 7.02 and Section 9.05, proof of the execution of any instrument by a Holder or its agent or proxy shall be sufficient if made in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee. The holding of Notes shall be proved by the Note Register or by a certificate of the Note Registrar. The record of any Holders' meeting shall be proved in the manner provided in Section 9.06.

Section 8.03. *Who Are Deemed Absolute Owners.* The Company, the Trustee, any authenticating agent, any Paying Agent, any Conversion Agent, any Transfer Agent and any Note Registrar may deem the Person in whose name a Note shall be registered upon the Note Register to be, and may treat it as, the absolute owner of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon made by any Person other than the Company or any Note Registrar) for the purpose of receiving payment of or on account of the principal of and (subject to Section 2.03) accrued and unpaid interest on such Note, for conversion of such Note and for all other purposes; and neither the Company nor the Trustee nor any Paying Agent nor any Conversion Agent, any Transfer Agent nor any Note Registrar shall be affected by any notice to the contrary. All such payments or deliveries so made to any Holder for the time being, or upon its order, shall be valid, and, to the extent of the sum or sums or ADSs (or any Class A Ordinary Shares in lieu of such ADSs) so paid or delivered, effectual to satisfy and discharge the liability for monies payable or ADSs (any or Class A Ordinary Shares in lieu of such ADSs) deliverable upon any such Note. Notwithstanding anything to the contrary in this Indenture or the Notes following an Event of Default, any Holder of a beneficial interest in a Global Note may directly enforce against the Company, without the consent, solicitation, proxy, authorization or any other action of the Depositary or any other Person, such Holder's right to exchange such beneficial interest for a Note in certificated form in accordance with the provisions of this Indenture.

Section 8.04. *Company-Owned Notes Disregarded.* In determining whether the Holders of the requisite aggregate principal amount of Notes have concurred in any request, demand, direction, authorization, notice, consent, waiver or other action under this Indenture (including for purposes of Article 6 and Article 10), Notes that are owned by the Company or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company shall be disregarded and deemed not to be outstanding for the purpose of any such determination; provided that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, consent, waiver or other action only Notes that a Responsible Officer actually knows are so owned shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section

8.04 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to so act with respect to such Notes and that the pledgee is not the Company or a Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company. In the case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the Company shall furnish to the Trustee promptly an Officers' Certificate listing and identifying all Notes, if any, known by the Company to be owned or held by or for the account of any of the above described Persons; and, subject to Section 7.01, the Trustee shall be entitled to accept such Officers' Certificate as conclusive evidence of the facts therein set forth and of the fact that all Notes not listed therein are outstanding for the purpose of any such determination..

Section 8.05. *Revocation of Consents; Future Holders Bound.* At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the Holders of the percentage of the aggregate principal amount of the Notes specified in this Indenture in connection with such action, any Holder of a Note that is shown by the evidence to be included in the Notes the Holders of which have consented to such action may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Note. Except as aforesaid, any such action taken by the Holder of any Note shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Note and of any Notes issued in exchange or substitution therefor or upon registration of transfer thereof, irrespective of whether any notation in regard thereto is made upon such Note or any Note issued in exchange or substitution therefor or upon registration of transfer thereof.

ARTICLE 9 HOLDERS' MEETINGS

Section 9.01. *Purpose of Meetings.* A meeting of Holders may be called at any time and from time to time pursuant to the provisions of this Article 9 for any of the following purposes:

- (a) to give any notice to the Company or to the Trustee or to give any directions to the Trustee permitted under this Indenture, or to consent to the waiving of any Default or Event of Default hereunder and its consequences, or to take any other action authorized to be taken by Holders pursuant to any of the provisions of Article 6;
- (b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article 7;
- (c) to consent to the execution of an indenture or indentures supplemental hereto pursuant to the provisions of Section 10.02; or
- (d) to take any other action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Notes under any other provision of this Indenture or under applicable law.

Section 9.02. *Call of Meetings by Trustee.* The Trustee may at any time call a meeting of Holders to take any action specified in Section 9.01, to be held at such time and at such place

as the Trustee shall determine. Notice of every meeting of the Holders, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting and the establishment of any record date pursuant to Section 8.01, shall be mailed to Holders of such Notes at their addresses as they shall appear on the Note Register. Such notice shall also be mailed to the Company. Such notices shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

Any meeting of Holders shall be valid without notice if the Holders of all Notes then outstanding are present in person or by proxy or if notice is waived before or after the meeting by the Holders of all Notes then outstanding, and if the Company and the Trustee are either present by duly authorized representatives or have, before or after the meeting, waived notice.

Section 9.03. *Call of Meetings by Company or Holders.* In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% of the aggregate principal amount of the Notes then outstanding, shall have requested the Company to call a meeting of Holders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Company shall not have mailed the notice of such meeting within twenty days after receipt of such request, then the Trustee or such Holders may determine the time and the place for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

Section 9.04. *Qualifications for Voting.* To be entitled to vote at any meeting of Holders a Person shall (a) be a Holder of one or more Notes on the record date pertaining to such meeting or (b) be a Person appointed by an instrument in writing as proxy by a Holder of one or more Notes on the record date pertaining to such meeting. The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

Section 9.05. *Regulations.* Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders, in regard to proof of the holding of Notes and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Holders as provided in Section 9.03, in which case the Company or the Holders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Holders of more than 50% in principal amount of the Notes represented at the meeting and entitled to vote at the meeting.

Subject to the provisions of Section 8.04, at any meeting of Holders each Holder or proxyholder shall be entitled to one vote for each US\$1,000 principal amount of Notes held or represented by it; *provided, however*, that no vote shall be cast or counted at any meeting in respect of any Note challenged as not outstanding and ruled by the chairman of the meeting to be

not outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Notes held by it or instruments in writing as aforesaid duly designating it as the proxy to vote on behalf of other Holders. Any meeting of Holders duly called pursuant to the provisions of Section 9.02 or Section 9.03 may be adjourned from time to time by the Holders of more than 50% of the aggregate principal amount of Notes represented at the meeting, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

Section 9.06. *Voting.* The vote upon any resolution submitted to any meeting of Holders shall be by written ballot on which shall be subscribed the signatures of the Holders or of their representatives by proxy and the outstanding principal amount of the Notes held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Holders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02. The record shall show the principal amount of the Notes voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.07. *No Delay of Rights by Meeting.* Nothing contained in this Article 9 shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Holders or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of the Notes.

ARTICLE 10 SUPPLEMENTAL INDENTURES

Section 10.01. *Supplemental Indentures Without Consent of Holders.* The Company and the Trustee and the Agents, at the Company's expense, may from time to time and at any time enter into an indenture or indentures supplemental hereto for one or more of the following purposes:

- (a) (1) to cure any ambiguity, manifest error or defect or (2) cure any omission or inconsistency;
- (b) to provide for the assumption by a Successor Company of the obligations of the Company under this Indenture and the Notes;

- (c) to add guarantees or any credit enhancements of similar nature with respect to the Notes;
- (d) to provide for a successor Trustee in accordance with the terms of this Indenture or to otherwise comply with any requirement of this Indenture;
- (e) upon the occurrence of any Merger Event, (1) provide that the Notes are convertible into Reference Property, subject to Section 14.03, and (2) effect the related changes to the terms of the Notes described under Section 14.07, in each case, in accordance with Section 14.07;
- (f) to increase the Conversion Rate;
- (g) to secure the Notes;
- (h) to add to the covenants of the Company or Events of Default for the benefit of the Holders or surrender any right or power conferred upon the Company;
- (i) to provide for the conversion of Notes in accordance with the terms of this Indenture;
- (j) to comply with the rules of the Depository, including The Depository Trust Company (“DTC”);
- (k) to make any change that does not adversely affect the rights of any Holder in any material respect; *provided, however*, that any amendment to conform the provisions of this Indenture or the Notes to the “Description of the Notes” Section in the Offering Memorandum, will be deemed not to adversely affect the rights of any Holder;
- (l) irrevocably elect a Settlement Method and/or a Specified Dollar Amount, or eliminate the Company’s right to elect a Settlement Method; or
- (m) make changes to this Indenture and the Notes as contemplated under Section 14.08.

Upon the written request of the Company, the Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to, but may in its sole and absolute discretion, enter into any supplemental indenture that affects the Trustee’s own rights, duties or immunities under this Indenture or otherwise.

Any supplemental indenture authorized by the provisions of this Section 10.01 may be executed by the Company and the Trustee and the Agents without the consent of the Holders of any of the Notes at the time outstanding, notwithstanding any of the provisions of Section 10.02.

Section 10.02. *Supplemental Indentures With Consent of Holders.* With the consent (evidenced as provided in Article 8) of the Holders of at least 50% of the aggregate principal amount of the Notes then outstanding (determined in accordance with Article 8 and including, without limitation, consents obtained in connection with a repurchase of, or tender offer or

exchange offer for, Notes), the Company, when authorized by the resolutions of the Board of Directors, and the Trustee and the Agents, at the Company's expense, may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or any supplemental indenture or modifying in any manner the rights of the Holders or waiving past default; *provided, however*, that, without the consent of each Holder of an outstanding Note affected, no such supplemental indenture shall:

- (a) reduce the amount of Notes whose Holders must consent to an amendment or waiver;
- (b) reduce the rate, or extend the stated time for payment, of interest, including any Additional Interest, on any Note;
- (c) reduce the principal, or extend the stated Maturity Date, of any Note;
- (d) make any change that impairs or adversely affects the conversion rights of any Notes;
- (e) reduce the Redemption Price, the Fundamental Change Repurchase Price or the Repurchase Price payable on any Note or amend or modify in any manner adverse to the Holders the Company's obligation to make such payments, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise;
- (f) change the place or currency of payment of principal or interest, including any Additional Interest, in respect of any Note;
- (g) impair the right of any Holder to receive payment of principal of and interest, including any Additional Interest, on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Note;
- (h) adversely affect the ranking of the Notes as senior unsecured Indebtedness of the Company;
- (i) change the Company's obligation to pay Additional Amounts on any Note; or
- (j) make any change in this Article 10 or in the waiver provisions in Section 6.01 or Section 6.08 that, in each case, requires each Holder's consent.

Upon the written request of the Company, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid and subject to Section 10.05, the Trustee shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Holders under this Section 10.02 to approve the particular form of any proposed supplemental indenture. It shall be sufficient if such

Holders approve the substance thereof. After any supplemental indenture becomes effective under Section 10.01 or Section 10.02, the Company shall mail to the Holders a notice briefly describing such amendment. However, the failure to give such notice to all the Holders, or any defect in the notice, will not impair or affect the validity of the amendment.

Section 10.03. *Effect of Supplemental Indentures.* Any supplemental indenture executed pursuant to the provisions of this Article 10 shall comply with the Trust Indenture Act, as then in effect; provided that this Section 10.03 shall not require such supplemental indenture to be qualified under the Trust Indenture Act prior to the time such qualification is in fact required under the terms of the Trust Indenture Act or this Indenture has been qualified under the Trust Indenture Act, nor shall any such qualification constitute any admission or acknowledgment by any party to such supplemental indenture that any such qualification is required prior to the time such qualification is in fact required under the terms of the Trust Indenture Act or this Indenture has been qualified under the Trust Indenture Act. Upon the execution of any supplemental indenture pursuant to the provisions of this Article 10, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitation of rights, obligations, duties and immunities under this Indenture of the Trustee and the Agents, the Company and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.04. *Notation on Notes.* Notes authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 10 may, at the Company's expense, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Notes so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may, at the Company's expense, be prepared and executed by the Company, authenticated by the Trustee (or an authenticating agent duly appointed by the Trustee pursuant to Section 17.11) and delivered in exchange for the Notes then outstanding, upon surrender of such Notes then outstanding.

Section 10.05. *Evidence of Compliance of Supplemental Indenture to Be Furnished to Trustee.* In addition to the documents required by Section 17.06, the Trustee and the Agents shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant hereto complies with the requirements of this Article 10 and is permitted or authorized by this Indenture and is the legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms.

ARTICLE 11 CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 11.01. *Company May Consolidate, Etc. on Certain Terms.* Subject to the provisions of Section 11.02, the Company shall not consolidate with, merge with or into, or sell, convey, transfer or lease all or substantially all of the consolidated assets of the Company, its Subsidiaries and its Consolidated Affiliated Entities, taken as a whole, to another Person, unless:

(a) the resulting, surviving or transferee Person (the “**Successor Company**”), if not the Company, shall be a corporation organized and existing under the laws of the United States, any State thereof, the District of Columbia, the Cayman Islands, the British Virgin Islands, Bermuda or Hong Kong and the Successor Company (if not the Company) shall expressly assume, by supplemental indenture all of the obligations of the Company under the Notes and this Indenture (including, for the avoidance of doubt, the obligation to pay Additional Amounts pursuant to Section 4.07);

(b) if the Company will not be the resulting or surviving corporation, the Company shall have, at or prior to the effective date of such transaction, delivered to the Trustee an Officers’ Certificate and an Opinion of Counsel, each stating that the execution and delivery of the supplemental indenture do not conflict with the requirements set forth in this Indenture and that all conditions precedent to the execution and delivery of such supplemental indenture have been satisfied; and

(c) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing under this Indenture.

For purposes of this Section 11.01, the sale, conveyance, transfer or lease of all or substantially all of the assets of one or more Subsidiaries or Consolidated Affiliated Entities of the Company to another Person, which properties and assets, if held by the Company instead of such Subsidiaries or Consolidated Affiliated Entities, would constitute all or substantially all of the assets of the Company on a consolidated basis, shall be deemed to be the sale, conveyance, transfer or lease of all or substantially all of the consolidated assets of the Company to another Person.

Section 11.02. *Successor Corporation to Be Substituted.* In case of any such consolidation, merger, sale, conveyance, transfer or lease and upon the assumption by the Successor Company, by supplemental indenture, executed and delivered to the Trustee and the Agents and satisfactory in form to the Trustee and the Agents, of the due and punctual payment of the principal of and accrued and unpaid interest on all of the Notes (including, for the avoidance of doubt, any Additional Amounts), the due and punctual delivery or payment, as the case may be, of any consideration due upon conversion of the Notes (including, for the avoidance of doubt, any Additional Amounts) and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Company, such Successor Company (if not the Company) shall succeed to and, except in the case of a lease of all or substantially all of the Company’s properties and assets, shall be substituted for the Company, with the same effect as if it had been named herein as the party of the first part. Such Successor Company thereupon may cause to be signed, and may issue either in its own name or in the name of the Company any or all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such Successor Company instead of the Company and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver, or cause to be authenticated and delivered, any Notes that previously shall have been signed and delivered by the Officers of the Company to the Trustee for authentication, and any Notes that such Successor Company thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Notes so issued shall in all respects have the same legal rank and benefit under this Indenture as the Notes

theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Notes had been issued at the date of the execution hereof. In the event of any such consolidation, merger, sale, conveyance or transfer (but not in the case of a lease), upon compliance with this Article 11 the Person named as the “**Company**” in the first paragraph of this Indenture (or any successor that shall thereafter have become such in the manner prescribed in this Article 11) may be dissolved, wound up and liquidated at any time thereafter and, except in the case of a lease, such Person shall be released from its liabilities as obligor and maker of the Notes and from its obligations under this Indenture and the Notes.

In case of any such consolidation, merger, sale, conveyance, transfer or lease, such changes in phraseology and form (but not in substance) may be made in the Notes thereafter to be issued as may be appropriate.

Section 11.03. *Opinion of Counsel to Be Given to Trustee and Agents.* No consolidation, merger, sale, conveyance, transfer or lease shall be effective unless the Trustee and the Agents shall receive an Officers’ Certificate and an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale, conveyance, transfer or lease and any such assumption and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the provisions of this Article 11, that all conditions precedent thereto have been satisfied and that the Notes and such supplemental indenture are the legal, valid and binding obligations of the Successor Company, enforceable against it in accordance with its terms, subject to customary assumptions, qualifications, and exceptions.

ARTICLE 12
IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

Section 12.01. *Indenture and Notes Solely Corporate Obligations.* No recourse for the payment of the principal of or accrued and unpaid interest on any Note, nor for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company in this Indenture or in any supplemental indenture or in any Note, nor because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, employee, agent, Officer or director or Subsidiary, as such, past, present or future, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of the Notes.

ARTICLE 13
INTENTIONALLY OMITTED

ARTICLE 14
CONVERSION OF NOTES

Section 14.01. *Conversion Privilege.* Subject to and upon compliance with the provisions of this Article 14, each Holder of a Note shall have the right, at such Holder’s option,

to convert all or any portion (if the portion to be converted is US\$1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the fifth Scheduled Trading Day immediately preceding the Maturity Date, at an initial conversion rate of 72.6929 ADSs (subject to adjustment as provided in this Article 14, the “**Conversion Rate**”) per US\$1,000 principal amount of Notes (subject to, and in accordance with, the settlement provisions of Section 14.02, the “**Conversion Obligation**”).

Section 14.02. *Settlement upon Conversion; Conversion Procedures.*

(a) Subject to this Section 14.02, Section 14.03(b) and Section 14.07(a), upon conversion of any Note, the Company shall satisfy its Conversion Obligation by paying or delivering, as the case may be, to the converting Holder, in respect of each US\$1,000 principal amount of Notes being converted, cash (“**Cash Settlement**”), ADSs, together with cash, if applicable, in lieu of delivering any fractional ADS in accordance with subsection (j) of this Section 14.02 (“**Physical Settlement**”) or a combination of cash and ADSs, together with cash, if applicable, in lieu of delivering any fractional ADS in accordance with subsection (j) of this Section 14.02 (“**Combination Settlement**”), at its election, as set forth in this Section 14.02.

(i) All conversions for which the relevant Conversion Date occurs after the Company’s issuance of a Redemption Notice with respect to the Notes and prior to the close of business on the fifth Business Day prior to, the related Redemption Date, and all conversions for which the relevant Conversion Date occurs on or after the 96th Scheduled Trading Day before the Maturity Date shall be settled using the same Settlement Method.

(ii) Except for any conversions for which the relevant Conversion Date occurs after the Company’s issuance of a Redemption Notice with respect to the Notes but prior to the close of business on the second Business Day prior to the related Redemption Date, and any conversions for which the relevant Conversion Date occurs on or after the 96th Scheduled Trading Day before the Maturity Date, the Company shall use the same Settlement Method for all conversions with the same Conversion Date, but the Company shall not have any obligation to use the same Settlement Method with respect to conversions with different Conversion Dates.

(iii) If, in respect of any Conversion Date (or the period described in the third immediately succeeding set of parentheses, as the case may be), the Company elects a Settlement Method, the Company shall deliver a written notice (the “**Settlement Notice**”) of the relevant Settlement Method in respect of such Conversion Date (or such period, as the case may be) to converting Holders, the Trustee and the Conversion Agent no later than the close of business on the Trading Day immediately following the relevant Conversion Date (or, in the case of any conversions for which the relevant Conversion Date occurs (A) during the Redemption Period, in such Redemption Notice or (B) on or after the 96th Scheduled Trading Day before the Maturity Date, no later than the 96th Scheduled Trading Day before the Maturity Date). If the Company does not elect a Settlement Method prior to the deadline set forth in the immediately preceding sentence, the Company shall no longer have the right to elect Cash Settlement or Combination Settlement for such conversion or during such period and the Company shall be deemed

to have elected Physical Settlement in respect of its Conversion Obligation (such settlement method shall be the “**Default Settlement Method**” initially elected by the Company). Such Settlement Notice shall specify the relevant Settlement Method and in the case of an election of Combination Settlement, the relevant Settlement Notice shall indicate the Specified Dollar Amount per US\$1,000 principal amount of Notes. If the Company delivers a Settlement Notice electing Combination Settlement in respect of its Conversion Obligation but does not indicate a Specified Dollar Amount per US\$1,000 principal amount of Notes in such Settlement Notice, the Specified Dollar Amount per US\$1,000 principal amount of Notes shall be deemed to be US\$1,000.

(iv) By written notice to the Holders, the Trustee and the Conversion Agent, the Company may, prior to the 96th Scheduled Trading Day before the Maturity Date, at its option, change the Default Settlement Method to any Settlement Method that the Company is then permitted to elect or irrevocably elect to satisfy its Conversion Obligation with respect to the Notes through any Settlement Method that the Company is then permitted to elect, including Combination Settlement with a Specified Dollar Amount per US\$1,000 principal amount of Notes of US\$1,000 or with an ability to continue to set the Specified Dollar Amount per US\$1,000 principal amount of Notes at or above a specific amount set forth in such election notice. If the Company changes the Default Settlement Method or the Company irrevocably elects to fix the Settlement Method, in either case, to Combination Settlement with an ability to continue to set the Specified Dollar Amount per US\$1,000 principal amount of Notes at or above a specific amount, the Company will, after the date of such change or election, as the case may be, inform Holders converting their Notes through the Trustee, the Conversion Agent in writing of such Specified Dollar Amount in respect of the relevant conversion or conversions no later than the relevant deadline for election of a specified Settlement Method as set forth in the immediately preceding paragraph, or, if the Company does not timely notify Holders, the Trustee, and the Conversion Agent of the Specified Dollar Amount, such Specified Dollar Amount will be the specific amount set forth in the change or election notice or, if no specific amount was set forth in the change or election notice, such Specified Dollar Amount will be US\$1,000 per US\$1,000 principal amount of Notes. A change in the Default Settlement Method or an irrevocable election shall apply for all conversions of Notes with Conversion Dates occurring subsequent to delivery of such notice; *provided* that no such change or election will affect any Settlement Method theretofore elected (or deemed to be elected) with respect to any Note. For the avoidance of doubt, such an irrevocable election, if made by the Company, will be effective without the need to amend this Indenture or the Notes, including pursuant to Section 10.01. However, the Company may nonetheless choose to execute such an amendment at its option. Concurrently with providing notice to all Holders, the Trustee and the Conversion Agent of an election to change the Default Settlement Method or irrevocably fix the Settlement Method, the Company shall either post the Default Settlement Method or fixed Settlement Method, as applicable, on the Company’s website or disclose the same in a current report on Form 6-K or press release announcing that the Company has elected to change the Default Settlement Method or irrevocably fix the Settlement Method, as the case may be.

(v) The cash, ADSs or a combination of cash and ADSs, as applicable, in respect of any conversion of Notes (the “**Settlement Amount**”) shall be computed as follows:

(A) if the Company elects to satisfy its Conversion Obligation in respect of such conversion by Physical Settlement, the Company shall deliver to the converting Holder in respect of each US\$1,000 principal amount of Notes being converted a number of ADSs equal to the Conversion Rate in effect immediately after the close of business on the relevant Conversion Date;

(B) if the Company elects to satisfy its Conversion Obligation in respect of such conversion by Cash Settlement, the Company shall pay to the converting Holder in respect of each US\$1,000 principal amount of Notes being converted cash in an amount equal to the sum of the Daily Conversion Values for each of the 90 consecutive Trading Days during the related Observation Period; and

(C) if the Company elects (or is deemed to have elected) to satisfy its Conversion Obligation in respect of such conversion by Combination Settlement, the Company shall pay or deliver, as the case may be, to the converting Holder in respect of each US\$1,000 principal amount of Notes being converted, a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 90 consecutive Trading Days during the related Observation Period.

(vi) The Daily Settlement Amounts (if applicable) and the Daily Conversion Values (if applicable) shall be determined by the Company promptly following the last day of the Observation Period. Promptly after such determination of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering any fractional ADS, the Company shall notify the Trustee and the Conversion Agent in writing of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering any fractional ADS. The Trustee and the Conversion Agent shall have no responsibility for any such determination.

(vii) The Holders may elect to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion by specifying in the relevant Notice of Conversion such election. If a Holder elects to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company shall register in the Hong Kong Share Register the Person or Persons designated in the Notice of Conversion as holder of such number of Class A Ordinary Shares equal to (i) the number of ADSs deliverable upon conversion as described above under the “Settlement Amounts” (without taking into account any fractional ADS) *multiplied by* (ii) the number of Class A Ordinary Shares then represented by one ADS as of the Conversion Date (in the case of Physical Settlement) or the last Trading Day of the relevant Observation Period (in the case of Combination Settlement). The Company shall make a share certificate or certificates representing such number of Class A Ordinary Shares available for collection at the office of the Hong Kong Share Registrar or, if so requested in the relevant Notice of

Conversion, cause the Hong Kong Share Registrar to mail (at the risk, and, if sent at the Holder's request otherwise than by ordinary mail, at the expense, of the Person to whom such certificate or certificates are sent) such certificate or certificates to the Person and at the place specified in the Notice of Conversion. Any Holder that wishes to deposit its Class A Ordinary Shares into CCASS for trading on the Hong Kong Stock Exchange is required to have a broker account in Hong Kong or otherwise have a CCASS participant account and make necessary arrangements with such Holder's broker (or arrange personally if such Holder has a CCASS participant account) for the transfer of the Class A Ordinary Shares to HKSCC for depositing into the relevant CCASS participant's stock account. The parties hereto acknowledge and understand that the Hong Kong Share Registrar will not accept any transfer of such Class A Ordinary Shares to the HKSCC for depositing into the relevant CCASS participant's stock account prior to the Resale Restriction Termination Date, and therefore, a Holder will not be able to trade such Class A Ordinary Shares on the Hong Kong Stock Exchange prior to the Resale Restriction Termination Date.

(viii) Any Class A Ordinary Shares deliverable in lieu of any ADSs will be, prior to the Resale Restriction Termination Date, subject to certain transfer restrictions as set forth in Section 2.05(d) and will not be able to be deposited into CCASS until such restrictions are removed. After removal of such restrictions on transfer and resale, any Class A Ordinary Shares deliverable upon conversion of the Notes, if any, will be fully fungible with the Class A Ordinary Shares listed on the Hong Kong Stock Exchange. The Company further covenants that it will obtain approval to list, subject to official notice of issuance upon conversion of the Notes, such Class A Ordinary Shares on the Hong Kong Stock Exchange and register in the Hong Kong Share Register in the Person or Persons designated in the Notice of Conversion as the holder of the Class A Ordinary Shares in order to facilitate their listing and trading on the Hong Kong Stock Exchange.

(b) Subject to Section 14.02(e), before any Holder of a Note shall be entitled to convert a Note as set forth above, such Holder shall (i) in the case of a Global Note, comply with the applicable procedures of the Depository in effect at that time and the procedures agreed by the Company and the ADS Depository with respect to any ADSs issued upon conversion of the Notes (including submission of a Notice of Conversion to the Company and the ADS Depository for any conversion prior to the Resale Restriction Termination Date), if applicable, and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 14.02(h), and/or all transfer or similar taxes as described herein and (ii) in the case of a Certificated Note (1) complete, manually sign and deliver a duly completed irrevocable notice to the Conversion Agent, the Company and the ADS Depository as set forth in the Form of Notice of Conversion (or a facsimile, PDF or other electronic transmission thereof) (a "**Notice of Conversion**") at the specified office of the Conversion Agent and state in writing therein the principal amount of Notes to be converted, including, if applicable, the Holder's election to receive Class A Ordinary Shares in lieu of any ADS deliverable upon conversion, and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any ADSs or Class A Ordinary Shares to be delivered upon settlement of the Conversion Obligation to be registered, (2) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the specified office of the Conversion Agent (3) if required, furnish appropriate

endorsements and transfer documents (4) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 14.02(h); and (5) if required, pay any transfer or similar taxes as set forth herein. The Conversion Agent shall notify the Company of any conversion pursuant to this Article 14 on the Conversion Date for such conversion. No Notice of Conversion with respect to any Notes may be delivered and no Notes may be surrendered by a Holder for conversion thereof if such Holder has also delivered a Repurchase Notice or Fundamental Change Repurchase Notice to the Company in respect of such Notes and has not validly withdrawn such Repurchase Notice or Fundamental Change Repurchase Notice in accordance with Section 15.03. A Notice of Conversion shall be deposited at the office of any Conversion Agent on any Business Day from 9:00 a.m. to 5:00 p.m. at the location of the Conversion Agent to which such Notice of Conversion is delivered. Any Notice of Conversion and any Certificated Note (if issued) deposited outside the hours specified or on a day that is not a Business Day at the location of the Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent between 9:00 a.m. and 5:00 p.m. on the next Business Day.

In connection with the conversion of the Notes, the converting Holder is deemed to acknowledge, represent to and agree with the Company and the ADS Depository that such Holder is not an “affiliate” (as defined in Rule 144 under the Securities Act) of the Company and has not been an “affiliate” (as defined in Rule 144 under the Securities Act) of the Company during the three months immediately preceding the Conversion Date.

If more than one Note shall be surrendered for conversion at one time by the same Holder, the Conversion Obligation with respect to such Notes shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered. None of the Trustee nor the Agents shall have any responsibility whatsoever with respect to the issuance and delivery of the ADSs to the converting Holder.

(c) A Note shall be deemed to have been converted immediately prior to the close of business on the date (the “**Conversion Date**”) that the Holder has complied with the requirements set forth in subsection (b) above. Except as set forth in Section 14.03(b) and Section 14.07(a), the Company shall pay or deliver, as the case may be, the consideration due in respect of the Conversion Obligation on the fourth Business Day immediately following the relevant Conversion Date, if the Company elects Physical Settlement, or on the fourth Business Day immediately following the last Trading Day of the relevant Observation Period, in the case of any other Settlement Method; provided that if such Conversion Date occurs (i) following the 96th Scheduled Trading Day before the Maturity Date, subject to clause (ii) below, the Company shall make such payment or delivery on the Maturity Date or (ii) after the Class A Ordinary Shares have been replaced by the Reference Property consisting solely of cash in accordance with Section 14.07), the Company shall pay or deliver the Conversion Obligation due in respect of conversion on the earlier of (i) the tenth Business Day immediately following the related Conversion Date and (ii) the Maturity Date. Notwithstanding the foregoing, if a Holder elects to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company shall deliver the Class A Ordinary Shares due in respect of conversion on the fifth Business Day immediately following the relevant Conversion Date (in the case of Physical Settlement) or on the fifth Business Day immediately following the last Trading Day of the relevant Observation Period (in the case of Combination Settlement). If any ADS are due to a converting Holder, the

Company shall issue and deliver (if applicable) (or cause the Conversion Agent to issue and deliver (if applicable)) to such Holder, or such Holder's nominee or nominees, the full number of ADSs to which such Holder shall be entitled, in book-entry format through the Depository, in satisfaction of the Company's Conversion Obligation.

(d) In case any Certificated Note shall be surrendered for partial conversion, the Company shall execute and instruct the Trustee who shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Note, without payment of any service charge by the converting Holder but, if required by the Company or Note Registrar, with payment of a sum sufficient to cover any documentary, stamp, issue, transfer tax or other similar governmental charge required by law or that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such conversion being different from the name of the Holder of the old Notes surrendered for such conversion.

(e) If a Holder submits a Note for conversion, the Company shall pay any documentary, stamp, issue, transfer tax or other similar governmental charge due on the delivery of the ADSs upon conversion of the Notes (or the issuance of the Class A Ordinary Shares underlying, or in lieu of, such ADSs), unless the tax is due because the Holder requests such ADSs (or the Class A Ordinary Shares) to be issued in a name other than the Holder's name, in which case the Holder shall pay that tax. The Company shall pay the ADS Depository's fees for issuance of the ADSs. The Company shall also pay all other expenses arising from the issue and listing of the Class A Ordinary Shares to be delivered in lieu of ADSs upon conversion the offering of the Notes and all the charges of the Hong Kong Share Registrar in connection with the offering of the Notes.

(f) Except as provided in Section 14.04, no adjustment shall be made for dividends on any ADSs delivered upon the conversion of any Note as provided in this Article 14.

(g) Upon the conversion of an interest in a Global Note, the Trustee, or the Custodian at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any conversion of Notes effected through the Conversion Agent.

(h) Upon conversion, a Holder shall not receive any separate cash payment for accrued and unpaid interest, if any, except as set forth below. The Company's settlement of the Conversion Obligation shall be deemed to satisfy in full its obligation to pay the principal amount of the Note and accrued and unpaid interest, if any, to, but not including, the relevant Conversion Date. As a result, accrued and unpaid interest, if any, to, but not including, the relevant Conversion Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Upon a conversion of Notes into a combination of cash and ADSs (or Class A Ordinary Shares in lieu thereof), accrued and unpaid interest will be deemed to be paid first out of the cash paid upon such conversion. Notwithstanding the foregoing, if Notes are converted after the close of business on a Regular Record Date and prior to the open of business on the corresponding Interest Payment Date, Holders of such Notes at the close of business on such Regular Record Date will receive the full amount of interest payable on such Notes on the

corresponding Interest Payment Date notwithstanding the conversion. Notes surrendered for conversion during the period from the close of business on any Regular Record Date to the open of business on the immediately following Interest Payment Date must be accompanied by an amount in U.S. dollars equal to the amount of interest payable on the Notes so converted; *provided* that no such payment shall be required (1) for conversions following the close of business on the Regular Record Date immediately preceding the Maturity Date; (2) if the Company has specified a Redemption Date that is after a Regular Record Date and on or prior to the third Business Day immediately succeeding the corresponding Interest Payment Date; (3) if the Company has specified a Fundamental Change Repurchase Date that is after a Regular Record Date and on or prior to the third Business Day immediately succeeding the corresponding Interest Payment Date; or (4) to the extent of any Defaulted Amounts, if any Defaulted Amounts exist at the time of conversion with respect to such Note. Therefore, for the avoidance of doubt, all Holders as of close of business on the Regular Record Date immediately preceding the Maturity Date, any Fundamental Change Repurchase Date or Redemption Date, in each case, shall receive the full amount of interest payable on the Maturity Date or other applicable Interest Payment Date in cash, regardless of whether their Notes have been converted following such Regular Record Date.

(i) The Person in whose name any ADSs (or Class A Ordinary Shares in lieu thereof) delivered upon conversion shall be entitled to participate in any distribution or other transaction relating to the ADSs (or Class A Ordinary Shares) as though such Person were the holder of record of such ADSs (or Class A Ordinary Shares) as of the close of business on the relevant Conversion Date; *provided, however*, that the Company shall endeavor to treat such Person as holder of record of such ADSs (or Class A Ordinary Shares) for purposes of dividends and distributions in respect of such ADSs (or Class A Ordinary Shares) as of the Conversion Date (if the Company elects to satisfy the related Conversion Obligation by Physical Settlement) or the last Trading Day of the relevant Observation Period (if the Company elects to satisfy the related Conversion Obligation by Combination Settlement). Upon a conversion of Notes, such Person shall no longer be a Holder of such Notes surrendered for conversion.

(j) Regardless of whether a Holder elects to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion, the Company shall not issue any fractional ADS upon conversion of the Notes and shall instead pay cash in lieu of delivering any fractional ADS issuable upon conversion based on the Daily VWAP for the relevant Conversion Date (in the case of Physical Settlement) or based on the Daily VWAP for the last Trading Day of the relevant Observation Period (in the case of Combination Settlement). For each Note surrendered for conversion, if the Company has elected (or is deemed to have elected) Combination Settlement, the full number of ADSs that shall be issued upon conversion thereof shall be computed on the basis of the aggregate Daily Settlement Amounts for the relevant Observation Period and any fractional ADS remaining after such computation shall be paid in cash. The Company shall determine the number of fractional ADSs for which cash will be delivered by aggregating all of the Notes that a Holder have surrendered for conversion, rather than by delivering cash in lieu of fractional ADSs for each individual Note.

(k) In accordance with the Deposit Agreement or the Restricted Deposit Agreement, as applicable, the Company shall issue to the ADS Custodian such Class A Ordinary Shares required for the issuance of the ADSs upon conversion of the Notes, *plus* written delivery

instructions (if requested by the ADS Depository or the ADS Custodian) for such ADSs, shall deliver such legal opinions and any other information or documentation and shall comply with the Deposit Agreement and the Restricted Deposit Agreement (as the case may be), in each case, as required by the ADS Depository or the ADS Custodian in connection with each issue of Class A Ordinary Shares and issuance and delivery of ADSs.

Section 14.03. *Increased Conversion Rate Applicable to Certain Notes Surrendered in Connection with Make-Whole Fundamental Changes.*

(a) If a Make-Whole Fundamental Change occurs prior to the Maturity Date and a Holder elects to convert its Notes in connection with such Make-Whole Fundamental Change, the Company shall, under the circumstances described below, increase the Conversion Rate for the Notes so surrendered for conversion by a number of additional ADSs (the “**Additional ADSs**”), as described below. A conversion of Notes shall be deemed for these purposes to be “in connection with” such Make-Whole Fundamental Change if the relevant Notice of Conversion is received by the Conversion Agent from, and including, the Effective Date of the Make-Whole Fundamental Change up to, and including, the second Business Day immediately prior to the related Fundamental Change Repurchase Date (or, in the case of a Make-Whole Fundamental Change that would have been a Fundamental Change but for the *proviso* in clause (b) of the definition thereof, the 35th Trading Day immediately following the Effective Date of such Make-Whole Fundamental Change). The Company shall provide written notification to Holders and the Trustee (and the Conversion Agent) of the Effective Date of any Make-Whole Fundamental Change and issue a press release announcing such Effective Date no later than five Business Days after such Effective Date.

(b) Upon surrender of Notes for conversion in connection with a Make-Whole Fundamental Change, the Company shall, at its option, satisfy its Conversion Obligation by Physical Settlement, Cash Settlement or Combination Settlement, in accordance with Section 14.02; *provided, however*, that if, at the effective time of a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the Reference Property following such Make-Whole Fundamental Change is composed entirely of cash, for any conversion of Notes following the Effective Date of such Make-Whole Fundamental Change, the Conversion Obligation shall be calculated based solely on the ADS Price for the transaction and shall be deemed to be an amount of cash per US\$1,000 principal amount of converted Notes equal to the Conversion Rate (including any adjustment for Additional ADSs), *multiplied by* such ADS Price. In such event, the Conversion Obligation will be determined and paid to Holders in cash on the third Business Day following the Conversion Date.

(c) The number of Additional ADSs, if any, by which the Conversion Rate shall be increased shall be determined by reference to the table below, based on the date on which the Make-Whole Fundamental Change occurs or becomes effective (the “**Effective Date**”) and the price (the “**ADS Price**”) paid (or deemed to be paid) per ADS in the Make-Whole Fundamental Change. If the holders of the ADSs receive in exchange for their ADSs only cash in a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the ADS Price shall be the cash amount paid per ADS. Otherwise, the ADS Price shall be the average of the Last Reported Sale Prices of the ADSs over the five Trading Day period ending

on, and including, the Trading Day immediately preceding the Effective Date of the Make-Whole Fundamental Change.

(d) The ADS Prices set forth in the column headings of the table below shall be adjusted as of any date on which the Conversion Rate of the Notes is otherwise adjusted. The adjusted ADS Prices shall equal the ADS Prices applicable immediately prior to such adjustment, *multiplied by* a fraction, the numerator of which is the Conversion Rate immediately prior to such adjustment giving rise to the ADS Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional ADSs set forth in the table below shall be adjusted in the same manner and at the same time as the Conversion Rate as set forth in Section 14.04.

(e) The following table sets forth the number of Additional ADSs to be received per US\$1,000 principal amount of Notes pursuant to this Section 14.03 for each ADS Price and Effective Date set forth below:

Effective Date	ADS Price											
	US\$10.19	US\$12.50	US\$13.76	US\$15.00	US\$17.50	US\$20.00	US\$25.00	US\$30.00	US\$40.00	US\$50.00	US\$75.00	US\$100.00
December 4, 2023	25.4426	16.6088	13.4833	11.1407	7.8691	5.7935	3.4480	2.2403	1.0983	0.5890	0.1131	0.0000
December 1, 2024	25.4426	16.6088	13.4368	10.9467	7.5423	5.4415	3.1488	2.0130	0.9740	0.5210	0.0993	0.0000
December 1, 2025	25.4426	16.3368	12.7936	10.2320	6.8326	4.8115	2.6948	1.6927	0.8085	0.4306	0.0784	0.0000
December 1, 2026	25.4426	15.2696	11.6475	9.1167	5.8777	4.0260	2.1692	1.3360	0.6330	0.3370	0.0569	0.0000
December 1, 2027	25.4426	13.4480	10.1548	7.8140	4.8194	3.1595	1.6044	0.9677	0.4615	0.2478	0.0377	0.0000
December 1, 2028	25.4426	12.3512	8.8205	6.4153	3.5560	2.1430	1.0028	0.6033	0.3010	0.1648	0.0204	0.0000
December 1, 2029	25.4426	10.5680	6.6628	4.2500	1.8571	0.9625	0.4296	0.2770	0.1510	0.0844	0.0063	0.0000
December 1, 2030	25.4426	7.3072	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact ADS Prices and Effective Dates may not be set forth in the table above, in which case:

(i) if the ADS Price is between two ADS Prices in the table above or the Effective Date is between two Effective Dates in the table, the number of Additional ADSs shall be determined by a straight-line interpolation between the number of Additional ADSs set forth for the higher and lower ADS Prices and the earlier and later Effective Dates, as applicable, based on a 365-day year;

(ii) if the ADS Price is greater than US\$100.00 per ADS (subject to adjustment in the same manner as the ADS Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional ADSs shall be added to the Conversion Rate; and

(iii) if the ADS Price is less than US\$10.19 per ADS (subject to adjustment in the same manner as the ADS Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional ADSs shall be added to the Conversion Rate.

Notwithstanding the foregoing, in no event shall the Conversion Rate per US\$1,000 principal amount of Notes exceed 98.1355 ADSs, subject to adjustment in the same manner as the Conversion Rate pursuant to Section 14.04.

(f) Nothing in this Section 14.03 shall prevent an adjustment to the Conversion Rate pursuant to Section 14.04.

(g) If the Holder elects to convert its Notes in connection with a Cleanup Redemption or a Tax Redemption pursuant to Article 16, the Conversion Rate shall be increased by a number of Additional ADSs determined pursuant to this Section 14.03(g). The Company shall settle conversions of Notes as described in Section 14.02 and, for the avoidance of doubt, pay Additional Amounts, if any, with respect to any such conversion.

A conversion shall be deemed to be “in connection with” a Cleanup Redemption or a Tax Redemption if the relevant Notice of Conversion is received by the Conversion Agent during the relevant Redemption Period. In the event that a conversion of the Notes called for redemption in connection with a Cleanup Redemption or a Tax Redemption pursuant to Article 16 would also be deemed to be in connection with a Make-Whole Fundamental Change, a Holder of the Notes to be converted shall be entitled to a single increase to the Conversion Rate with respect to the first to occur of the applicable Redemption Notice or the Effective Date of the applicable Make-Whole Fundamental Change, and the later event shall be deemed not to have occurred for purposes of this Section 14.03(g) and the adjustments described under Section 14.03(a).

The number of Additional ADSs by which the Conversion Rate will be increased in the event of conversion of Notes called for redemption in connection with a Cleanup Redemption or a Tax Redemption pursuant to Article 16 will be determined by reference to the table in clause (e) above based on the Redemption Reference Date and the Redemption Reference Price (each as defined below), but determined for purposes of this Section 14.03(g) as if (x) the Holder had elected to convert its Notes in connection with a Make-Whole Fundamental Change, (y) the applicable “Redemption Reference Date” were the “Effective Date” as specified in clause (c) above and (z) the applicable “Redemption Reference Price” were the “ADS Price” as specified in clause (c) above (and subject, for the avoidance of doubt, to the two paragraphs immediately following such table). For this purpose, the date on which the Company delivers a Redemption Notice is the “**Redemption Reference Date**” and the average of the Last Reported Sale Prices of the ADSs over the five Trading Day period immediately preceding the date the Company delivers such Redemption Notice is the “**Redemption Reference Price.**”

Section 14.04. *Adjustment of Conversion Rate.* If the number of Class A Ordinary Shares represented by the ADSs is changed, after the date of this Indenture, for any reason other than one or more of the events described in this Section 14.04, the Company shall make an appropriate adjustment to the Conversion Rate such that the number of Class A Ordinary Shares represented by the ADSs upon which conversion of the Notes is based remains the same.

Notwithstanding the adjustment provisions described in this Section 14.04, if the Company distributes to holders of the Class A Ordinary Shares any cash, rights, options, warrants, shares of Capital Stock or similar equity interest, evidences of Indebtedness or other assets or property of the Company (but excluding Expiring Rights) and a corresponding distribution is not made to holders of the ADSs, but, instead, the ADSs shall represent, in addition to Class A Ordinary Shares, such cash, rights, options, warrants, shares of Capital Stock or similar equity interest, evidences of Indebtedness or other assets or property of the Company, then an adjustment to the Conversion Rate described in this Section 14.04 shall not be made until and unless a corresponding distribution (if any) is made to holders of the ADSs, and such adjustment to the Conversion Rate shall be based on the distribution made to the holders of the ADSs and not on the distribution made to the holders of the Class A Ordinary Shares. However,

in the event that the Company issues or distributes to all holders of the Class A Ordinary Shares any Expiring Rights, notwithstanding the immediately preceding sentence, the Company shall adjust the Conversion Rate pursuant to Section 14.04(b) (in the case of Expiring Rights entitling holders of the Class A Ordinary Shares for a period of not more than 45 calendar days after the announcement date of such issuance to subscribe for or purchase Class A Ordinary Shares or ADSs) or Section 14.04(c) (in the case of all other Expiring Rights).

For the avoidance of doubt, if any event described in this Section 14.04 results in a change to the number of Class A Ordinary Shares represented by the ADSs, then such a change shall be deemed to satisfy the Company's obligation to effect the relevant adjustment to the Conversion Rate on account of such an event to the extent such change reflects what a corresponding change to the Conversion Rate would have been on account of such event.

The Conversion Rate shall be adjusted from time to time by the Company if any of the following events occurs, except that the Company shall not make any adjustments to the Conversion Rate if Holders of the Notes participate (other than in the case of (x) a share split or share combination or (y) a tender or exchange offer), at the same time and upon the same terms as holders of the ADSs and solely as a result of holding the Notes, in any of the transactions described in this Section 14.04, without having to convert their Notes, as if they held a number of ADSs equal to the Conversion Rate, *multiplied by* the principal amount (expressed in thousands) of Notes held by such Holder. Neither the Trustee nor the Agents shall have any responsibility to monitor the accuracy of any calculation of any adjustment to the Conversion Rate and the same shall be conclusive and binding on the Holders, absent manifest error. Notice of such adjustment to the Conversion Rate shall be given by the Company promptly in writing to the Holders, the Trustee and the Paying Agent and Conversion Agent and shall be conclusive and binding on the Holders, absent manifest error.

(a) If the Company exclusively issues Class A Ordinary Shares as a dividend or distribution on the Class A Ordinary Shares, or if the Company effects a share split or share combination, the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

- CR₀ = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date of such dividend or distribution, or immediately prior to the open of business on the Effective Date of such share split or share combination, as applicable;
- CR₁ = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date or Effective Date, as applicable;
- OS₀ = the number of Class A Ordinary Shares outstanding immediately prior to the open of business on such Ex-Dividend Date or Effective Date, as applicable (before giving effect to any such dividend, distribution, split or combination); and

OS₁ = the number of Class A Ordinary Shares outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this Section 14.04(a) shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such dividend or distribution, or immediately after the open of business on the Effective Date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this Section 14.04(a) is declared but not so paid or made, the Conversion Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Company issues to all or substantially all holders of the Class A Ordinary Shares (directly or in the form of ADSs) any rights (other than in connection with a stockholders rights plan), options or warrants entitling them, for a period of not more than 45 calendar days after the announcement date of such issuance, to subscribe for or purchase Class A Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than the average of the Last Reported Sale Prices of the Class A Ordinary Shares or the ADSs, as the case may be (*divided by*, in the case of the ADSs, the number of Class A Ordinary Shares then represented by one ADS), for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

- CR₀ = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such issuance;
- CR₁ = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date;
- OS₀ = the number of Class A Ordinary Shares outstanding immediately prior to the open of business on such Ex-Dividend Date;
- X = the total number of Class A Ordinary Shares (directly or in the form of ADSs) deliverable pursuant to such rights, options or warrants; and
- Y = the number of Class A Ordinary Shares equal to (i) the aggregate price payable to exercise such rights, options or warrants, *divided by* (ii) the quotient of (a) the average of the Last Reported Sale Prices of the ADSs over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants *divided by* (b) the number of Class A Ordinary Shares then represented by one ADS.

Any increase made under this Section 14.04(b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the open of business on the Ex-Dividend Date for the ADSs for such issuance. To the extent that Class A Ordinary Shares or ADSs are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of Class A Ordinary Shares actually delivered (directly or in the form of ADSs). To the extent such rights, options or warrants are not so issued, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the issuance, if any, actually made.

For purposes of this Section 14.04(b), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase Class A Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than such average of the Last Reported Sale Prices of the Class A Ordinary Shares or the ADSs, as the case may be (*divided by*, in the case of the ADSs, the number of Class A Ordinary Shares then represented by one ADS), for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such Class A Ordinary Shares or ADSs, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) If the Company distributes shares of its Capital Stock, evidences of its Indebtedness, other assets or property of the Company or rights, options or warrants to acquire its Capital Stock or other securities, to all or substantially all holders of the Class A Ordinary Shares (directly or in the form of ADSs), excluding (i) dividends, distributions or issuances as to which an adjustment was effected pursuant to Section 14.04(a) or Section 14.04(b), (ii) dividends or distributions paid exclusively in cash as to which an adjustment was effected pursuant to Section 14.04(d), and (iii) Spin-Offs as to which the provisions set forth below in this Section 14.04(c) shall apply (any of such shares of Capital Stock, evidences of Indebtedness, other assets or property or rights, options or warrants to acquire Capital Stock or other securities of the Company, the “**Distributed Property**”), then the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR₀ = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such distribution;

CR₁ = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date;

SP_0 = the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Class A Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and

FMV = the fair market value (as determined by the Board of Directors) of the Distributed Property with respect to each outstanding Ordinary Share (directly or in the form of ADSs) on the Ex-Dividend Date for the ADSs for such distribution.

Any increase made under the foregoing portion of this Section 14.04(c) above shall become effective immediately after the open of business on the Ex-Dividend Date for such distribution. If such distribution is not so paid or made at all or in full, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only such amount of such distribution, if any, actually paid or made. Notwithstanding the foregoing, if “**FMV**” (as defined above) is equal to or greater than “**SP₀**” (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of each US\$1,000 principal amount thereof, at the same time and upon the same terms as holders of the ADSs receive the Distributed Property, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of ADSs equal to the Conversion Rate in effect on the Record Date for the ADSs for the distribution.

With respect to an adjustment pursuant to this Section 14.04(c) where there has been a payment of a dividend or other distribution on the Class A Ordinary Shares (directly or in the form of ADSs) of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit of the Company, that are, or, when issued, will be, listed or admitted for trading on a U.S. national securities exchange (a “**Spin-Off**”), the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the end of the Valuation Period;

CR_1 = the Conversion Rate in effect immediately after the end of the Valuation Period;

the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of the Class A Ordinary Shares (directly or in the form of ADSs) applicable to one Ordinary Share (determined by reference to the definition of Last Reported Sale Price as set forth in Section 1.01 as if references therein to the ADSs were to such Capital Stock or similar equity interest) over the first 10 consecutive Trading Day period after, and including, the Ex-Dividend Date of the Spin-Off

FMV_0 = (the “**Valuation Period**”); and

the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Class A Ordinary Shares then represented by one ADS) over the Valuation Period.

MP_0 =

The increase to the Conversion Rate under the preceding paragraph shall occur immediately after the close of business on the last Trading Day of the Valuation Period; *provided* that (x) in respect of any conversion of Notes for which Physical Settlement is applicable, if the relevant Conversion Date occurs during the Valuation Period, the reference in the portion of this Section 14.04(c) related to Spin-Offs to 10 consecutive Trading Days shall be deemed to be replaced with such lesser number of Trading Days as have elapsed from, and including, the Ex-Dividend Date of such Spin-Off to, and including, the Conversion Date in determining the Conversion Rate and (y) in respect of any conversion of Notes for which Cash Settlement or Combination Settlement is applicable, for any Trading Day that falls within the relevant Observation Period for such conversion and within the Valuation Period, the reference in this Section 14.04(c) with respect to 10 consecutive Trading Days shall be deemed to be replaced with such lesser number of Trading Days as have elapsed from, and including, the Ex-Dividend Date of such Spin-Off to, and including, such Trading Day in determining the Conversion Rate as of such Trading Day. If the dividend or other distribution constituting the Spin-Off is not so paid or made, the Conversion Rate shall be decreased, effective as of the date the Board of Directors or a committee thereof determines not to make or pay such dividend or other distribution, to the Conversion Rate that would be in effect if such distribution had not been declared.

For purposes of this Section 14.04(c) (and subject in all respect to Section 14.11, rights, options or warrants distributed by the Company to all holders of the Class A Ordinary Shares (directly or in the form of ADSs) entitling them to subscribe for or purchase shares of the Company's Capital Stock, including Class A Ordinary Shares (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such Class A Ordinary Shares (directly or in the form of ADSs); (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Class A Ordinary Shares (directly or in the form of ADSs), shall be deemed not to have been distributed for purposes of this Section 14.04(c) (and no adjustment to the Conversion Rate under this Section 14.04(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 14.04(c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of Indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Rate under this Section 14.04(c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Conversion Rate shall be readjusted as if such rights, options or warrants had not been issued and (y) the Conversion Rate shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per Ordinary Share redemption or

purchase price received by a holder or holders of Class A Ordinary Shares (directly or in the form of ADSs) with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Class A Ordinary Shares (directly or in the form of ADSs) as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Rate shall be readjusted as if such rights, options and warrants had not been issued.

For purposes of Section 14.04(a), Section 14.04(b) and this Section 14.04(c), if any dividend or distribution to which this Section 14.04(c) is applicable also includes one or both of:

(A) a dividend or distribution of Class A Ordinary Shares (directly or in the form of ADSs) to which Section 14.04(a) is applicable (the “**Clause A Distribution**”); or

(B) a dividend or distribution of rights, options or warrants to which Section 14.04(b) is applicable (the “**Clause B Distribution**”),

then (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this Section 14.04(c) is applicable (the “**Clause C Distribution**”) and any Conversion Rate adjustment required by this Section 14.04(c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Conversion Rate adjustment required by Section 14.04(a) and Section 14.04(b) with respect thereto shall then be made, except that, if determined by the Company (I) the “Ex-Dividend Date” of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Ex-Dividend Date of the Clause C Distribution and (II) any Class A Ordinary Shares (directly or in the form of ADSs) included in the Clause A Distribution or Clause B Distribution shall be deemed not to be “outstanding immediately prior to the open of business on such Ex-Dividend Date or Effective Date” within the meaning of Section 14.04(a) or “outstanding immediately prior to the open of business on such Ex-Dividend Date” within the meaning of Section 14.04(b).

(d) If any cash dividend or distribution is made to all or substantially all holders of the Class A Ordinary Shares (directly or in the form of ADSs), the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for the ADSs for such dividend or distribution;

CR_1 = the Conversion Rate in effect immediately after the open of business on such Ex-Dividend Date;

- SP₀ = the Last Reported Sale Price of the ADSs (*divided by* the number of Class A Ordinary Shares then represented by one ADS) on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and
- C = the amount in cash per Ordinary Share the Company distributes to all or substantially all holders of the Class A Ordinary Shares (directly or in the form of ADSs) (for the avoidance of doubt, without giving effect to any applicable fees and expenses payable to, or withheld by, the ADS Depository with respect to such distribution).

Any increase pursuant to this Section 14.04(d) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution. If such dividend or distribution is not so paid, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to make or pay such dividend or distribution, to be the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

Notwithstanding the foregoing, if “C” (as defined above) is equal to or greater than “SP₀” (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, for each US\$1,000 principal amount of Notes, at the same time and upon the same terms as holders of the ADSs, the amount of cash that such Holder would have received if such Holder owned a number of ADSs equal to the Conversion Rate on the Record Date for the ADSs for such cash dividend or distribution.

(e) If the Company or any of its Subsidiaries or Consolidated Affiliated Entities makes a payment in respect of a tender or exchange offer for the Class A Ordinary Shares (directly or in the form of ADSs), to the extent that the cash and value of any other consideration included in the payment per Ordinary Share exceeds the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Class A Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{AC + (SP_1 \times OS_1)}{OS_0 \times SP_1}$$

where,

- CR₀ = the Conversion Rate in effect immediately prior to the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;
- CR₁ = the Conversion Rate in effect immediately after the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

- AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for Class A Ordinary Shares or ADSs, as the case may be, purchased in such tender or exchange offer;
- OS₀ = the number of Class A Ordinary Shares outstanding immediately prior to the date such tender or exchange offer expires (prior to giving effect to the purchase of all Class A Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer);
- OS₁ = the number of Class A Ordinary Shares outstanding immediately after the date such tender or exchange offer expires (after giving effect to the purchase of all Class A Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer); and
- SP₁ = the average of the Last Reported Sale Prices of the ADSs (*divided by* the number of Class A Ordinary Shares then represented by one ADS) over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires.

The increase to the Conversion Rate under this Section 14.04(e) shall occur immediately after the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires; *provided* that (x) in respect of any conversion of Notes for which Physical Settlement is applicable, if the relevant Conversion Date occurs during the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references in this Section 14.04(e) with respect to 10th Trading Day or 10 consecutive Trading Days shall be deemed replaced with such lesser number of Trading Days as have elapsed from, and including, the Trading Day next succeeding the expiration date of such tender or exchange offer to, and including, the Conversion Date in determining the Conversion Rate and (y) in respect of any conversion of Notes for which Cash Settlement or Combination Settlement is applicable, for any Trading Day that falls within the relevant Observation Period for such conversion and within the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references in this Section 14.04(e) with respect to 10th Trading Day or 10 consecutive Trading Days shall be deemed replaced with such lesser number of Trading Days as have elapsed from, and including, the Trading Day next succeeding the expiration date of such tender or exchange offer to, and including, such Trading Day in determining the Conversion Rate as of such Trading Day.

To the extent such tender or exchange offer is announced but not consummated (including as a result of being precluded from consummating such tender or exchange offer under applicable law), or any purchases or exchanges of the Class A Ordinary Shares (directly or in the form of ADSs) in such tender or exchange offer are rescinded, the Conversion Rate will be readjusted to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the purchases or exchanges of the Class A Ordinary Shares (directly or in the form of ADSs), if any, actually made, and not rescinded, in such tender or exchange offer.

(f) Notwithstanding foregoing, if a Conversion Rate adjustment becomes effective on any Ex-Dividend Date as described above, and a Holder that has converted its Notes on or after such Ex-Dividend Date and on or prior to the related Record Date would be treated as the record holder of ADSs (or Class A Ordinary Shares if such Holder elects to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion) as of the related Conversion Date as described under Section 14.02(i) based on an adjusted Conversion Rate for such Ex-Dividend Date, then, notwithstanding the Conversion Rate adjustment provisions in this Section 14.04, the Conversion Rate adjustment relating to such Ex-Dividend Date shall not be made for such converting Holder. Instead, such Holder shall be treated as if such Holder were the record owner of the ADSs (or Class A Ordinary Shares if such Holder elects to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion) on an unadjusted basis and participate in the related dividend, distribution or other event giving rise to such adjustment.

(g) Except as stated herein, the Company shall not adjust the Conversion Rate for the issuance of Class A Ordinary Shares or ADSs or any securities convertible into or exchangeable for Class A Ordinary Shares or ADSs or the right to purchase Class A Ordinary Shares or ADSs or such convertible or exchangeable securities.

(h) In addition to those adjustments required by clauses (a), (b), (c), (d) and (e) of this Section 14.04, and to the extent permitted by applicable law and subject to the applicable rules of The Nasdaq Global Select Market and any other securities exchange on which any of the Company's securities are then listed, the Company from time to time may increase the Conversion Rate by any amount for a period of at least 20 Business Days if the Board of Directors determines that such increase would be in the Company's best interest, and the Company may (but is not required to) increase the Conversion Rate to avoid or diminish any income tax to holders of the Class A Ordinary Shares or the ADSs or rights to purchase Class A Ordinary Shares or ADSs in connection with a dividend or distribution of Class A Ordinary Shares or ADSs (or rights to acquire Class A Ordinary Shares or ADSs) or similar event.

(i) Notwithstanding anything to the contrary in this Article 14, the Conversion Rate shall not be adjusted:

(i) upon the issuance of any Class A Ordinary Shares or ADSs pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in Class A Ordinary Shares or ADSs under any plan;

(ii) upon the issuance of any Class A Ordinary Shares or ADSs or options or rights to purchase those Class A Ordinary Shares or ADSs pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of the Company's Subsidiaries or Consolidated Affiliated Entities;

(iii) upon the issuance of any Class A Ordinary Shares or ADSs pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in clause (ii) of this subsection and outstanding as of the date the Notes were first issued;

(iv) upon the issuance of any Class A Ordinary Shares or ADSs not described in clause (iii) that is not expressly covered by a transaction described in Section 14.04 regardless of the price at which such Class A Ordinary Shares or ADSs are issued;

(v) upon the repurchase of any Class A Ordinary Shares or ADSs pursuant to an open market share purchase program or other buy-back transaction, including derivative transactions or other buy-back transaction, that is not a tender offer or exchange offer of the kind described under Section 14.04(e) above;

(vi) solely for a change in the par value of the Class A Ordinary Shares; or

(vii) for accrued and unpaid interest, if any.

Notwithstanding anything to the contrary in this Article 14, the Company shall not be required to adjust the Conversion Rate unless such adjustment would require an increase or decrease of at least one percent; *provided, however*, that any such minor adjustments that are not required to be made will be carried forward and taken into account in any subsequent adjustment, and *provided, further*, that any such adjustment of less than one percent that has not been made shall be made upon the occurrence of (i) the Effective Date for any Fundamental Change or Make-Whole Fundamental Change, (ii) in the case of any Note to which Physical Settlement applies, the relevant Conversion Date, and in the case of any Note to which Cash Settlement or Combination Settlement applies, each Trading Day of the applicable Observation Period and (iii) every one year anniversary of the first date of original issuance of the Notes. In addition, the Company shall not account for such deferrals when determining what number of ADSs (or Class A Ordinary Shares) a Holder would have held on a given day had it converted its Notes.

(j) All calculations and other determinations under this Article 14 shall be made by the Company and shall be made to the nearest one-ten thousandth (1/10,000th) of an ADS.

(k) Whenever the Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee (and the Conversion Agent) an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until the Conversion Agent shall have received such Officers' Certificate, the Conversion Agent shall not be deemed to have knowledge of any adjustment of the Conversion Rate and may assume without inquiry that the last Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to each Holder at its last address appearing on the Note Register of this Indenture. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(l) For purposes of this Section 14.04, the number of Class A Ordinary Shares at any time outstanding shall not include Class A Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs) so long as the Company does not pay any dividend or make any distribution on Class A Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs), but shall include Class A Ordinary Shares issuable in respect of scrip

certificates issued in lieu of fractions of Class A Ordinary Shares. The Company will not pay any dividend or make any issuance or distribution on Class A Ordinary Shares held in the treasury of the Company.

Section 14.05. *Adjustments of Prices.* Whenever any provision of this Indenture requires the Company to calculate the Last Reported Sale Prices, the Daily VWAPs, the Daily Conversion Values, the Daily Settlement Amounts or the ADS Price for purposes of a Make-Whole Fundamental Change or the Redemption Reference Price for purposes of a Cleanup Redemption or a Tax Redemption pursuant to Article 16 over a span of multiple days, the Board of Directors shall make appropriate adjustments in good faith to each to account for any adjustment to the Conversion Rate that becomes effective pursuant to Section 14.04, or any event requiring an adjustment to the Conversion Rate pursuant to Section 14.04 where the Record Date, Ex-Dividend Date, Effective Date or expiration date, as the case may be, of the event occurs, at any time during the period when such Last Reported Sale Prices, Daily VWAPs, Daily Conversion Values, or Daily Settlement Amounts or such ADS Prices or Redemption Reference Price are to be calculated.

Section 14.06. *Class A Ordinary Shares to Be Fully Paid.* The Company shall provide, free from preemptive rights, out of its authorized but unissued Class A Ordinary Shares held in treasury, a sufficient number of Class A Ordinary Shares that corresponds to the number of ADSs due upon conversion of the Notes from time to time as such Notes are presented for conversion (assuming that at the time of computation of such number of Class A Ordinary Shares, all such Notes would be converted by a single Holder and that Physical Settlement were applicable).

Section 14.07. *Effect of Recapitalizations, Reclassifications and Changes of the Class A Ordinary Shares.*
(a) In the case of:

- (i) any recapitalization, reclassification or change of the ADSs or the Class A Ordinary Shares (other than changes resulting from a subdivision or combination),
- (ii) any consolidation, merger, combination or similar transaction involving the Company,
- (iii) any sale, lease or other transfer to a third party of the consolidated assets of the Company and the Company's Subsidiaries and Consolidated Affiliated Entities substantially as an entirety or
- (iv) any statutory share exchange,

in each case, as a result of which the ADSs or the Class A Ordinary Shares would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof) (any such event, a "**Merger Event**"), then, prior to or at the effective time of such Merger Event, the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee and the Agents a supplemental indenture permitted under Section 10.01(f) providing that, at and after the effective time of such Merger Event, the right to convert each US\$1,000 principal amount of Notes shall be changed into a right to convert such principal amount of Notes into the kind and amount of shares of stock, other securities or other property or

assets (including cash or any combination thereof) that a holder of a number of ADSs equal to the Conversion Rate immediately prior to such Merger Event would have owned or been entitled to receive (the “**Reference Property**,” with each “**unit of Reference Property**” meaning the kind and amount of Reference Property that a holder of one ADS would be entitled to receive) upon such Merger Event; *provided, however*, that at and after the effective time of the Merger Event (i) the Company shall continue to have the right to determine the form of consideration to be paid or delivered, as the case may be, upon conversion of Notes in accordance with Section 14.02 and (ii)(x) any amount payable in cash upon conversion of the Notes in accordance with Section 14.02 shall continue to be payable in cash, (y) any ADSs (or Class A Ordinary Shares in lieu thereof) that the Company would have been required to deliver upon conversion of the Notes in accordance with Section 14.02 shall instead be deliverable in the amount and type of Reference Property that a holder of that number of ADSs would have been entitled to receive in such Merger Event and (z) the Daily VWAP shall be calculated based on the value of a unit of Reference Property that a holder of one ADS would have received in such Merger Event.

If the Merger Event causes the ADSs or the Class A Ordinary Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of holder election), then (i) the Reference Property into which the Notes will be convertible shall be deemed to be the weighted average of the types and amounts of consideration actually received by the holders of the ADSs and (ii) the unit of Reference Property for purposes of the immediately preceding paragraph shall refer to the consideration referred to in clause (i) attributable to one ADS. If the holders of the ADSs or Class A Ordinary Shares receive only cash in such Merger Event, then for all conversions for which the relevant Conversion Date occurs after the effective date of such Merger Event (A) the consideration due upon conversion of each US\$1,000 principal amount of Notes shall be solely cash in an amount equal to the Conversion Rate in effect on the Conversion Date (as may be increased by any Additional ADSs pursuant to Section 14.03), *multiplied by* the price paid per ADS or Ordinary Share, as applicable, in such Merger Event and (B) the Company shall satisfy the Conversion Obligation by paying cash to converting Holders on the third Business Day immediately following the relevant Conversion Date. The Company shall provide written notice to Holders, the Trustee and the Conversion Agent of such weighted average as soon as practicable after such determination is made.

Such supplemental indenture described in the second immediately preceding paragraph shall provide for anti-dilution and other adjustments that shall be as nearly equivalent as is practicable to the adjustments provided for in this Article 14 (it being understood that no such adjustments shall be required with respect to any portion of the Reference Property that does not consist of shares of Common Equity (however evidenced) or depositary receipts in respect thereof). If, in the case of any Merger Event, the Reference Property includes shares of stock, securities or other property or assets (including cash or any combination thereof) of a Person other than the Company or the successor or purchasing Person, as the case may be, in such Merger Event, then such other Person shall also execute such supplemental indenture, and such supplemental indenture shall contain such additional provisions to protect the interests of the Holders of the Notes, including the right of Holders to require the Company to repurchase their Notes upon a Fundamental Change pursuant to Section 15.02 and the right of Holders to require the Company to repurchase their Notes on the Repurchase Date pursuant to Section 15.01, as the Board of Directors shall reasonably consider necessary by reason of the foregoing.

(b) [RESERVED]

(c) The Company shall not become a party to any Merger Event unless its terms are consistent with this Section 14.07. None of the foregoing provisions shall affect the right of a Holder to convert its Notes into cash, ADSs (or Class A Ordinary Shares in lieu thereof) or a combination of thereof, as applicable, as set forth in Section 14.01 and Section 14.02 prior to the effective date of such Merger Event.

(d) The above provisions of this Section 14.07 shall similarly apply to successive Merger Events.

Section 14.08. *Amendment upon ADS Delisting or Unavailability of ADS Facility.* (a) If (i) a Fundamental Change described in clause (d) of the definition thereof has occurred and the Class A Ordinary Shares are listed and traded on a Permitted Exchange on the effective date of such Fundamental Change, or (ii) the Class A Ordinary Shares cease to be represented by American depositary shares issued under a depositary receipt program sponsored by the Company and the Class A Ordinary Shares at that time have been, or are expected to be, accepted for listing or listed and traded on any U.S. Exchange or Permitted Exchange (each, an “**Amendment Event**”), then, on and after the effective date of an Amendment Event, Section 14.07 shall be deemed to apply *mutatis mutandis* as if the Reference Property for the Notes were the Class A Ordinary Shares and other property, if any, represented by the ADSs on the effective date of such Amendment Event; *provided* that the supplemental indenture required therein to reflect the replacement of the ADSs with the Class A Ordinary Shares and other property, if any, shall be executed no later than five Business Days after the effective date of such Amendment Event and, in addition to the amendments described under Section 14.07, the supplemental indenture shall provide that:

(i) each reference herein to the ADSs related to the terms of the Notes shall be replaced by a reference to the number of Class A Ordinary Shares and other property, if any, represented by the ADSs on the effective date of such Amendment Event;

(ii) all references to the “Last Reported Sale Price,” “Daily VWAP” and “Trading Day” of the ADSs shall be replaced by the “Last Reported Sale Price,” “Daily VWAP” and “Trading Day” of the Class A Ordinary Shares, respectively, as customarily defined for securities traded on the Relevant Exchange;

(iii) if a Fundamental Change described in clause (d) of the definition thereof has occurred, references to “any of The New York Stock Exchange, The Nasdaq Global Select Market or The Nasdaq Global Market (or any of their respective successors)” in the definition of “Fundamental Change” shall be replaced by such Relevant Exchange (or its successor);

(iv) other appropriate adjustments, including adjustments to the Conversion Rate and anti-dilution adjustment as contemplated by Section 14.04, shall be made to reflect such Amendment Event; and

(v) other provisions that the Board of Directors determines in good faith are appropriate shall be made to preserve the economic interests of the Holders and to give effect to the provisions described above.

(b) In making any amendment to the terms or definitions relating to trading and listing of Class A Ordinary Shares, including, but not limited to, “Last Reported Sale Price,” “Daily VWAP,” “Trading Day” and “Fundamental Change,” the relevant exchange on which Class A Ordinary Shares are listed are traded for purpose of such terms and definition (the “**Relevant Exchange**”) will be deemed to be:

(i) if the Class A Ordinary Shares at that time are listed on an U.S. Exchange, such U.S. Exchange;

(ii) if the Class A Ordinary Shares at that time are not listed on any U.S. Exchange but are listed on a Permitted Exchange, such Permitted Exchange; *provided* that if the Class A Ordinary Shares at that time are listed on more than one Permitted Exchanges, the Permitted Exchange that is the primary stock exchange for the Class A Ordinary Shares, provided further that if the Class A Ordinary Shares at that time are listed on more than one Permitted Exchange that is a primary stock exchange for the Class A Ordinary Shares, the primary stock exchange where there is highest trading volume of the Class A Ordinary Shares at the time of the amendment.

(c) For the avoidance of doubt, if the Reference Property includes any shares of Common Equity or depositary receipt in respect thereof, all the references to the Class A Ordinary Shares in this Section 14.08 shall be deemed to refer to such shares of Common Equity or depositary receipt.

(d) In making such amendments, where currency translations between U.S. dollars and any other currency are required, the exchange rate in effect on the date of determination as the Board of Directors determines in good faith will apply.

(e) For the avoidance of doubt, such amendments described under this Section 14.08 shall not affect the right of Holders to require the Company to repurchase their Notes upon a Fundamental Change in accordance with Section 15.02.

(f) The Company shall notify Holders and the Conversion Agent in writing as promptly as reasonably practicable following the date the Company executes such supplemental indenture as contemplated by this Section 14.08 and shall substantially concurrently with such notice either post such supplemental indenture on the Company’s website or disclose the same in a current report on Form 6-K (or any successor form) that is filed with the U.S. Securities and Exchange Commission.

Section 14.09. *Certain Covenants.*

(a) The Company covenants that all ADSs delivered upon conversion of Notes, and all Class A Ordinary Shares represented by such ADSs, will be fully paid and non-assessable by the Company and free from all taxes, Liens and charges with respect to the issue thereof.

(b) The Company covenants that, if any ADSs to be provided for the purpose of conversion of Notes hereunder, or any Class A Ordinary Shares represented by such ADSs or deliverable in lieu thereof, require registration with or approval of any governmental authority under any federal or state law before such ADSs or Class A Ordinary Shares may be validly issued upon conversion, the Company will, to the extent then permitted by the rules and interpretations of the Commission, secure such registration or approval, as the case may be.

(c) The Company further covenants that if at any time the ADSs or Class A Ordinary Shares shall be listed on any national securities exchange or automated quotation system the Company will list and keep listed, so long as the ADSs or Class A Ordinary Shares shall be so listed on such exchange or automated quotation system, any ADSs or Class A Ordinary Shares deliverable upon conversion of the Notes.

(d) The Company further covenants to take all actions and obtain all approvals and registrations required with respect to (i) the conversion of the Notes into ADSs and the issuance, and deposit into the ADS facility, of the Class A Ordinary Shares represented by such ADSs; and (ii) issuance and delivery of Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion at a Holder's election. The Company also undertakes to maintain, as long as any Notes are outstanding, the effectiveness of a registration statement on Form F-6 relating to the ADSs and an adequate number of ADSs and Class A Ordinary Shares available for issuance thereunder such that ADSs and Class A Ordinary Shares can be delivered in accordance with the terms of this Indenture, the Notes and the Deposit Agreement and the Restricted Deposit Agreement, as applicable, upon conversion of the Notes. In addition, the Company further covenants to provide Holders with a reasonably detailed description of the mechanics for the delivery of ADSs upon conversion of Notes as set forth in the Deposit Agreement and the Restricted Deposit Agreement, as applicable, upon request.

Section 14.10. *Responsibility of Trustee.* The Trustee, the Conversion Agent or any other Agents shall not at any time be under any duty or responsibility to any Holder to determine the Conversion Rate (or any adjustment thereto) or whether any facts exist that may require any adjustment (including any increase) of the Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee, the Conversion Agent or any other Agents shall not be accountable with respect to the validity or value (or the kind or amount) of any ADSs (or Class A Ordinary Shares in lieu thereof), or of any securities, property or cash that may at any time be issued or delivered upon the conversion of any Note; and the Trustee and the Agents make no representations with respect thereto. Neither the Trustee nor the Agents shall be responsible for any failure of the Company to issue, transfer or deliver any ADSs (or Class A Ordinary Shares in lieu thereof) or stock certificates or other securities or property or cash upon the surrender of any Note for the purpose of conversion, the accuracy or inaccuracy of any mathematical calculation or formulae under this Indenture, whether by the Company or any Person so authorized by the Company for such purpose under this Indenture or the failure by the Company to comply with any of the duties, responsibilities or covenants of the Company contained in this Article. Without limiting the generality of the foregoing, neither the Trustee nor the Agents shall be under any responsibility to determine (i) whether a supplemental indenture needs to be entered into or (ii) the correctness of any provisions contained in any supplemental indenture entered into pursuant

to Section 14.07 or elsewhere in this Article 14 relating either to the kind or amount of ADSs (or Class A Ordinary Shares in lieu thereof) or securities or property (including cash) receivable by Holders upon the conversion of their Notes after any event referred to in such Section 14.07 or to any adjustment to be made with respect thereto, but, subject to the provisions of Section 7.01 and Section 7.02, may accept (without any independent investigation) as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate (which the Company shall be obligated to file with the Trustee and the Agents prior to the execution of any such supplemental indenture) with respect thereto.

Section 14.11. *Notice to Holders Prior to Certain Actions.* In case of any: (a) action by the Company or one of its Subsidiaries that would require an adjustment in the Conversion Rate pursuant to Section 14.04 or Section 14.11;

(b) Merger Event; or

(c) voluntary or involuntary dissolution, liquidation or winding-up of the Company or any of its Subsidiaries;

then, in each case (unless notice of such event is otherwise required pursuant to another provision of this Indenture), the Company shall cause to be filed with the Trustee and the Conversion Agent and to be mailed to each Holder at its address appearing on the Note Register, as promptly as possible but in any event at least 20 days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action by the Company or one of its Subsidiaries or, if a record is not to be taken, the date as of which the holders of Class A Ordinary Shares or ADSs, as the case may be, of record are to be determined for the purposes of such action by the Company or one of its Subsidiaries, or (ii) the date on which such Merger Event, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Class A Ordinary Shares or ADSs, as the case may be, of record shall be entitled to exchange their Class A Ordinary Shares or ADSs, as the case may be, for securities or other property deliverable upon such Merger Event, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such action by the Company or one of its Subsidiaries, Merger Event, dissolution, liquidation or winding-up.

Section 14.12. *Stockholder Rights Plans.* To the extent that the Company has a rights plan in effect upon conversion of the Notes into ADSs (or Class A Ordinary Shares in lieu thereof), each ADS (or Ordinary Share in lieu thereof) delivered upon such conversion shall be entitled to receive (either directly or in respect of the Class A Ordinary Shares underlying, or delivered in lieu of such ADSs) the appropriate number of rights, if any, and the certificates representing the ADSs delivered upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any such stockholder rights plan, as the same may be amended from time to time. However, if, prior to any Conversion Date, the rights have separated from the Class A Ordinary Shares underlying, or delivered in lieu of the ADSs in accordance with the provisions of the applicable stockholder rights plan, the Conversion Rate shall be adjusted at the time of separation as if the Company distributed to all or substantially all holders

of the Class A Ordinary Shares Distributed Property as provided in Section 14.04(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

Section 14.13. *Termination of Depositary Receipt Program.* If the Class A Ordinary Shares cease to be represented by American depositary shares issued under a depositary receipt program sponsored by the Company, then Section 14.07 will be deemed to apply *mutatis mutandis* as if the Reference Property for the Notes were the Class A Ordinary Shares and other property, if any, represented by the ADSs as described under Section 14.08.

Section 14.14. *Exchange in Lieu of Conversion.* (a) When a Holder surrenders its Notes for conversion, the Company may, at its election (an “**Exchange Election**”), direct the Conversion Agent to deliver, on or prior to the Business Day immediately following the Conversion Date, such Notes to one or more financial institutions designated (with the contact details specified) by the Company (each, a “**Designated Financial Institution**”) for exchange in lieu of conversion. In order to accept any Notes surrendered for conversion, the Designated Financial Institution(s) must agree to timely pay and/or deliver, as the case may be, in exchange for such Notes, the cash, ADSs (or Class A Ordinary Shares in lieu thereof) or a combination thereof, as applicable, that would otherwise be due upon conversion pursuant to Section 14.02 (the “**Conversion Consideration**”). If the Company makes an Exchange Election, the Company shall, by the close of business on the Business Day following the relevant Conversion Date, notify in writing the Conversion Agent and the Holder surrendering Notes for conversion that the Company has made the Exchange Election and the Company shall promptly notify the Designated Financial Institution(s) of the relevant deadline for delivery of the Conversion Consideration and the type of Conversion Consideration to be paid and/or delivered, as the case may be.

(b) Any Notes delivered to the Designated Financial Institution(s) shall remain outstanding, subject to applicable procedures of the Depositary. If the Designated Financial Institution(s) agree(s) to accept any Notes for exchange but does not timely pay and/or deliver, as the case may be, the related Conversion Consideration, or if such Designated Financial Institution(s) does not accept the Notes for exchange, the Company shall pay and/or deliver, as the case may be, the relevant Conversion Consideration, as, and at the time, required pursuant to this Indenture as if the Company had not made the Exchange Election.

(c) The Company’s designation of any Designated Financial Institution(s) to which the Notes may be submitted for exchange does not require such Designated Financial Institution(s) to accept any Notes.

ARTICLE 15 REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 15.01. *Repurchase at Option of Holders.* (a) Each Holder shall have the right, at such Holder’s option, to require the Company to repurchase for cash on December 6, 2027 (the “**Repurchase Date**”), all of such Holder’s Notes, or any portion thereof that is an integral multiple of US\$1,000 principal amount, at a repurchase price (the “**Repurchase Price**”) that is equal to 100% of the principal amount of the Notes to be repurchased, *plus* accrued and unpaid interest to, but excluding, the Repurchase Date; *provided* that any such accrued and unpaid

interest shall be paid not to the Holders submitting the Notes for repurchase on the Repurchase Date but instead to the Holders of such Notes at the close of business on the Regular Record Date immediately preceding the Repurchase Date. Not later than 20 Business Days prior to the Repurchase Date, the Company shall mail a notice (the “**Company Notice**”) by first class mail to the Trustee, to the Paying Agent and the Conversion Agent and to each Holder at its address shown in the Note Register of the Note Registrar (and to beneficial owners as required by applicable law). The Company Notice shall include a Form of Repurchase Notice to be completed by a holder and shall state:

- (i) the last date on which a Holder may exercise its repurchase right pursuant to this Section 15.01 (the “**Repurchase Expiration Time**”);
- (ii) the Repurchase Price;
- (iii) the Repurchase Date;
- (iv) the name and address of the Conversion Agent and the Paying Agent;
- (v) that the Notes with respect to which a Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Repurchase Notice in accordance with the terms of this Indenture;
- (vi) that the Holder shall have the right to withdraw any Notes surrendered prior to the Repurchase Expiration Time; and
- (vii) the procedures a Holder must follow to exercise its repurchase rights under this Section 15.01 and a brief description of those rights.

At the Company’s request, the Paying Agent shall give such notice in the Company’s name and at the Company’s expense; *provided, however*, that, in all cases, the text of such Company Notice shall be prepared by the Company.

Simultaneously with providing the Company Notice, the Company shall publish a notice containing the information included in the Company Notice in a newspaper of general circulation in The City of New York or publish such information on the Company’s website or through such other public medium as the Company may use at that time.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders’ repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.01.

Repurchases of Notes under this Section 15.01 shall be made, at the option of the Holder thereof, upon:

- (A) delivery to the Trustee and the Agents by the Holder of a duly completed notice (the “**Repurchase Notice**”) in the form set forth in Attachment 2 to the Form of Note attached hereto as Exhibit A, if the Notes are Certificated Notes, or in compliance with the Depository’s procedures for surrendering

interests in global notes, if the Notes are Global Notes, in each case at any time during the period beginning from the open of business on the date that is 20 Business Days prior to the Repurchase Date until the close of business on the second Business Day immediately preceding the Repurchase Date; and

(B) delivery of the Notes, if the Notes are Certificated Notes, to the Trustee or to the Paying Agent in the manner specified in the Form of Repurchase Notice at any time after delivery of the Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee or the Paying Agent Office, as applicable in the manner specified in the Form of Repurchase Notice, or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the procedures of the Depository, in each case such delivery being a condition to receipt by the Holder of the Repurchase Price therefor.

Each Repurchase Notice shall state:

(A) in the case of Certificated Notes, the certificate numbers of the Notes to be delivered for repurchase or, if not Certificated Notes, the notice must comply with appropriate procedures of the Depository;

(B) the portion of the principal amount of the Notes to be repurchased, which must be US\$1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, however, that if the Notes are Global Notes, the Repurchase Notice must comply with appropriate Depository procedures.

(b) Notwithstanding anything herein to the contrary, any Holder delivering the Repurchase Notice contemplated by this Section 15.01 shall have the right to withdraw, in whole or in part, such Repurchase Notice at any time prior to the close of business on the second Business Day immediately preceding the Repurchase Date by delivery of a duly completed written notice of withdrawal in accordance with Section 15.03.

The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

No Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered for repurchase pursuant to this Section 15.01 by a Holder thereof to the extent such Holder has also delivered a Fundamental Change Repurchase Notice with respect to such Note in accordance with Section 15.02 and not validly withdrawn such Fundamental Change Repurchase Notice in accordance with Section 15.03.

Notwithstanding the foregoing, no Notes may be repurchased by the Company at the option of the Holders on the Repurchase Date if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such Repurchase Date

(except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Certificated Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of the Depository shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.02. *Repurchase at Option of Holders Upon a Fundamental Change.*

(a) If a Fundamental Change occurs at any time, each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes, or any portion thereof that is equal to US\$1,000 or an integral multiple of US\$1,000, on the Business Day (the "**Fundamental Change Repurchase Date**") notified in writing by the Company as set forth in Section 15.02(d) that is not less than 20 days or more than 35 days following the date of the Fundamental Change Company Notice at a repurchase price equal to 100% of the principal amount thereof, *plus* accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "**Fundamental Change Repurchase Price**"), unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company shall instead pay the full amount of accrued and unpaid interest to Holders as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to this Article 15.

(b) Repurchases of Notes under this Section 15.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee and the Agents by a Holder of a duly completed notice (the "**Fundamental Change Repurchase Notice**") in the form set forth in Attachment 3 to the Form of Note attached hereto as Exhibit A, if the Notes are Certificated Notes, or in compliance with the Depository's procedures for surrendering interests in Global Notes, if the Notes are Global Notes, in each case, on or before the close of business on the second Business Day immediately preceding the Fundamental Change Repurchase Date; and

(ii) delivery of the Notes, if the Notes are Certificated Notes, to the Trustee or to the Paying Agent in the manner specified in the Form of Fundamental Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee or the Paying Agent Office, as applicable in the manner specified in the Form of Fundamental Repurchase Notice, or book-entry transfer of the Notes are Global Notes, in compliance with the procedures of the Depository, in each case, such delivery or transfer being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor.

The Fundamental Change Repurchase Notice in respect of any Certificated Notes to be repurchased shall state:

- (i) the certificate numbers of the Notes to be delivered for repurchase;
- (ii) the portion of the principal amount of Notes to be repurchased, which must be US\$1,000 or an integral multiple thereof; and
- (iii) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture.

provided, however, that if the Notes are Global Notes, the Fundamental Change Repurchase Notice must comply with appropriate Depositary procedures.

(c) Notwithstanding anything herein to the contrary, any Holder delivering the Fundamental Change Repurchase Notice contemplated by this Section 15.02 shall have the right to withdraw, in whole or in part, such Fundamental Change Repurchase Notice at any time prior to the close of business on the second Business Day immediately preceding the Fundamental Change Repurchase Date by delivery of a duly completed written notice of withdrawal in accordance with Section 15.03.

The Paying Agent shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof.

No Fundamental Change Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered by a Holder for repurchase thereof if such Holder has also surrendered a Repurchase Notice in accordance with Section 15.01 and not validly withdrawn such Repurchase Notice in accordance with Section 15.03.

(d) On or before the 10th Business Day after (i) in the case of a Fundamental Change, pursuant to clause (a) of the definition thereof, the date the Company becomes aware that a Fundamental Change has occurred or become effective or (ii) in the case of any other Fundamental Change, the date on which the Fundamental Change occurs or becomes effective, the Company shall notify all Holders and the Trustee, the Paying Agent, the Conversion Agent and any other agent appointed for such purpose in writing (the “**Fundamental Change Company Notice**”) of the occurrence of the effective date of the Fundamental Change and of the resulting repurchase right, if any, at the option of the Holders arising as a result thereof. In the case of Certificated Notes, such notice shall be by first class mail or, in the case of Global Notes, such notice shall be delivered in accordance with the applicable procedures of the Depositary. Simultaneously with providing such notice, the Company shall publish a notice containing the information set forth in the Fundamental Change Company Notice in a newspaper of general circulation in The City of New York or publish such information on the Company’s website or through such other public medium as the Company may use at that time. Each Fundamental Change Company Notice shall specify, among other things:

- (i) the events causing the Fundamental Change and whether such transaction or event also constitute a Make-Whole Fundamental Change;
- (ii) the effective date of the Fundamental Change;

- 15;
- (iii) the last date on which a Holder may exercise the repurchase right pursuant to this Article
 - (iv) the Fundamental Change Repurchase Price;
 - (v) the Fundamental Change Repurchase Date;
 - (vi) the name and address of the Trustee, the Paying Agent, the Conversion Agent or any other agent appointed for repurchase, if applicable;
 - (vii) if applicable, the Conversion Rate and any adjustments to the Conversion Rate as a result of such Fundamental Change if it is a Make-Whole Fundamental Change;
 - (viii) if applicable, that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Indenture; and
 - (ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.02.

At the Company's written request, the Paying Agent shall give such notice in the Company's name and at the Company's expense; *provided, however*, that, in all cases, the text of such Fundamental Change Company Notice shall be prepared by the Company.

(e) Notwithstanding the foregoing, no Notes may be repurchased by the Company on any date at the option of the Holders upon a Fundamental Change if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such date (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes). The Paying Agent shall promptly return to the respective Holders thereof any Certificated Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of the Depository shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Fundamental Change Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.03. *Withdrawal of Repurchase Notice or Fundamental Change Repurchase Notice.* (a) A Repurchase Notice or Fundamental Change Repurchase Notice may be withdrawn (in whole or in part) by means of a duly completed written notice of withdrawal delivered to the Trustee (or other Agent appointed for this purpose) in accordance with this Section 15.03 at any time prior to the close of business on the second Business Day immediately preceding the

Repurchase Date or prior to the close of business on the second Business Day immediately preceding the Fundamental Change Repurchase Date, as the case may be, specifying:

- (i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted,
- (ii) if Certificated Notes have been issued, the certificate number of the Note in respect of which such notice of withdrawal is being submitted, and
- (iii) the principal amount, if any, of such Note that remains subject to the original Repurchase Notice or Fundamental Change Repurchase Notice, as the case may be, which portion must be in principal amounts of US\$1,000 or an integral multiple of US\$1,000;

provided, however, that if the Notes are Global Notes, the notice must comply with appropriate procedures of the Depositary.

Section 15.04. *Deposit of Repurchase Price or Fundamental Change Repurchase Price.* (a) The Company will deposit with the Paying Agent (or any other agent appointed for this purpose by the Company), or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 4.04) on or prior to 10:00 a.m., New York City time, one Business Day prior to the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, an amount of money sufficient to repurchase all of the Notes to be repurchased at the appropriate Repurchase Price or Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Paying Agent (or other agent appointed for this purpose by the Company) and the Trustee, as applicable, payment for Notes surrendered for repurchase (and not withdrawn in accordance with Section 15.03) will be made on the later of (i) the Repurchase Date or Fundamental Change Repurchase Date, as the case may be (*provided* the Holder has satisfied the conditions in Section 15.01 or Section 15.02, as the case may be) and (ii) the time of book-entry transfer or the delivery of such Note to the Paying Agent (or other agent appointed for this purpose by the Company) by the Holder thereof in the manner required by Section 15.01 or Section 15.02, as applicable, by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Note Register; *provided, however*, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Paying Agent (or other agent appointed for this purpose by the Company) shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Repurchase Price or Fundamental Change Repurchase Price, as the case may be.

(b) If by 10:00 a.m., New York City time, on the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, the Paying Agent (or other agent appointed for this purpose by the Company) holds money sufficient to make payment on all the Notes or portions thereof that are to be repurchased on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be, then, with respect to the Notes that have been properly surrendered for repurchase and not validly withdrawn, on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be (i) such Notes will cease to be outstanding, (ii) interest will cease to accrue on such Notes (whether or not book-entry transfer of the Notes has been made or

the Notes have been delivered to the Paying Agent) and (iii) all other rights of the Holders of such Notes will terminate (other than the right to receive the Repurchase Price or Fundamental Change Repurchase Price, as the case may be, and previously accrued and unpaid interest upon delivery or transfer of the Notes to the extent not included in the Repurchase Price or Fundamental Change Repurchase Price, as the case may be).

(c) Upon surrender of a Note that is to be repurchased in part pursuant to Section 15.01 or Section 15.02, the Company shall execute and the Trustee, upon receipt of a Company Order, shall authenticate and deliver to the Holder a new Note in an authorized denomination equal in principal amount to the unreurchased portion of the Note surrendered.

Section 15.05. *Covenant to Comply with Applicable Laws Upon Repurchase of Notes.* In connection with any repurchase offer, the Company shall, if required: (a) to the extent applicable, comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act;

(b) file a Schedule TO or other required schedule under the Exchange Act; and

(c) otherwise comply with all federal and state securities laws in connection with any offer by the Company to repurchase the Notes;

in each case, so as to permit the rights and obligations under this Article 15 to be exercised in the time and in the manner specified in this Article 15.

ARTICLE 16 REDEMPTION

Section 16.01. *Redemption for Changes in the Tax Law of the Relevant Taxing Jurisdiction.* (a) Other than as described in this Article 16, the Notes may not be redeemed by the Company at its option prior to maturity. If the Company has, or on the next Interest Payment Date would, become obligated to pay to the Holder of any Note Additional Amounts that are more than a *de minimis* amount, as a result of:

(i) any change or amendment on or after November 30, 2023 (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after such date, after such later date) or, in the case of a successor, after the date such successor assumes all of the Company's obligations under the Notes and this Indenture, in the laws or any rules or regulations of a Relevant Taxing Jurisdiction; or

(ii) any change on or after November 30, 2023 (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after such date, after such later date) or, in the case of a successor, after the date such successor assumes all of the Company's obligations under the Notes and this Indenture, in an interpretation, administration or application of such laws, rules or regulations by any legislative body, court, governmental agency, taxing authority or regulatory or administrative authority of such Relevant Taxing Jurisdiction (including the enactment of any legislation and the

announcement or publication of any judicial decision or regulatory or administrative interpretation or determination);

(each, a “**Change in Tax Law**”), the Company may, at its option, redeem all but not part of the Notes (except in respect of certain Holders that elect otherwise as described below) at a redemption price equal to 100% of the principal amount of the Notes (the “**Redemption Price**”), *plus* accrued and unpaid interest, including Additional Interest, if any, to, but excluding the date fixed by the Company for redemption (the “**Redemption Date**”), including, for the avoidance of doubt, any Additional Amounts with respect to such Redemption Price (such redemption, a “**Tax Redemption**”); *provided* that the Company may only redeem the Notes if: (i) the Company cannot avoid such obligations by taking commercially reasonable measures available to the Company (*provided* that changing its jurisdiction of organization or domicile shall not be considered a commercially reasonable measure); and (ii) the Company delivers to the Trustee and the Agents an opinion of outside legal counsel (which may be the Company’s outside counsel) or other qualified tax advisor, in each case, of recognized standing in the Relevant Taxing Jurisdiction and an Officers’ Certificate attesting to such Change in Tax Law and obligation to pay Additional Amounts. The Trustee and the Agents shall and is entitled to rely upon such opinion and Officers’ Certificate (without further investigation and enquiry) and it shall be conclusive and binding on the Holders.

(b) If the Redemption Date for the Tax Redemption occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, the Company shall pay or cause the Paying Agent to pay the full amount of accrued and unpaid interest, including Additional Interest, if any, due on such Interest Payment Date to the record holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and the Redemption Price payable to any Holder who represents a Note for redemption shall be equal to 100% of the principal amount of such Note to be redeemed, including, for the avoidance of doubt, any Additional Amounts with respect to such Redemption Price. Neither the Trustee nor the Agents are responsible for calculating or verifying the Redemption Price.

(c) Upon receiving the Redemption Notice for a Tax Redemption, each Holder shall have the right to elect to not have its Notes redeemed, *provided* that (i) the Company shall not be obligated to pay any Additional Amounts on any payment with respect to such Notes solely as a result of such Change in Tax Law that resulted in the obligation to pay such Additional Amounts (whether upon conversion, required repurchase in connection with a Fundamental Change or on the Repurchase Date, at maturity or otherwise, and whether in cash, ADSs (or Class A Ordinary Shares in lieu thereof) or a combination thereof, Reference Property or otherwise) after the Redemption Date (or, if the Company fails to pay the Redemption Price on the Redemption Date, such later date on which the Company pays the Redemption Price), and (ii) all future payments with respect to such Notes shall be subject to the deduction or withholding of such Relevant Taxing Jurisdiction and taxes required by law to be deducted or withheld as a result of such Change in Tax Law; *provided further* that, notwithstanding the foregoing, if a Holder electing not to have its Notes redeemed converts its Notes in connection with the Company’s election to redeem the Notes in respect of such Change in Tax Law pursuant to Section 14.03(f), the Company shall be obligated to pay Additional Amounts, if any, with respect to such conversion.

(d) Subject to the applicable procedures of the Depositary in the case of Global Notes, a Holder electing to not have its Notes redeemed pursuant to this Section 16.01 must deliver to the Paying Agent a written notice of election so as to be received by the Paying Agent prior to the close of business on the fifth Business Day immediately preceding the Redemption Date; *provided that*, a Holder that complies with the requirements for conversion in Section 14.02(b) prior to the close of business on the fifth Business Day immediately preceding the Redemption Date shall be deemed to have delivered a notice of its election to not have its Notes so redeemed. A Holder may withdraw any notice of election (other than such a deemed notice of election) by delivering to the Paying Agent a written notice of withdrawal prior to the close of business on the fifth Business Day immediately preceding the Redemption Date (or, if the Company fails to pay the Redemption Price on the Redemption Date, such later date on which the Company pays the Redemption Price). If no election is made or deemed to have been made, the Holder shall have its Notes redeemed without any further action.

Section 16.02. *[Intentionally Omitted]*.

Section 16.03. *Cleanup Redemption*. (a) The Company may redeem for cash all but not part of the Notes at any time, on a Redemption Date before the 94th Scheduled Trading Day immediately precedent the Maturity Date, if the amount of the Notes that remains outstanding at any time is less than 10% of the aggregate principal amount of the Notes outstanding at the time of initial issuance (such redemption, a “**Cleanup Redemption**”).

(b) The Redemption Price for a Cleanup Redemption shall be equal to 100% of the principal amount of the Notes to be redeemed, *plus* accrued and unpaid interest to, but excluding, the Redemption Date; *provided, however*, that if the Redemption Date occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, then (i) the Company shall pay on the Interest Payment Date the full amount of accrued and unpaid interest, if any, due on such Interest Payment Date to the record Holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and (ii) the Redemption Price payable to the Holder who presents a Note for the Cleanup Redemption shall be equal to 100% of the principal amount of such Note, without the accrued and unpaid interest on such Note to, but excluding, the Redemption Date. Neither the Trustee nor the Agents are responsible for calculating or verifying the Redemption Price.

Section 16.04. *Redemption Notice*. (a) To call any Notes for a redemption pursuant to Article 16, the Company shall (x) provide a Redemption Notice not fewer than 96 Scheduled Trading Days but no more than 110 Scheduled Trading Days before the Redemption Date to the Trustee, the Agents and each Holder of Notes selected for redemption, and (y) simultaneously therewith, publish a notice in a newspaper of general circulation in The City of New York or on the Company’s website or through such other public medium as the Company may use at that time containing the information set forth in the Redemption Notice. The Redemption Date must be a Business Day. The Company may not specify a Redemption Date that falls on or after the 94th Scheduled Trading Day immediately preceding the Maturity Date.

(b) Such Redemption Notice must state:

- (i) that the Notes have been called for redemption, briefly describing the Company's redemption right under this Indenture;
 - (ii) the Redemption Date for such redemption;
 - (iii) the Redemption Price per US\$1,000 principal amount of Notes (and, if the Redemption Date is after a Regular Record Date and on or before the next Interest Payment Date, the amount, manner and timing of the interest payment payable);
 - (iv) the name and address of the Paying Agent and the Conversion Agent;
 - (v) that Notes called for redemption may be converted at any time during the related Redemption Period;
 - (vi) the Conversion Rate in effect on the Redemption Notice Date for such redemption and a description and quantification of any adjustments to the Conversion Rate that may result from such redemption (including pursuant to Section 14.03(g));
 - (vii) the Settlement Method that will apply to all conversions of Notes with a Conversion Date that occurs on or after such Redemption Notice Date and on or before the second Business Day before such Redemption Date; and
- (c) the CUSIP and ISIN numbers, if any, of the Notes.

Section 16.05. *No Redemption upon Acceleration.* No Notes may be redeemed by the Company or its successor if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to the Redemption Date (except in the case of an acceleration resulting from a Default by the Company in the payment of the Redemption Price with respect to such Notes).

ARTICLE 17 MISCELLANEOUS PROVISIONS

Section 17.01. *Provisions Binding on Company's Successors.* All the covenants, stipulations, promises and agreements of the Company contained in this Indenture shall bind its successors and assigns whether so expressed or not.

Section 17.02. *Official Acts by Successor Company.* Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or Officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or other entity that shall at the time be the lawful successor of the Company.

Section 17.03. *Addresses for Notices, Etc.* Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee, the Agents or by the Holders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by facsimile transmission, electronic mail, or being deposited postage prepaid by registered or certified mail (until another address is filed by the Company with the

Trustee and the Agents) to Weibo Corporation, 8/F QIHAO Plaza, No. 8 Xijuan S. Road, Chaoyang District, Beijing 100027 People's, Republic of China, Attention: Chief Financial Officer. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by a facsimile transmission, electronic mail or by being deposited postage prepaid by registered or certified mail addressed to the Corporate Trust Office.

Any notice or communication to either Agent will be deemed given when sent by facsimile transmission, with transmission confirmed. Any notice to either Agent will be effective only upon receipt. The notice or communication should be addressed to the Registrar, Paying Agent, Transfer Agent and Conversion Agent at Citibank, N.A., 14th Floor, 388 Greenwich Street, New York, New York 10013, United States of America, Attention: Agency and Trust (with a copy to: Citibank, N.A., 480 Washington Boulevard, 30th Floor, Jersey City, NJ 07310, United States of America, Attention: Agency and Trust Conversion Unit (facsimile [***])). The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to it by first class mail, postage prepaid, at its address as it appears on the Note Register and shall be sufficiently given to it if so mailed within the time prescribed.

Any such notice or demand (a) if sent by international courier as provided above shall be deemed to have been given, made or served 72 hours after such notice or demand is delivered to such courier addressed as aforesaid or (b) if given by facsimile transmission, when such facsimile is transmitted to the telephone number specified in this paragraph and telephonic confirmation of receipt thereof is received. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice to Holders by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Notwithstanding any other provision of this Indenture or any Note, whenever notice is required to be given to a Holder of a Global Note, such notice shall be sufficiently given if given to the Depository for such Note (or its designee), pursuant to customary procedures of such Depository.

Section 17.04. *Governing Law; Jurisdiction.* THIS INDENTURE AND EACH NOTE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF NEW YORK.

The Company irrevocably consents and agrees, for the benefit of the Holders from time to time of the Notes and the Trustee and each of the Agents, that any legal action, suit or proceeding against it with respect to obligations, liabilities or any other matter arising out of or in connection with this Indenture or the Notes may be brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and, until amounts due and to become due in respect of the Notes have been paid, hereby irrevocably consents and submits to the non-exclusive jurisdiction of each such court in personam, generally and unconditionally with respect to any action, suit or proceeding for itself in respect of its properties, assets and revenues.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions, suits or proceedings arising out of or in connection with this Indenture brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

To the extent that the Company has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Company irrevocably waives such immunity in respect of its obligations hereunder or under any Note. The Company agrees that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon the Company and, to the extent permitted by applicable law, may be enforced in any court to the jurisdiction of which the Company is subject by a suit upon such judgment or in any manner provided by law, provided that service of process is effected upon the Company in the manner specified in Section 17.05 or as otherwise permitted by law.

To the extent permitted by the applicable law, application of the Trustee Ordinance (Cap. 29) of Hong Kong shall be expressly excluded.

Section 17.05. *Service of Process.* The Company irrevocably appoints Cogency Global Inc. as its authorized agent in the Borough of Manhattan in the City of New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon such agent, and written notice of said service to the Company by the person serving the same to:

Weibo Corporation
8/F QIHAO Plaza
No. 8 Xinyuan S. Road, Chaoyang District
Beijing 10027
People's Republic of China

Attention: Fei Cao, Chief Financial Officer
Facsimile: [***]

shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company further agrees to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of five and a half years from the date of this Indenture. If for any reason such agent shall cease to be such agent for service of process, the Company shall forthwith appoint a new agent of recognized standing for service of process in the State of New York and deliver to the Trustee and the Agents a copy of the new agent's acceptance of that appointment within ten Business Days of such acceptance. Nothing herein shall affect the right of the Trustee and the Agents, any agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Company in any other court of competent jurisdiction.

Section 17.06. *Evidence of Compliance with Conditions Precedent; Certificates and Opinions of Counsel to Trustee.* (a) Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(i) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(ii) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with;

provided that no Opinion of Counsel under this Section 17.06 shall be required upon the initial issuance of the Notes.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(iii) a statement that each person signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(iv) a brief statement as to the nature and scope of the examination or investigation upon which the statement or opinion contained in such certificate or opinion is based;

(v) a statement that, in the opinion of each such person, the person has made such examination or investigation as is necessary to enable the person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(vi) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with; provided, however, that, with respect to matters of fact, an Opinion of Counsel may rely on an Officers' Certificate or certificates of public officials.

Section 17.07. *Legal Holidays*. In any case where any Interest Payment Date, Fundamental Change Repurchase Date, Redemption Date, Conversion Date or Maturity Date is not be a Business Day, then any action to be taken on such date need not be taken on such date, but may be taken on the next succeeding Business Day with the same force and effect as if taken on such date, and no interest shall accrue for the period from and after such date.

Section 17.08. *No Security Interest Created*. Nothing in this Indenture or in the Notes, expressed or implied, shall be construed to constitute a security interest under the Uniform Commercial Code or similar legislation, as now or hereafter enacted and in effect, in any jurisdiction.

Section 17.09. *Benefits of Indenture*. Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the parties hereto, any Paying Agent, any Conversion Agent, any authenticating agent, any Note Registrar and their successors hereunder or the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 17.10. *Table of Contents, Headings, Etc*. The table of contents and the titles and headings of the articles and sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 17.11. *Authenticating Agent*. The Trustee may appoint an authenticating agent that shall be authorized to act on its behalf and subject to its direction in the authentication and delivery of Notes in connection with the original issuance thereof and transfers and exchanges of Notes hereunder, including under Article 2, Section 10.04 and Section 14.04 as fully to all intents and purposes as though the authenticating agent had been expressly authorized by this Indenture and those Sections to authenticate and deliver Notes. For all purposes of this Indenture, the authentication and delivery of Notes by the authenticating agent shall be deemed to be authentication and delivery of such Notes “by the Trustee” and a certificate of authentication executed on behalf of the Trustee by an authenticating agent shall be deemed to satisfy any requirement hereunder or in the Notes for the Trustee’s certificate of authentication. Such authenticating agent shall at all times be a Person eligible to serve as trustee hereunder pursuant to Section 7.09.

Any corporation or other entity into which any authenticating agent may be merged or converted or with which it may be consolidated, or any corporation or other entity resulting from any merger, consolidation or conversion to which any authenticating agent shall be a party, or any corporation or other entity succeeding to all or substantially all the corporate trust business of any authenticating agent, shall be the successor of the authenticating agent hereunder, if such successor corporation or other entity is otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the parties hereto or the authenticating agent or such successor corporation or other entity.

Any authenticating agent may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee may at any time terminate the agency of any authenticating agent by giving written notice of termination to such authenticating agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case

at any time any authenticating agent shall cease to be eligible under this Section, the Trustee may appoint a successor authenticating agent (which may be the Trustee), shall give written notice of such appointment to the Company and shall mail notice of such appointment to all Holders as the names and addresses of such Holders appear on the Note Register.

The Company agrees to pay to the authenticating agent from time to time reasonable compensation for its services although the Company may terminate the authenticating agent, if it determines such agent's fees to be unreasonable.

The provisions of Section 7.02, Section 7.03, Section 7.04, Section 8.03 and this Section 17.11 shall be applicable to any authenticating agent.

If an authenticating agent is appointed pursuant to this Section, the Notes may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in the following form:

_____,
as Authenticating Agent, certifies that this is one of the Notes described
in the within-named Indenture.

By: _____,
Authorized Signatory

Section 17.12. *Calculations.* Except as otherwise provided in this Indenture, the Company shall be responsible for making all calculations called for under the Notes or in connection with a conversion. These calculations include, but are not limited to, determinations of the Last Reported Sale Prices of the ADSs, the Daily VWAPs, the Daily Conversion Values, the Daily Settlement Amounts, accrued interest, including any Additional Interest or Additional Amounts, payable on the Notes, the number of Additional ADSs to be added pursuant to Section 14.03 and the Conversion Rate of the Notes and any adjustment thereto. The Company shall make all these calculations in good faith and, absent manifest error, such calculations will be final and binding on Holders. Neither the Trustee nor the Agents shall have any responsibility to monitor the accuracy of any calculation to adjustment or the conversion rate and the same shall be conclusive and binding on the Holders, absent manifest error. The Company shall provide a schedule of its calculations to each of the Trustee and the Conversion Agent, and each of the Trustee and the Conversion Agent is entitled to rely conclusively upon the accuracy of such calculations without independent verification. The Conversion Agent will forward such calculations to any Holder upon the written request of such Holder.

Section 17.13. *Execution in Counterparts.* This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes.

Section 17.14. *Severability.* In the event any provision of this Indenture or in the Notes shall be invalid, illegal or unenforceable, then (to the extent permitted by law) the validity,

legality or enforceability of the remaining provisions shall not in any way be affected or impaired.

Section 17.15. *Waiver of Jury Trial.* EACH OF THE COMPANY, THE TRUSTEE AND THE AGENTS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 17.16. *Force Majeure.* In no event shall the Trustee or the Agents be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility; it being understood that the Trustee and each of the Agents shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 17.17. *Patriot Act.* In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA PATRIOT Act of the United States (“**USA PATRIOT Act**”), the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agree to provide to the Trustee, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with USA PATRIOT Act.

Section 17.18. *Entire Agreement.* The agreement set forth in this Indenture contains the whole agreement between the parties relating to the subject matter of this agreement to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the parties in relation to the matters dealt with in this Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first written above.

WEIBO CORPORATION, the Issuer

By: /s/ Gaofei Wang

Name: Gaofei Wang

Title: Director and Chief Executive Officer

[Signature Page to Indenture]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first written above.

CITICORP INTERNATIONAL LIMITED, as Trustee

By: /s/ Terence Yeung

Name: Terence Yeung

Title: Vice President

CITIBANK, N.A., as Agents

By: /s/ Terence Yeung

Name: Terence Yeung

Title: Vice President

[Signature Page to Indenture]

[FORM OF FACE OF NOTE]

[INCLUDE FOLLOWING LEGEND IF A GLOBAL NOTE]

[THIS IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS THE OWNER AND HOLDER OF THIS NOTE FOR ALL PURPOSES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

[INCLUDE FOLLOWING LEGEND IF A RESTRICTED SECURITY]

[THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY, IF ANY, AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), ARE “RESTRICTED SECURITIES” WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF WEIBO CORPORATION (THE “COMPANY”), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY, OR

ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR

(E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) AND 2(E) ABOVE, THE COMPANY, THE DEPOSITARY, THE TRUSTEE AND THE AGENTS RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE, THE AMERICAN DEPOSITARY SHARES DELIVERABLE UPON CONVERSION HEREOF AND THE CLASS A ORDINARY SHARES REPRESENTED THEREBY, OR A BENEFICIAL INTEREST HEREIN OR THEREIN.]

WEIBO CORPORATION

1.375% Convertible Senior Note due 2030

No. []

[Initially]¹ US\$[]

ISIN No. []

CUSIP No. []

Weibo Corporation, a corporation duly organized and validly existing under the laws of the Cayman Islands (herein called the “**Company**,” which term includes any successor company or corporation or other entity under the Indenture referred to on the reverse hereof, and not to its subsidiaries), for value received hereby promises to pay to [CEDE & CO.]² []³, or registered assigns, the principal sum [as set forth in the “**Schedule of Exchanges of Notes**” attached hereto]⁴ [of US\$[]]⁵ (which amount, taken together with the principal amounts of all other outstanding Notes, shall not, unless permitted by the Indenture, exceed US\$300,000,000 in aggregate at any time by adjustments made on the records of the Trustee or the Custodian of the Depository as set forth in Schedule A hereto, in accordance with the rules and procedures of the Depository on December 1, 2030.

This Note shall bear interest at the rate of 1.375% per year from, and including, December 4, 2023, or from, and including, the most recent date to which interest had been paid or provided for, to, but excluding, the next scheduled Interest Payment Date until December 1, 2030. Interest is payable semi-annually in arrears on each June 1 and December 1, commencing on June 1, 2024, to Holders at the close of business on the preceding May 15 and November 15 (whether or not such day is a Business Day), respectively. Additional Interest will be payable as set forth in Section 4.06(d), Section 4.06(e) and Section 6.01(b) of the within-mentioned Indenture, and any reference to interest on, or in respect of, any Note therein shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of such Section 4.06(d), Section 4.06(e) and Section 6.01(b), and any express mention of the payment of Additional Interest in any provision therein shall not be construed as excluding Additional Interest in those provisions thereof where such express mention is not made.

Any Defaulted Amounts shall accrue interest per annum at the rate per annum borne by the Notes *plus* 0.50%, subject to the enforceability thereof under applicable law, from, and including, the relevant payment date to, but excluding, the date on which such Defaulted Amounts shall have been paid by the Company, at its election, in accordance with Section 2.03(c) of the Indenture.

-
- 1 Include if a Global Note.
 - 2 Include if a Global Note.
 - 3 Include if a Certificated Note.
 - 4 Include if a Global Note.
 - 5 Include if a Certificated Note.

The Company shall pay or cause the Paying Agent to pay the principal of and interest on this Note, so long as such Note is a Global Note, in immediately available funds to the Depository or its nominee, as the case may be, as the registered Holder of such Note. As provided in and subject to the provisions of the Indenture, the Company shall pay the principal of any Notes (other than Notes that are Global Notes) at the office or agency designated by the Company. The Company has initially designated Citibank, N.A. as its Paying Agent, Conversion Agent and Note Registrar in respect of the Notes and its agency in the contiguous United States, as a place where Notes may be presented for payment or for registration of transfer.

Reference is made to the further provisions of this Note set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Note the right to convert this Note into cash, ADSs or a combination of cash and ADSs, as applicable, at the Company's election on the terms and subject to the limitations set forth in the Indenture. A Holder may elect to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note, and any claim, controversy or dispute arising under or related to this Note, shall be construed in accordance with and governed by the laws of the State of New York (without regard to the conflicts of laws provisions thereof).

In the case of any conflict between this Note and the Indenture, the provisions of the Indenture shall control and govern.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed manually or electronically by the Trustee under the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

WEIBO CORPORATION

By: _____
Name:
Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

CITICORP INTERNATIONAL LIMITED

Trustee, certifies that this is one of the Notes described
in the within-named Indenture.

By: _____
Authorized Signatory

[FORM OF REVERSE OF NOTE]

Weibo Corporation
1.375% Convertible Senior Note due 2030

This Note is one of a duly authorized issuance of Notes of the Company, designated as its 1.375% Convertible Senior Notes due 2030 (herein the “**Notes**”), limited to the aggregate principal amount of US\$300,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchaser pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), subject to Section 2.10 of the Indenture all issued or to be issued under and pursuant to an Indenture dated as of December 4, 2023 (herein called the “**Indenture**”), between the Company, Citicorp International Limited, as Trustee (herein called the “**Trustee**”) and Citibank, N.A., as Agents (herein called the “**Agents**”), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties, privileges, disclaimers from liability and immunities thereunder of the Trustee, the Agents, the Company and the Holders of the Notes. Additional Notes may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of, and interest, including any Additional Interest, on, and any Additional Amounts with respect to, all Notes may be declared, by the Trustee at the written direction of the Holders of not less than 25% in aggregate principal amount of Notes then outstanding (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions and certain exceptions set forth in the Indenture. In the case certain Events of Default relating to a bankruptcy (or similar proceeding) with respect to the Company or a Significant Subsidiary of the Company shall have occurred, the principal of, and interest on, all Notes shall automatically become immediately due and payable, as set forth in the Indenture.

Subject to the terms and conditions of the Indenture, the Company shall make or cause the Paying Agent to make all payments and deliveries in respect of the Redemption Price, the Repurchase Price, the Fundamental Change Repurchase Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Note to collect such payments in respect of the Note. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

Subject to the terms and conditions of the Indenture, Additional Amounts will be paid in connection with any payments made and deliveries caused to be made by the Company or any successor to the Company under or with respect to the Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price), payments of interest and payment of cash and/or deliveries of ADSs or Class A Ordinary Shares deliverable upon conversion of Notes in lieu of such ADSs at a Holder’s election or any other consideration due on conversion of a Note (together with payments of cash for any fractional ADS) upon conversion of the Notes to ensure that the net amount received by the beneficial owner of the

Notes after any applicable withholding or deduction (and after deducting any taxes on the Additional Amounts) will equal the amounts that would have been received by such beneficial owner had no such withholding or deduction been required.

The Indenture contains provisions permitting the Company and the Trustee in certain circumstances, without the consent of the Holders of the Notes, and in other circumstances, with the consent of the Holders of more than 50% in aggregate principal amount of the Notes at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures modifying the terms of the Indenture and the Notes as described therein. It is also provided in the Indenture that, subject to certain exceptions, the Holders of more than 50% in aggregate principal amount of the Notes at the time outstanding may on behalf of the Holders of all of the Notes waive any past Default or Event of Default under the Indenture and its consequences.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or cause to be delivered, as the case may be, the principal (including the Repurchase Price, the Fundamental Change Repurchase Price and the Redemption Price, if applicable) of, accrued and unpaid interest on, and the consideration due upon conversion of, this Note at the place, at the respective times, at the rate and in the lawful money or ADSs (including Class A Ordinary Shares in lieu thereof), as the case may be, herein prescribed.

The Notes are issuable in registered form without coupons in denominations of US\$1,000 principal amount and integral multiples of US\$1,000 in excess thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations, without payment of any service charge but, if required by the Company, Trustee or the Note Registrar, with payment of a sum sufficient to cover any tax, assessments or other governmental charges that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such exchange of Notes being different from the name of the Holder of the old Notes surrendered for such exchange.

The Notes may not be redeemed by the Company at its option prior to maturity other than in the event of a Tax Redemption or a Cleanup Redemption as described in Article 16 of the Indenture. No sinking fund is provided for the Notes.

The Holder has the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes or any portion thereof (in principal amounts of US\$1,000 or integral multiples thereof) on the Repurchase Date at a price equal to the Repurchase Price.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes or any portion thereof (in principal amounts of US\$1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to the Fundamental Change Repurchase Price.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, prior to the close of business on the fifth Scheduled Trading Day immediately preceding the Maturity Date, to convert any Notes or portion thereof that is US\$1,000 principal amount of

Notes or an integral multiple thereof, into, at the election of the Company, cash, ADSs or a combination of cash and ADSs on the terms and subject to the limitations set forth in the Indenture.

The Holders may elect to receive Class A Ordinary Shares in lieu of any ADSs deliverable upon conversion. Any Class A Ordinary Shares deliverable in lieu of any ADSs will be, prior to the Resale Restriction Termination Date, subject to certain transfer restrictions as set forth in the Indenture and as imposed by the Hong Kong Share Registrar and will not be able to be deposited into CCASS until such restrictions are removed. Pursuant to the terms of the Deposit Agreement and the Restricted Deposit Agreement, the ADS Depositary will not accept the surrender of any restricted ADSs for the purpose of withdrawal of the Class A Ordinary Shares represented thereby prior to the Resale Restriction Termination Date.

Terms used in this Note and defined in the Indenture are used herein as therein defined.

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM = as tenants in common

UNIF GIFT MIN ACT = Uniform Gifts to Minors Act

CUST = Custodian

TEN ENT = as tenants by the entirety

JT TEN = joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

Weibo Corporation
1.375% Convertible Senior Notes due 2030

The initial principal amount of this Global Note is [] UNITED STATES DOLLARS (US\$ []).

The following increases or decreases in this Global Note have been made:

<u>Date of Exchange</u>	<u>Amount of decrease in Principal Amount of this Global Note</u>	<u>Amount of increase in Principal Amount of this Global Note</u>	<u>Principal Amount of this Global Note following such decrease or increase</u>	<u>Signature of authorized signatory of Trustee or Custodian</u>
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⁶ Include if a Global Note.

[FORM OF NOTICE OF CONVERSION]

Re: 1.375% Convertible Senior Notes due 2030

To: Weibo Corporation

CITIBANK, N.A., as Conversion Agent

Citibank, N.A.

Attn: Agency and Trust Conversion Unit,
480 Washington Boulevard, 30th Floor, Jersey City, NJ 07310
United States of America
Facsimile: [***]

Notes:

This Notice of Conversion will be void unless the applicable information below is duly completed and this notice is deposited during the specified period.

Your attention is drawn to Section 14.02 of the Indenture with respect to the conditions precedent which must be fulfilled before the Notes specified below will be treated as effectively deposited for conversion.

Reference is made to the Indenture, dated as of December 4, 2023 (the “**Indenture**”), by and between, amongst others, CITICORP INTERNATIONAL LIMITED as Trustee (the “**Trustee**”) and WEIBO CORPORATION (the “**Company**”) and Citibank, N.A., as Agents (the “**Agents**”) pursuant to which the Company has issued 1.375% Convertible Senior Notes due 2030 (the “**Notes**”) (ISIN: _____; CUSIP: _____).

The undersigned registered owner of this Note (ISIN: _____; CUSIP: _____) hereby exercises the option to convert this Note, or the portion hereof (that is US\$1,000 principal amount or an integral multiple thereof) below designated, into cash, ADSs (or any Class A Ordinary Shares in lieu thereof) or a combination of cash and ADSs (or any Class A Ordinary Shares in lieu thereof), as applicable in accordance with the terms of the Indenture referred to in this Note, and directs that any cash payable and any ADSs (or any Class A Ordinary Shares in lieu thereof) deliverable upon such conversion, together with any cash payable for any fractional ADS, and any Notes representing any unconverted principal amount hereof, be issued and delivered to the registered Holder hereof unless a different name has been indicated below. Terms defined in the Deposit Agreement, the Restricted Deposit Agreement or the Indenture referred to in this Notice are used herein as so defined. If any ADSs (or any Class A Ordinary Shares in lieu thereof) or any portion of this Note not converted are to be issued in the name of a Person other than the undersigned, the undersigned will pay all documentary, stamp, issue, transfer taxes or other similar governmental charges, if any in accordance with Section 14.02(d) and Section 14.02(e) of the Indenture. Any amount required to be paid to the undersigned on account of interest accompanies this Notice. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Indenture.

In connection with the conversion of this Note, or the portion hereof below designated, the undersigned acknowledges, represents to and agrees with the Company and the ADS Depositary that the undersigned is not an “affiliate” (as defined in Rule 144 under the Securities Act) of the Company and has not been an “affiliate” (as defined in Rule 144 under the Securities Act) of the Company during the three months immediately preceding the date hereof.

In the event that there is any ADSs deliverable upon the conversion of this Note, the undersigned (please select one; if no election is made, the undersigned is deemed to elect NOT to receive any Class A Ordinary Shares in lieu of such ADSs):

elects to receive Class A Ordinary Shares in lieu of such ADS in certificated form; or

does NOT elect to receive any Class A Ordinary Shares in lieu of such ADS.

[The undersigned further certifies:

1. The undersigned acknowledges (and if the undersigned is acting for the account of another person, that person has confirmed that it acknowledges) that the Restricted Securities received upon conversion of this Note (or securities represented thereby or in lieu thereof) have not been and are not expected to be registered under the Securities Act.

2. The undersigned is a qualified institutional buyer (as defined in Rule 144A under the Securities Act) acting for its own account or for the account of one or more qualified institutional buyers and the undersigned is (or such account or accounts are) the sole beneficial owner(s) of the ADSs (or any Class A Ordinary Shares in lieu thereof) to be received upon conversion of the Notes.]⁷

[3.] The undersigned acknowledges that the undersigned (and any such other account) may not continue to hold or retain any interest in Restricted Securities received upon conversion of this Note if the undersigned (or such other account) becomes an affiliate (as defined in Rule 144 under the Securities Act) of the Company.

[4. The undersigned agrees (and if the undersigned is acting for the account of another person, that person has confirmed that it agrees) that, prior to the Resale Restriction Termination Date, the undersigned (and such other account) will not offer, sell, pledge or otherwise transfer the Restricted Security (or securities represented by such Restricted Security or in lieu thereof) except in accordance with the restrictions set forth in that legend and any applicable securities laws of the United States and any state thereof or any transfer restriction as imposed by the Hong Kong Share Registrar, if applicable.]⁸

⁷ Include if a Restricted Security.

⁸ Include if a Restricted Security.

US Dollar cash accounts for any cash payable as a result of this Conversion Notice, if any:

Account Number: _____

Account Name: _____

Bank: _____

Branch: _____

Sort Code: _____

[If the undersigned does NOT elect to receive Class A Ordinary Shares in lieu of ADSs, the undersigned hereby instructs the ADS Depository to register the ADSs in the name of:

- 1. Name of Beneficial Owner to receive ADSs (English): _____
- 2. Address of Beneficial Owner to receive ADSs (English): _____
- 3. Name of Registered Holder of the Deposited Shares: _____
- 4. Number of Deposited Shares: _____
- 5. Number of ADSs to be issued: _____
- 6. Beneficial Owner's Tax ID Number: _____
- 7. Contact Name and Tel No/email address: _____

]9

[If the undersigned does NOT elect to receive Class A Ordinary Shares in lieu of ADSs, the undersigned instructs the Depository to deliver the ADRs representing the ADSs to the following account:

ADS Receiving Broker (* are mandatory fields):

- a) DTC Broker Name*: _____
- b) DTC Broker's Participant Account with DTC *: _____
- c) DTC Broker Contact Name: _____
- d) DTC Broker Contact Tel No/email: _____
- e) Beneficial Owner's Account # with DTC Broker*: _____

OR

- e) Local Broker Name (have account with DTC Broker)*: _____
- Local Broker Sub-Account # with DTC Broker*: _____
- Local Broker Contact Name: _____
- Local Broker Contact Tel No/email: _____

9 Include if NOT a Restricted Security.

[If the undersigned elects to receive the Class A Ordinary Shares in lieu of the ADSs in certificated form, the undersigned acknowledges and understands that the Hong Kong Share Registrar will not accept any transfer of such Class A Ordinary Shares to the HKSCC for depositing into the relevant CCASS participant's stock account prior to the Resale Restriction Termination Date.

Holders should contact their broker (or relevant CCASS custodian participant) or obtain a broker, if required, for additional information on these delivery and deposit procedures.]

For any Class A Ordinary Shares settlement inquiries, please contact:

Computershare Hong Kong Investor Services Limited
[***]

Dated: _____

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if ADSs are to be issued, or Notes are to be delivered, other than to and in the name of the registered holder.

Fill in for registration of ADSs if to be issued, and Notes if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code) Please print name and address

Principal amount to be converted (if less than all):
US\$ _____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

Social Security or Other Taxpayer Identification
Number

[FORM OF REPURCHASE NOTICE]

Re: 1.375% Convertible Senior Notes due 2030

To: Weibo Corporation

CITICORP INTERNATIONAL LIMITED, as Trustee
 Attn: Agency and Trust
 Facsimile: [***]

CITIBANK, N.A., as Paying Agent
 Attn: Agency and Trust Conversion Unit
 Facsimile: [***]

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Weibo Corporation (the “**Company**”) regarding the right of Holders to elect to require the Company to repurchase the entire principal amount of this Note, or the portion thereof (that is US\$1,000 principal amount or an integral multiple thereof) below designated, in accordance with the applicable provisions of the Indenture referred to in this Note, at the Repurchase Price to the registered Holder hereof.

In the case of Certificated Notes, the undersigned hereby acknowledges and agrees that it will deliver its Certificated Notes to the Paying Agent after delivery of the Repurchase Notice (together with all necessary endorsements) at the Paying Agent Office. The certificate numbers of the Notes to be repurchased are as set forth below:

Certificate Number(s): _____

Dated: _____

 Signature(s)

 Social Security or Other Taxpayer Identification Number

Principal amount to be repaid (if less than all):
 US\$ _____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

[FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE]

Re: 1.375% Convertible Senior Notes due 2030

To: Weibo Corporation

CITICORP INTERNATIONAL LIMITED, as Trustee
 Attn: Agency and Trust
 Facsimile: [***]

CITIBANK, N.A., as Paying Agent
 Attn: Agency and Trust Conversion Unit
 Facsimile: [***]

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Weibo Corporation (the “**Company**”) as to the occurrence of a Fundamental Change with respect to the Company and specifying the Fundamental Change Repurchase Date and requests and instructs the Company to pay to the registered holder hereof in accordance with the applicable provisions of the Indenture referred to in this Note (1) the entire principal amount of this Note, or the portion thereof (that is US\$1,000 principal amount or an integral multiple of \$1,000 in excess thereof) below designated, and (2) if such Fundamental Change Repurchase Date does not fall during the period after a Regular Record Date and on or prior to the corresponding Interest Payment Date, accrued and unpaid interest, including Additional Interest, if any, thereon to, but excluding, such Fundamental Change Repurchase Date. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Indenture.

In the case of Certificated Notes, the undersigned hereby acknowledges and agrees that it will deliver its Certificated Notes to the Paying Agent after delivery of the Fundamental Repurchase Notice (together with all necessary endorsements) at the Paying Agent Office. The certificate number(s) of the Notes to be repurchased are as set forth below:

Certificate Number(s): _____

Dated: _____

Signature(s)_____
Social Security or Other Taxpayer Identification NumberPrincipal amount to be repaid (if less than all):
US\$_____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

[FORM OF ASSIGNMENT AND TRANSFER]

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ (Please insert social security or Taxpayer Identification Number of assignee) the within Note, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Note on the books of the Company, with full power of substitution in the premises.

In connection with any transfer of the within Note occurring prior to the Resale Restriction Termination Date, as defined in the Indenture governing such Note, the undersigned confirms that such Note is being transferred:

- To Weibo Corporation or a subsidiary thereof; or
- Pursuant to a registration statement that has become or been declared effective under the Securities Act of 1933, as amended; or
- Pursuant to and in compliance with Rule 144A under the Securities Act of 1933, as amended; or
- Pursuant to and in compliance with Rule 144 under the Securities Act of 1933, as amended, or any other exemption from the registration requirements of the Securities Act of 1933, as amended (if available).

Dated: _____

Signature(s)

Signature Guarantee Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if Notes are to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the assignment must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

[FORM OF INCUMBENCY CERTIFICATE]

I, [NAME], [TITLE], acting on behalf of Weibo Corporation (the “**Company**”) hereby certify that:

(A) the persons listed below are (i) authorized Officers of the Company for purposes of the Indenture (CUSIP No. []; ISIN No. []) (the “**Indenture**”) dated as of December 4, 2023 among the Company, Citicorp International Limited, as the trustee and Citibank, N.A., as the Agents (as such term is defined in the Indenture) in relation to the 1.375% Convertible Senior Notes due 2030 (the “**Notes**”), (ii) duly elected or appointed, qualified and acting as the holder of the respective office or offices set forth opposite their names and (iii) the duly authorized persons who executed or will execute the Indenture and the Notes issued pursuant to the Indenture by their manual or facsimile signatures and were at the time of such execution, duly elected or appointed, qualified and acting as the holder of the offices set forth opposite their names;

(B) each of the individuals listed below have the authority to receive call backs at the telephone numbers noted below upon request of Citicorp International Limited in connection with the Notes issued pursuant to the Indenture;

(C) each signature appearing below is the person’s genuine signature; and

(D) attached hereto as Schedule I is a true, correct and complete specimen of the certificates representing the Notes.

Authorized Officers:

<u>Name</u>	<u>Title</u>	<u>Signature</u>	<u>Telephone Number</u>
	Chief Executive Officer	_____	_____
	Chief Financial Officer	_____	_____



IN WITNESS WHEREOF, I have hereunto executed and delivered this certificate on behalf of the Company as of the date indicated.

Dated: _____

[Name]

By: _____

Name:

Title:

[FORM OF COMPLIANCE CERTIFICATE]

This Compliance Certificate is delivered pursuant to Section 4.09 of the Indenture, dated as of December 4, 2023, as amended, supplemented or modified from time to time (the “**Indenture**”), between Weibo Corporation, a Cayman Islands company (the “**Company**”), Citicorp International Limited, as the trustee (the “**Trustee**”) and Citibank, N.A., as Agents (as such term is defined in the Indenture) (the “**Agents**”). Terms defined in the Indenture are used herein as therein defined.

Each of the undersigned hereby certifies to the Trustee as follows:

1. I am the duly elected, qualified and acting [*title*] or [*title*], as the case may be, of the Company.
2. I have reviewed and am familiar with the contents of this Compliance Certificate.
3. I have reviewed the terms of the Indenture.
4. That a review has been conducted of the activities of the Company and its Subsidiaries and the performance of the Company and its Subsidiaries under the Indenture, in each case since the issue date of the Notes, [and that the Company and its Subsidiaries have been since the issue date of the Notes and are in compliance with all obligations under the Indenture]/[if there has been a Default in the fulfillment of any obligation under the Indenture, specifying each such Default and the nature and status thereof.]

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate as of the date set forth below.

WEIBO CORPORATION

By: _____
Name:
Title:

Date: _____,

Description of rights of each class of securities

registered under Section 12 of the Securities Exchange Act of 1934 (the “Exchange Act”)

As of December 31, 2023, Weibo Corporation, (or “Weibo,” “we,” “us,” “our company,” and “our”) had the following series of securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended, or the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American depositary shares, each representing one Class A ordinary share	WB	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)
Class A ordinary Shares, par value \$0.00025 per share	9898	The Stock Exchange of Hong Kong Limited
US\$800 million 3.500% Senior Notes Due 2024 (the “2024 Notes”)	N/A	Singapore Exchange Securities Trading Limited
US\$750 million 3.375% Senior Notes Due 2030 (the “2030 Notes”)	N/A	Singapore Exchange Securities Trading Limited

Description of Class A Ordinary Shares

The following is a summary of material provisions of our currently effective fourth amended and restated memorandum and articles of association (the “Memorandum and Articles of Association”), as well as the Companies Act (As Revised) of the Cayman Islands (the “Companies Act”) insofar as they relate to the material terms of our ordinary shares. Notwithstanding this, because it is a summary, it may not contain all the information that you may otherwise deem important. For more complete information, you should read our Memorandum and Articles of Association, which are filed with the SEC as an exhibit to our annual report on Form 20-F (File No. 001-36397) for the fiscal year ended December 31, 2023.

Type and Class of Securities (Item 9.A.5 of Form 20-F)

The ordinary shares of Weibo are divided into Class A ordinary shares and Class B ordinary shares, each par value \$0.00025 per share. The respective number of Class A ordinary shares and Class B ordinary shares outstanding as of the last day of the Company’s respective fiscal year is provided on the cover of the annual report on Form 20-F (the “Form 20-F”) of the Company. Certificates representing the ordinary shares are issued in registered form. Weibo will issue only non-negotiable shares, and will not issue bearer or negotiable shares.

Preemptive Rights (Item 9.A.3 of Form 20-F)

Our shareholders do not have preemptive rights.

Limitations or Qualifications (Item 9.A.6 of Form 20-F)

We keep and intend to maintain a dual-class voting structure. Holders of Class A ordinary shares are entitled to one vote per share, while holders of Class B ordinary shares are entitled to three votes per share.

Due to the disparate voting powers attached to these two classes of ordinary shares, holders of our Class B ordinary shares will have decisive influence over matters requiring shareholders’ approval, including election of directors and significant corporate transactions, such as a merger or sale of our company. This concentrated control will limit the ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of Class A ordinary shares and ADSs may view as beneficial.

Rights of Other Types of Securities (Item 9.A. 7 of Form 20-F)

Not applicable.

Rights of Class A Ordinary Shares (Item 10.B.3 of Form 20-F)

Classes of Ordinary Shares

Our ordinary shares are divided into Class A ordinary shares and Class B ordinary shares. Except for conversion rights and voting rights, the Class A ordinary shares and Class B ordinary shares shall carry equal rights and rank pari passu with one another, including but not limited to the rights to dividends and other capital distributions.

Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof. In addition, each Class B ordinary share shall automatically and immediately be converted (by way of being re-designated) into one Class A ordinary share upon (a) any sale, transfer, assignment or disposition of Class B ordinary shares by a holder thereof to any person or entity which is not Mr. Charles Chao (the “Founder”) or a Founder’s Affiliate (as defined in our memorandum and articles of association); or (b) a change of control of any direct or indirect holder of any Class B ordinary shares, including but not limited to, any person other than the Founder or a Founder’s Affiliate gaining “Control” over any of 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 to be held by such person or entity that is not the Founder or a Founder’s Affiliate shall be automatically and immediately converted (by way of being re-designated) into an equal number of Class A ordinary shares. Moreover, each Class B ordinary share shall automatically and immediately be converted (by way of being re-designated) into one Class A ordinary share if at any time SINA and its Affiliates (as defined in our memorandum and articles of association) in the aggregate hold less than five percent (5%) of the issued Class B ordinary shares in our company, and no Class B ordinary shares shall be issued by our company thereafter. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances.

“Control” shall mean having (A) the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of, or (B) 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. “SINA Parent Companies” shall mean the holding companies of Weibo Corporation, including New Wave MMXV Limited, Sina Group Holding Company Limited, SINA Corporation and any other intermediate holding company(ies) of Sina Corporation that may be established in the future.

Voting Rights

Holders of ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of our company except where a shareholder is required, by the rules of the stock exchange on which the Company’s ADSs or shares are listed for trading, to abstain from voting to approve the matter under consideration. Holders of Class A ordinary shares and Class B ordinary shares shall, at all times, vote together as one class on all matters submitted to a vote by the members at any such general meeting. Each Class A ordinary share shall be entitled to one vote on all matters subject to the vote at general meetings of our company, and each Class B ordinary share shall be entitled to three votes on all matters subject to the vote at general meetings of our company. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of such meeting or any one shareholder “Present,” which means, in respect of any person, such person’s presence at a general meeting of members, which may be satisfied by means of such person or, if a corporation or other non-natural person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with our memorandum and articles of association), being: (a) physically present at the meeting; or (b) in the case of any meeting at which “Communication Facilities” are permitted in accordance with our memorandum and articles of association, including any “Virtual Meeting,” connected by means of the use of such Communication Facilities.

“Communication Facilities” mean video, videoconferencing, internet or online conferencing applications, telephone or teleconferencing and/or any other video communication, internet or online conferencing application or

telecommunications facilities by means of which all persons participating in a meeting are capable of hearing and be heard by each other.

“Virtual Meeting” means any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the chairman of such meeting and any directors of our company) are permitted to attend and participate solely by means of Communication Facilities.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attached to the ordinary shares cast by those shareholders who are Present at a general meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes attached to the ordinary shares cast by those shareholders who are Present at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all the shareholders of our company, as permitted by the Companies Act and our memorandum and articles of association. A special resolution will be required for important matters such as a change of name or making changes to our memorandum and articles of association.

Transfer of Ordinary Shares

Any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

However, our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which our company has a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped (in circumstances where stamping is required);
- the ordinary shares transferred are free of any lien in favor of us;
- any fee related to the transfer has been paid to us; and
- in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four.

If our directors refuse to register a transfer they are required, within two months after the date on which the instrument of transfer was lodged, to send to each of the transferor and the transferee notice of such refusal.

Liquidation

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of ordinary shares will be distributed among the holders of the ordinary shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders proportionately. We are a “limited liability” company registered under the Companies Act, and under the Companies Act, the liability of our members is limited to the amount, if any, unpaid on the shares respectively held by them. Our memorandum of association contains a declaration that the liability of our members is so limited.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares. The ordinary shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Ordinary Shares

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

Requirements to Change the Rights of Holders of Class A Ordinary Shares (Item 10.B.4 of Form 20-F)

Variations of Rights of Shares

If at any time, our share capital is divided into different classes of shares, all or any of the rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of not less than two-thirds in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights will not, unless otherwise expressly provided in the rights attaching to or the terms of issue of the shares of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking *pari passu* with such existing class of shares.

General Meetings of Shareholders and Shareholder Proposals

As a Cayman Islands exempted company, we are not obliged by the Companies Act to call shareholders' annual general meetings. Our memorandum and articles of association provide that we shall in each financial year hold a general meeting as our annual general meeting in which case we shall specify the meeting as such in the notices calling it, and the annual general meeting shall be held at such time and place as may be determined by our directors.

Shareholders' annual general meetings and any other general meetings of our shareholders may be convened by a majority of our board of directors. Advance notice of at least 21 calendar days is required for the convening of our annual general shareholders' meeting and at least 14 calendar days for any extraordinary general meeting of our shareholders. The notice of any general meeting (including a postponed or reconvened meeting) at which Communication Facilities will be utilised (including any Virtual Meeting) must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting. A quorum required for a general meeting of shareholders consists of one or more shareholders together holding at the date of the relevant meeting not less than 10% of all votes attaching to all shares Present, which carry the right to vote at general meetings.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our memorandum and articles of association allow one or more shareholders holding shares representing in aggregate not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings to requisition an extraordinary general meeting of the shareholders, in which case our directors are obliged to call such meeting and to put the resolutions so requisitioned to a vote at such meeting; however, our memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Election and Removal of Directors

Unless otherwise determined by our company in general meeting, our memorandum and articles of association provide that our board of directors will consist of not less than two directors. There are no provisions relating to retirement of directors upon reaching any age limit.

The directors have the power to appoint any person as a director either to fill a casual vacancy on the board or as an addition to the existing board. Any director so appointed shall hold office only until the first annual general meeting of our company after his or her appointment and shall then be eligible for re-election at that meeting. At each annual general meeting, one-third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.

Our shareholders may also appoint any person to be a director by way of ordinary resolution.

A director (no matter a managing director or executive director) may be removed with or without cause by an ordinary resolution of our shareholders. The office of a director shall also be vacated automatically if, among other things, the director (1) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or (2) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the board of directors resolves that his office be vacated; or (3) without leave, is absent from meetings of the board for a continuous period of 12 months, and the board resolves that his office be vacated; or (4) ceases to be or is prohibited from being a director by law or by virtue of any provisions in our articles of association; or (5) is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of our directors (including himself) then in office.

Proceedings of Board of Directors

Our memorandum and articles of association provide that our business is to be managed and conducted by our board of directors. The quorum necessary for board meetings may be fixed by the board and, unless so fixed at another number, will be a majority of the directors then in office.

Our memorandum and articles of association provide that our board of directors may from time to time at its discretion exercise all powers of our company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of our company and to mortgage or charge the undertaking, property and assets (present and future) and uncalled capital of our company and issue debentures, bonds and other securities of our company, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Limitations on the Rights to Own Shares (Item 10.B.6 of Form 20-F)

There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our Class A ordinary shares.

Provisions Affecting Any Change of Control (Item 10.B.7 of Form 20-F)

Anti-Takeover Provisions in the Memorandum and Articles of Association

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association, as amended and restated from time to time, for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Ownership Threshold (Item 10.B.8 of Form 20-F)

There are no provisions in our memorandum and articles of association that require our company to disclose shareholder ownership above any particular ownership threshold. However, our shareholders will be required to disclose shareholder ownership in accordance with applicable laws and regulations.

Differences Between the Law of Different Jurisdictions (Item 10.B.9 of Form 20-F)

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

Mergers and Similar Arrangements

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (b) a “consolidation” means the combination of two or more constituent companies into a combined company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies; provided that the arrangement is approved by (a) 75% in value of shareholders; or (b) a majority in number representing 75% in value of creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

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

When a takeover offer is made and accepted by holders of 90% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the

Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits

In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to apply and follow the common law principles (namely the rule in *Foss v. Harbottle* and the exceptions thereto) which permit a minority shareholder to commence a class action against, or derivative actions in the name of, a company to challenge the following:

- an acts which is illegal or ultra vires;
- an act which, although not ultra vires, could only be effected duly if authorized by a special or qualified majority vote that has not been obtained; and
- an act which constitutes a fraud on the minority where the wrongdoers are themselves in control of the company.

Indemnification of Directors and Executive Officers and Limitation of Liability

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our memorandum and articles of association provide that our directors and officers shall be indemnified out of the assets and profits of our company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we have entered into indemnification agreements with our directors and senior executive officers that provide such persons with additional indemnification beyond that provided in our memorandum and articles of association.

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

Anti-Takeover Provisions in the Memorandum and Articles of Association

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association, as amended and restated from time to time, for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Directors' Fiduciary Duties

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires

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

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

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. The Delaware General Corporation Law does not provide shareholders an express right to put any proposal before the annual meeting of shareholders, but in keeping with common law, Delaware corporations generally afford shareholders an opportunity to make proposals and nominations provided that they comply with the notice provisions in the certificate of incorporation or bylaws. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our memorandum and articles of association provides that, on the requisition of any one or more shareholders holding shares representing in aggregate not less than 10% of all votes attaching to all shares Present, on a one vote per share basis, which carry the right to vote at general meetings, the board shall convene an extraordinary general meeting. However, our memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders. As a Cayman Islands exempted company, we are not obliged by law to call shareholders' annual general meetings, but our memorandum and articles of association obliges our company in each financial year to hold a general meeting as our annual general meeting in addition to any other meeting in that financial year. The annual general meeting may be held at such time and place as our board of directors shall appoint.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. Cayman Islands law does not prohibit cumulative voting, but our memorandum and articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Transactions with Interested Shareholders

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

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

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation’s outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class only with the written consent of the holders of not less than two-thirds in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation’s certificate of incorporation may be amended only if adopted and declared advisable by the board of directors and approved by a majority of the outstanding shares entitled to vote and the bylaws may be amended with the approval of a majority of the outstanding shares entitled to vote and may, if so provided in the certificate of incorporation, also be amended by the board of directors. Under the Companies Act and our memorandum and articles of association, our memorandum and articles of association may only be amended by a special resolution of our shareholders.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our

memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

Directors' Power to Issue Shares

Under our memorandum and articles of association, our board of directors is empowered to issue or allot shares or grant options and warrants with or without preferred, deferred, qualified or other special rights or restrictions.

Changes in Capital (Item 10.B.10 of Form 20-F)

Our shareholders may from time to time by ordinary resolution:

- increase our share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- sub-divide our existing shares, or any of them into shares of a smaller amount; provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so cancelled.

Our shareholders may by special resolution, subject to confirmation by the Grand Court of the Cayman Islands on an application by our company for an order confirming such reduction, reduce our share capital or any capital redemption reserve in any manner permitted by law.

Debt Securities (Item 12.A of Form 20-F)

Not applicable.

Warrants and Rights (Item 12.B of Form 20-F)

Not applicable.

Other Securities (Item 12.C of Form 20-F)

Not applicable.

Description of Notes (Item 12.A of Form 20-F)

The following description is only a summary of the material terms of the 2024 Notes and 2030 Notes and does not purport to be complete. The 2024 Notes were issued under and governed by an indenture dated as of July 5, 2019, as supplemented by the first supplemental indenture dated as of July 5, 2019, and the second supplemental indenture dated as of July 8, 2020 (as so supplemented, the "indenture"), between us and Deutsche Bank Trust Company Americas, as trustee (the "trustee"). The following description of certain material terms of the Notes is subject to, and is qualified in its entirety by reference to, the indenture, including definitions of specified terms used in the indenture, and to the Trust Indenture Act of 1939, as amended. We urge you to read the indenture because it, and not this description, defines your rights as a beneficial holder of the Notes. The Indenture, and the first supplemental indenture have been filed with the SEC as exhibits to Form 6-K (File No. 001-36397), filed on July 5, 2019. The second supplemental indenture have been filed with the SEC as an exhibit to Form 6-K (File No. 001-36397), filed on July 8, 2020.

Principal, Maturity and Interest

The Notes will constitute a series of securities under the indenture.

The 2024 Notes will initially be issued in an aggregate principal amount of US\$800,000,000 and will mature on July 5, 2024 unless the 2024 Notes are redeemed prior to their maturity pursuant to the indenture and the terms thereof. The 2024 Notes will bear interest at the rate of 3.500% per annum. Interest on the 2024 Notes will accrue from July 5, 2019 and will be payable semi-annually in arrears on January 5 and July 5 of each year, beginning on January 5, 2020, to the persons in whose names the 2024 Notes are registered at the close of business on the preceding June 21 and December 22, respectively, which we refer to as the record dates. At maturity, the 2024 Notes are payable at their principal amount plus accrued and unpaid interest thereon. In any case where the payment of principal of, premium (if any) or interest on the 2024 Notes is due on a date that is not a Business Day (as defined under the heading “Optional Redemption” below), then payment of principal of, premium (if any) or interest on the 2024 Notes, as the case may be, shall be made on the next succeeding Business Day and no interest shall accrue with respect to such payment for the period from and after such date that is not a Business Day to such next succeeding Business Day. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The 2030 Notes will initially be issued in an aggregate principal amount of US\$750,000,000 and will mature on July 8, 2030 unless the 2030 Notes are redeemed prior to their maturity pursuant to the indenture and the terms thereof. The 2030 Notes will bear interest at the rate of 3.375% per annum. Interest on the 2030 Notes will accrue from July 8, 2020 and will be payable semi-annually in arrears on January 8 and July 8 of each year, beginning on January 8, 2021, to the persons in whose names the 2030 Notes are registered at the close of business on the preceding December 25 and June 24, respectively, which we refer to as the record dates. At maturity, the 2030 Notes are payable at their principal amount plus accrued and unpaid interest thereon. In any case where the payment of principal of, premium (if any) or interest on the 2030 Notes is due on a date that is not a Business Day, then payment of principal of, premium (if any) or interest on the 2030 Notes, as the case may be, shall be made on the next succeeding Business Day and no interest shall accrue with respect to such payment for the period from and after such date that is not a Business Day to such next succeeding Business Day. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Denomination

The Notes shall be denominated in minimum principal amounts of US\$200,000 and in integral multiples of US\$1,000 in excess thereof. The Notes are issued in global registered form.

Issuance of Additional Notes

We may, from time to time, without the consent of the holders of the Notes, create and issue additional Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, the issue price, the first date for accrual of interest and the first payment of interest). The additional Notes issued in this manner will be consolidated with the previously outstanding Notes to constitute a single series of the Notes. We will not issue any additional Notes with the same CUSIP, ISIN or other identifying number as any Notes offered hereby unless the additional Notes are fungible with the outstanding Notes for U.S. federal income tax purposes.

Ranking

The Notes will be our senior unsecured obligations issued under the indenture. The Notes will rank senior in right of payment to all of our existing and future obligations expressly subordinated in right of payment to the Notes and rank at least equal in right of payment with all of our existing and future unsecured and unsubordinated obligations (subject to any priority rights pursuant to applicable law). The 2030 Notes will rank senior in right of payment to all of our existing and future obligations expressly subordinated in right of payment to the 2030 Notes and rank at least equal in right of payment with all of our existing and future unsecured and unsubordinated obligations (subject to any priority rights pursuant to applicable law) including our obligations under our convertible senior notes due 2022, and unsecured senior notes due 2024. However, the Notes will be effectively subordinated to all of our existing and future secured obligations, to the extent of the value of the assets serving as security therefor, and be structurally subordinated to all existing and future obligations and other liabilities of our Controlled Entities.

Optional Redemption

We may, upon giving not less than 30 days nor more than 60 days' notice to holders of the 2024 Notes (which notice shall be irrevocable) and the trustee, redeem the 2024 Notes at any time prior to June 5, 2024, in whole or in part, at a redemption amount equal to the greater of:

- 100% of the principal amount of the 2024 Notes to be redeemed; and
- the "make whole amount," which means the amount determined on the fifth Business Day before the redemption date equal to the sum of (i) the present value of the principal amount of the Notes to be redeemed, assuming a scheduled repayment thereof on the stated maturity date, plus (ii) the present value of the remaining scheduled payments of interest to and including the stated maturity date, in each case discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months and, in the case of an incomplete month, the actual number of days elapsed) at the Treasury Yield plus 30 basis points,

plus, in each case, accrued and unpaid interest on the 2024 Notes to be redeemed, if any, to, but not including, the applicable redemption date; provided that the principal amount of a Note remaining outstanding after redemption in part shall be US\$200,000 or an integral multiple of US\$1,000 in excess thereof.

We may, upon giving not less than 30 days nor more than 60 days' notice to holders of the 2030 Notes (which notice shall be irrevocable) and the trustee, redeem the Notes at any time prior to April 8, 2030, in whole or in part, at a redemption amount equal to the greater of:

- 100% of the principal amount of the 2030 Notes to be redeemed; and
- the "make whole amount," which means the amount determined on the fifth Business Day before the redemption date equal to the sum of (i) the present value of the principal amount of the Notes to be redeemed, assuming a scheduled repayment thereof on the stated maturity date, plus (ii) the present value of the remaining scheduled payments of interest to and including the stated maturity date, in each case discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months and, in the case of an incomplete month, the actual number of days elapsed) at the Treasury Yield plus 45 basis points,

plus, in each case, accrued and unpaid interest on the Notes to be redeemed, if any, to, but not including, the applicable redemption date; provided that the principal amount of a Note remaining outstanding after redemption in part shall be US\$200,000 or an integral multiple of US\$1,000 in excess thereof.

At least five days prior to the date when the notice of redemption is sent to holders of the Notes (unless a shorter notice period shall be acceptable to the trustee), we shall notify the trustee in writing of such proposed redemption date and the principal amount of the Notes to be redeemed.

In addition, we may, upon giving not less than 30 days nor more than 60 days' notice to holders of the 2024 Notes (which notice shall be irrevocable) and the trustee, redeem the 2024 Notes at any time from or after June 5, 2024, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2024 Notes to be redeemed plus, accrued and unpaid interest on the 2024 Notes to be redeemed, if any, to, but not including, the applicable redemption date.

We may, upon giving not less than 30 days nor more than 60 days' notice to holders of the 2030 Notes (which notice shall be irrevocable) and the trustee, redeem the 2030 Notes at any time from or after April 8, 2030, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2030 Notes to be redeemed plus, accrued and unpaid interest on the 2030 Notes to be redeemed, if any, to, but not including, the applicable redemption date.

"Business Day" means a day other than a Saturday, Sunday or a day on which banking institutions or trust companies in The City of New York, Hong Kong or Beijing are authorized or obligated by law, regulation or executive order to remain closed.

“Comparable Treasury Issue” means the United States Treasury security selected by an Independent Investment Banker that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

“Comparable Treasury Price” means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if we obtain fewer than three such Reference Treasury Dealer Quotations, the average of all quotations obtained.

“Independent Investment Banker” means one of the Reference Treasury Dealers appointed by us.

“Reference Treasury Dealer” means each of any three investment banks of recognized standing that is a primary U.S. government securities dealer in the United States, selected by us in good faith.

“Reference Treasury Dealer Quotation” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the fifth Business Day before such redemption date.

“Treasury Yield” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the fifth Business Day before such redemption date) of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The notice of redemption will be delivered at least 30 days but not more than 60 days before the redemption date to each holder of record of the Notes to be redeemed at its registered address. The notice of redemption for the Notes will state, among other things, the amount of Notes to be redeemed, the redemption date, the manner in which the redemption price will be calculated and the place or places that payment will be made upon presentation and surrender of Notes to be redeemed. Unless we default in the payment of the redemption price, interest will cease to accrue on any Notes that have been called for redemption at the redemption date. If less than all of the Notes are to be redeemed, the Notes to be redeemed will be selected (i) if listed on a national securities exchange or held through the clearing systems then in compliance with the requirements of such national securities exchange or the clearing system, and (ii) if the Notes are not listed on any securities exchange and are not held through the clearing systems then pro rata, by lot or in such other manner as the trustee deems appropriate in its sole discretion, unless otherwise required by law.

Repurchase Upon Triggering Event

If a Triggering Event occurs, unless we have exercised our right to redeem the Notes as described under the heading “Description of Debt Securities—Tax Redemption” in the relevant prospectus or under the heading “Optional Redemption” above, we will be required to make an offer to repurchase all or, at the holder’s option, any part (equal to US\$200,000 or multiples of US\$1,000 in excess thereof), of each holder’s Notes pursuant to the offer described below (the “Triggering Event Offer”) on the terms set forth in the indenture and the Notes. In the Triggering Event Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased to, but not including, the date of purchase (the “Triggering Event Payment”).

Within 30 days following a Triggering Event, we will be required to mail a notice to holders of the Notes, with a copy to the trustee, describing the transaction or transactions that constitute the Triggering Event and offering to repurchase the Notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is delivered (the “Triggering Event Payment Date”), pursuant to the procedures required by the Notes and described in such notice.

On the Triggering Event Payment Date, we will be required, to the extent lawful, to:

- accept for payment all Notes or portions of Notes properly tendered pursuant to the Triggering Event Offer;
- deposit with the relevant paying agent one Business Day prior to the Triggering Event Payment Date an amount equal to the Triggering Event Payment in respect of all Notes or portions of Notes properly tendered; and
- deliver or cause to be delivered to the trustee the Notes properly accepted together with an officers' certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by us.

The relevant paying agent will be required to promptly deliver, to each holder who properly tendered Notes, the purchase price for such Notes properly tendered, and the trustee will be required to promptly authenticate and deliver (or cause to be transferred by book-entry) to each such holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each new Note will be in a principal amount of US\$200,000 or a multiple of US\$1,000 in excess thereof.

We will not be required to make a Triggering Event Offer upon a Triggering Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer. In the event that such third party terminates or defaults its offer, we will be required to make a Triggering Event Offer treating the date of such termination or default as though it were the date of the Triggering Event.

We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended ("Exchange Act"), to the extent applicable, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Triggering Event. To the extent that the provision of any such securities laws or regulations conflicts with the Triggering Event Offer provisions of the Notes, we will comply with those securities laws and regulations and will not be deemed to have breached our obligations under the Triggering Event Offer provisions of the Notes by virtue of any such conflict.

There can be no assurance that we will have sufficient funds available at the time of a Triggering Event to consummate a Triggering Event Offer for all Notes then outstanding (or all Notes properly tendered by the holders of such Notes) and pay the Triggering Event Payment. We may also be prohibited by terms of other indebtedness or agreements from repurchasing the Notes upon a Triggering Event, which would require us to repay the relevant indebtedness or terminate the relevant agreement before we can proceed with a Triggering Event Offer, and there can be no assurance that we will be able to effect such repayment or termination.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Shares and limited liability or partnership interests (whether general or limited), but excluding any debt securities convertible or exchangeable into such equity.

"Consolidated Affiliated Entity" of any Person means any corporation, association or other entity which is or is required to be consolidated with such Person under Accounting Standards Codification subtopic 810-10, Consolidation: Overall (including any changes, amendments or supplements thereto) or, if such Person prepares its financial statements in accordance with accounting principles other than U.S. GAAP, the equivalent of Accounting Standards Codification subtopic 810-10, Consolidation: Overall under such accounting principles. Unless otherwise specified herein, each reference to a Consolidated Affiliated Entity will refer to a Consolidated Affiliated Entity of ours.

"Controlled Entity" of any Person means a Subsidiary or a Consolidated Affiliated Entity of such Person.

"Group" means the Company and our Controlled Entities.

"Person" means any individual, corporation, firm, limited liability company, partnership, joint venture, undertaking, association, joint stock company, trust, unincorporated organization, trust, state, government or any agency or political subdivision thereof or any other entity (in each case whether or not being a separate legal entity).

“Preferred Shares,” as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) that is preferred as to the payment of dividends upon liquidation, dissolution or winding up.

“Subsidiary” of any Person means (a) any corporation, association or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total ordinary voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof (or Persons performing similar functions) or (b) any partnership, joint venture limited liability company or similar entity of which more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, is, in the case of clauses (a) and (b), voting at the time owned or controlled, directly or indirectly, by (1) such Person, (2) such Person and one or more Subsidiaries of such Person or (3) one or more Subsidiaries of such Person. Unless otherwise specified herein, each reference to a Subsidiary will refer to a Subsidiary of the Company.

“Triggering Event” means (A) any change in or amendment to the laws, regulations and rules of China or the official interpretation or official application thereof (a “change in law”) that results in (x) the Group (as in existence immediately subsequent to such change in law), as a whole, being legally prohibited from operating substantially all of the business operations conducted by the Group (as in existence immediately prior to such change in law) as of the last date of the period described in our consolidated financial statements for the most recent fiscal quarter and (y) our being unable to continue to derive substantially all of the economic benefits from the business operations conducted by the Group (as in existence immediately prior to such change in law) in the same manner as reflected in our consolidated financial statements for the most recent fiscal quarter and (B) we have not furnished to the trustee, prior to the date that is twelve months after the date of the change in law, an opinion from an independent financial advisor or an independent legal counsel stating either (1) we are able to continue to derive substantially all of the economic benefits from the business operations conducted by the Group (as in existence immediately prior to such change in law), taken as a whole, as reflected in our consolidated financial statements for the most recent fiscal quarter (including after giving effect to any corporate restructuring or reorganization plan of ours) or (2) such change in law would not materially adversely affect our ability to make principal and interest payments on the Notes when due.

The definition of Triggering Event includes a phrase relating to operating “substantially all” or deriving “substantially all” of the economic benefits from, the business operations conducted by the Group. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the applicability of the requirement that we offer to repurchase the Notes as a result of a Triggering Event may be uncertain.

Modification and Waiver

The provisions of the indenture relating to modification and waiver, which are described under the heading “Description of Debt Securities—Modification and Waiver” in the relevant prospectus, will apply to the Notes, with the additional provisions that:

- (i) we and the trustee may not, without the consent of each holder of the Notes affected thereby, reduce the amount of the premium payable upon the redemption or repurchase the Notes or change the time at which the Notes may be redeemed or repurchased as described above under “—Optional Redemption” or “—Repurchase Upon Triggering Event” whether through an amendment or waiver of provisions in the covenants, definitions or otherwise (except through amendments to the definition of “Triggering Event”); and
 - (ii) we and the trustee may, without the consent of any holder of the Notes, amend the indenture and the Notes to conform the text of the indenture or the Notes to any provision of this “Description of the Notes” to the extent that such provision in this “Description of the Notes” was intended to be a verbatim recitation of a provision of the indenture or the Notes as evidenced to the trustee by an officers’ certificate.
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Limitation on Liens

So long as any Note remains outstanding, we will not create or have outstanding, and we will ensure that none of our Principal Controlled Entities will create or have outstanding, any Lien upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) securing any Relevant Indebtedness or securing any guarantee or indemnity in respect of any Relevant Indebtedness either of us or of any of our Principal Controlled Entities, without (i) at the same time or prior thereto securing the Notes equally and ratably therewith or (ii) providing such other security for the Notes as shall be approved by an act of the holders of the Notes holding at least a majority of the principal amount of the Notes then outstanding.

The foregoing restriction will not apply to:

- (i) any Lien arising or already arisen automatically by operation of law which is timely discharged or disputed in good faith by appropriate proceedings;
- (ii) any Lien in respect of the obligations of any Person which becomes a Principal Controlled Entity or which merges with or into us or a Principal Controlled Entity after the date of the indenture which is in existence at the date on which it becomes a Principal Controlled Entity or merges with or into us or a Principal Controlled Entity; provided that any such Lien was not incurred in anticipation of such acquisition or of such Person becoming a Principal Controlled Entity or being merged with or into us or a Principal Controlled Entity;
- (iii) any Lien created or outstanding in favor of us;
- (iv) any Lien in respect of Relevant Indebtedness of us or any Principal Controlled Entity with respect to which we or such Principal Controlled Entity has paid money or deposited money or securities with a fiscal agent, trustee or depository to pay or discharge in full the obligations of us or such Principal Controlled Entity in respect thereof (other than the obligation that such money or securities so paid or deposited, and the proceeds therefrom, be sufficient to pay or discharge such obligations in full);
- (v) any Lien created in connection with Relevant Indebtedness of us or any Principal Controlled Entity denominated in Chinese Renminbi and initially offered, marketed or issued primarily to Persons resident in China;
- (vi) any Lien created in connection with a project financed with, or created to secure, Non-recourse Obligations; or
- (vii) any Lien arising out of the refinancing, extension, renewal or refunding of any Relevant Indebtedness secured by any Lien permitted by the foregoing clause (ii), (v), (vi) or this clause (vii); provided that such Relevant Indebtedness is not increased beyond the principal amount thereof (together with the costs of such refinancing, extension, renewal or refunding) and is not secured by any additional property or assets.

“Lien” means any mortgage, charge, pledge, lien or other form of encumbrance or security interest.

“Non-recourse Obligation” means indebtedness or other obligations substantially related to (i) the acquisition of assets (including any Person that becomes a Controlled Entity) not previously owned by the Company or any of its Controlled Entities or (ii) the financing of a project involving the purchase, development, improvement or expansion of properties of the Company or any of its Controlled Entities, as to which the obligee with respect to such indebtedness or obligation has no recourse to the Company or any of its Principal Controlled Entities or to the assets of the Company or any such Principal Controlled Entity other than the Controlled Entity (and its assets) or the assets which were acquired with the proceeds of such transaction or the project financed with the proceeds of such transaction (and the proceeds thereof).

“Relevant Indebtedness” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or are commonly, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

Certain Definitions

Set forth below are definitions of certain of the terms used herein. Additional terms are defined elsewhere above or in the Indenture.

“Principal Controlled Entities” at any time shall mean one of our Non-listed Controlled Entities

- (i) as to which one or more of the following conditions is/are satisfied:
 - (a) its total revenue or (in the case of one of our Non-listed Controlled Entities which has one or more Non-listed Controlled Entities) consolidated total revenue attributable to us is at least 10% of our consolidated total revenue;
 - (b) its net profit or (in the case of one of our Non-listed Controlled Entities which has one or more Non-listed Controlled Entities) consolidated net profit attributable to us (in each case before taxation and exceptional items) is at least 10% of our consolidated net profit (before taxation and exceptional items); or
 - (c) its net assets or (in the case of one of our Non-listed Controlled Entities which has one or more Non-listed Controlled Entities) consolidated net assets attributable to us (in each case after deducting minority interests in Subsidiaries) are at least 10% of our consolidated net assets (after deducting minority interests in Subsidiaries);

all as calculated by reference to the then latest audited financial statements (consolidated or, as the case may be, unconsolidated) of our Non-listed Controlled Entity and our then latest audited consolidated financial statements;

provided that, in relation to paragraphs (a), (b) and (c) above:

- (1) in the case of a corporation or other business entity becoming a Non-listed Controlled Entity after the end of the financial period to which our latest consolidated audited accounts relate, the reference to our then latest consolidated audited accounts and our Non-listed Controlled Entities for the purposes of the calculation above shall, until our consolidated audited accounts for the financial period in which the relevant corporation or other business entity becomes a Non-listed Controlled Entity are issued, be deemed to be a reference to the then latest consolidated audited accounts of us and our Non-listed Controlled Entities adjusted to consolidate the latest audited accounts (consolidated in the case of a Non-listed Controlled Entity which itself has Controlled Entities) of such Non-listed Controlled Entity in such accounts;
 - (2) if at any relevant time in relation to us or any Non-listed Controlled Entity which itself has Non-listed Controlled Entities, no consolidated accounts are prepared and audited, total revenue, net profit or net assets of us and/or any such Non-listed Controlled Entity shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by or on behalf of us;
 - (3) if at any relevant time in relation to any Non-listed Controlled Entity, no accounts are audited, its net assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Non-listed Controlled Entity prepared for this purpose by or on behalf of us; and
 - (4) if the accounts of any Non-listed Controlled Entity (not being a Non-listed Controlled Entity referred to in proviso (1) above) are not consolidated with our accounts, then the determination of whether or not such Non-listed Controlled Entity is a Principal Controlled
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Entity shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with our consolidated accounts (determined on the basis of the foregoing); or

- (ii) to which is transferred all or substantially all of the assets of a Non-listed Controlled Entity which immediately prior to the transfer was a Principal Controlled Entity; provided that, with effect from such transfer, the Non-listed Controlled Entity which so transfers its assets and undertakings shall cease to be a Principal Controlled Entity (but without prejudice to paragraph (i) above) and the Non-listed Controlled Entity to which the assets are so transferred shall become a Principal Controlled Entity.

An officers' certificate delivered to the trustee certifying in good faith as to whether or not a Controlled Entity is a Principal Controlled Entity shall be conclusive in the absence of manifest error.

"Non-listed Controlled Entities" means the Controlled Entities other than (i) any Controlled Entities with shares of common stock or other common equity interests listed on a nationally recognized stock exchange, including but not limited to the Shanghai Stock Exchange; and (ii) any Subsidiaries or Consolidated Affiliated Entities of any Controlled Entity referred to in clause (i) of this definition.

Legal Defeasance and Covenant Defeasance

The provisions of the indenture relating to legal defeasance and covenant defeasance, which are described under the heading "Description of Debt Securities—Legal Defeasance and Covenant Defeasance" in the relevant prospectus, will apply to the Notes, and in addition, we may also exercise Covenant Defeasance with respect to our obligations under the indenture and the Notes that are described under the headings "—Repurchase Upon Triggering Event" and "—Limitation on Liens" above.

No Sinking Fund

The Notes will not be subject to, nor entitled to the benefit of, any sinking fund.

Book-Entry; Delivery and Form

The Notes will be represented by one or more global notes that will be deposited with and registered in the name of DTC or its nominee for the accounts of its participants, including Euroclear Bank SA/NV ("Euroclear") as operator of the Euroclear System, and Clearstream Banking S.A. ("Clearstream"). We will not issue certificated Notes, except in the limited circumstances described below. Transfers of ownership interests in the global notes will be effected only through entries made on the books of DTC participants acting on behalf of beneficial owners. You will not receive written confirmation from DTC of your purchase. The direct or indirect participants through whom you purchased the Notes should send you written confirmations providing details of your transactions, as well as periodic statements of your holdings. The direct and indirect participants are responsible for keeping accurate account of the holdings of their customers like you. The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the

You, as the beneficial owner of Notes, will not receive certificates representing ownership interests in the global notes, except in the following limited circumstances: (1) DTC notifies us that it is unwilling or unable to continue as depository or if DTC ceases to be eligible under the indenture and we do not appoint a successor depository within 90 days; (2) we determine that the Notes will no longer be represented by global notes and execute and deliver to the trustee an officers' certificate to such effect; or (3) an event of default with respect to the Notes will have occurred and be continuing. These certificated Notes will be registered in such name or names as DTC will instruct the trustee and the agents. It is expected that such instructions may be based upon directions received by DTC from participants with respect to ownership of beneficial interests in global notes.

So long as DTC or its nominee is the registered owner and holder of the global notes, DTC or its nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by the global notes for all purposes under the indenture relating to the Notes. Except as provided above, you, as the beneficial owner of interests in the global notes, will not be entitled to have Notes registered in your name, will not receive or be entitled to receive physical delivery of Notes in definitive form and will not be considered the owner or holder thereof under the indenture.

Accordingly, you, as the beneficial owner, must rely on the procedures of DTC and, if you are not a DTC participant, on the procedures of the DTC participants through which you own your interest, to exercise any rights of a holder under the indenture.

Neither we, the trustee, nor any other agent of ours or agent of the trustee will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in global notes or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests. DTC's practice is to credit the accounts of DTC's direct participants with payment in amounts proportionate to their respective holdings in principal amount of beneficial interest in a security as shown on the records of DTC, unless DTC has reason to believe that it will not receive payment on the payment date. The underwriters will initially designate the accounts to be credited. Beneficial owners may experience delays in receiving distributions on their Notes because distributions will initially be made to DTC and they must be transferred through the chain of intermediaries to the beneficial owner's account. Payments by DTC participants to you will be the responsibility of the DTC participant and not of DTC, the trustee or us. Accordingly, we and any paying agent will have no responsibility or liability for: any aspect of DTC's records relating to, or payments made on account of, beneficial ownership interests in the Notes represented by a global securities certificate; any other aspect of the relationship between DTC and its participants or the relationship between those participants and the owners of beneficial interests in a global securities certificate held through those participants; or the maintenance, supervision or review of any of DTC's records relating to those beneficial ownership interests.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

We have been informed that, under DTC's existing practices, if we request any action of holders of senior notes, or an owner of a beneficial interest in a global security such as you desires to take any action which a holder of the Notes is entitled to take under the indenture, DTC would authorize the direct participants holding the relevant beneficial interests to take such action, and those direct participants and any indirect participants would authorize beneficial owners owning through those direct and indirect participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Clearstream and Euroclear have provided us with the following information:

Clearstream

Clearstream is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic securities markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream participants include underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Clearstream's U.S. participants are limited to securities brokers and dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant either directly or indirectly.

Distributions with respect to the Notes held beneficially through Clearstream will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Euroclear

Euroclear was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment,

thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear performs various other services, including securities lending and borrowing and interacts with domestic markets in several countries. Euroclear is operated by Euroclear Bank SA/NV under contract with Euroclear plc, a U.K. corporation. All operations are conducted by the Euroclear operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator, not Euroclear plc. Euroclear plc establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks, including central banks, securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

The Euroclear operator is a Belgian bank. As such it is regulated by the Belgian Banking and Finance Commission.

Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific clearance accounts. The Euroclear operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Distributions with respect to the Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for Euroclear.

Euroclear has further advised us that investors who acquire, hold and transfer interests in the Notes by book-entry through accounts with the Euroclear operator or any other securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global securities certificates.

Global Clearance and Settlement Procedures

Initial settlement for the Notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same Day Funds Settlement System. Secondary market trading between Clearstream participants and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream participants or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by its U.S. depository; however, such cross market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. depository to take action to effect final settlement on its behalf by delivering or receiving Notes through DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Clearstream participants and Euroclear participants may not deliver instructions directly to their respective U.S. depositories.

Because of time zone differences, credits of the Notes received through Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such Notes settled during such processing will be reported to the relevant Euroclear participants or Clearstream participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of the Notes by or through a Clearstream participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be

available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither we nor the paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect participants of their obligations under the rules and procedures governing their operations.

Description of American Depositary Shares (Items 12.D.1 and 12.D.2 of Form 20-F)

The name of the depository is JPMorgan Chase Bank, N.A. The depository's office is located at 383 Madison Avenue, Floor 11, New York, NY 10179.

Each ADS will represent an ownership interest of one Class A ordinary share, deposited with the custodian, as agent of the depository. Each ADS will also represent any securities, cash or other property deposited with the depository but which they have not distributed directly to you.

You, as an ADS holder, may hold ADSs either directly or indirectly through your broker or other financial institution. If you hold ADSs directly, by having an ADS registered in your name on the books of the depository, you are an ADR holder. This description assumes you hold your ADSs directly. If you hold the ADSs through your broker or financial institution nominee, you must rely on the procedures of such broker or financial institution to assert the rights of an ADR holder described in this section. You should consult with your broker or financial institution to find out what those procedures are.

As an ADR holder, we will not treat you as a shareholder of ours and you will not have any shareholder rights. Cayman Island law governs shareholder rights. Because the depository or its nominee will be the shareholder of record for the shares represented by all outstanding ADSs, shareholder rights rest with such record holder. Your rights are those of an ADR holder. Such rights derive from the terms of the deposit agreement to be entered into between us, the depository and all registered holders from time to time of ADSs issued under the deposit agreement. The obligations of the depository and its agents are also set out in the deposit agreement. Because the depository or its nominee will actually be the registered owner of the shares, you must rely on it to exercise the rights of a shareholder on your behalf. The deposit agreement and the ADSs are governed by New York law.

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of American Depositary Receipt. This summary does not purport to be complete and is subject to and qualified in its entirety by our Form F-6 filed on April 4, 2014 (Commission file No. 333-195072), as amended, which is incorporated herein by reference, including the exhibits thereto. For directions on how to obtain copies of those documents, see "Item 10.H. Additional Information—Documents on Display" of the Form 20-F.

Share Dividends and Other Distributions

How will I receive dividends and other distributions on the shares underlying my ADSs?

We may make various types of distributions with respect to our securities. Cash distributions will be made in U.S. dollars. The depository has agreed that, to the extent practicable, it will pay you the cash dividends or other distributions it or the custodian receives on shares or other deposited securities, after converting any cash received into U.S. dollars (if it determines such conversion may be made on a reasonable basis) and, in all cases, making any necessary deductions provided for in the deposit agreement. The depository may utilize a division, branch or affiliate of JPMorgan Chase Bank, N.A. to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement. Such division, branch and/or affiliate may charge the depository a fee in connection with such sales, which fee is considered an expense of the depository. You will receive these distributions in proportion to the number of underlying securities that your ADSs represent.

Except as stated below, the depository will deliver such distributions to ADR holders in proportion to their interests in the following manner:

- *Cash.* The depositary will distribute any U.S. dollars available to it resulting from a cash dividend or other cash distribution or the net proceeds of sales of any other distribution or portion thereof (to the extent applicable), on an averaged or other practicable basis, subject to (i) appropriate adjustments for taxes withheld, (ii) such distribution being impermissible or impracticable with respect to certain registered ADR holders, and (iii) deduction of the depositary's and/or its agents' expenses in (1) converting any foreign currency to U.S. dollars to the extent that it determines that such conversion may be made on a reasonable basis, (2) transferring foreign currency or U.S. dollars to the United States by such means as the depositary may determine to the extent that it determines that such transfer may be made on a reasonable basis, (3) obtaining any approval or license of any governmental authority required for such conversion or transfer that is obtainable at a reasonable cost and within a reasonable time and (4) making any sale by public or private means in any commercially reasonable manner. If exchange rates fluctuate during a time when the depositary cannot convert a foreign currency, you may lose some or all of the value of the distribution.
- *Shares.* In the case of a distribution in shares, the depositary will issue additional ADRs to evidence the number of ADSs representing such shares. Only whole ADSs will be issued. Any shares which would result in fractional ADSs will be sold and the net proceeds will be distributed in the same manner as cash to the ADR holders entitled thereto.
- *Rights to receive additional shares.* In the case of a distribution of rights to subscribe for additional shares or other rights, if we timely provide evidence satisfactory to the depositary that it may lawfully distribute such rights, the depositary will distribute warrants or other instruments in the discretion of the depositary representing such rights. However, if we do not timely furnish such evidence, the depositary may:
 - sell such rights if practicable and distribute the net proceeds in the same manner as cash to the ADR holders entitled thereto; or
 - if it is not practicable to sell such rights, do nothing and allow such rights to lapse, in which case ADR holders will receive nothing.

We have no obligation to file a registration statement under the Securities Act in order to make any rights available to ADR holders.

- *Other Distributions.* In the case of a distribution of securities or property other than those described above, the depositary may either (i) distribute such securities or property in any manner it deems equitable and practicable or (ii) to the extent the depositary deems distribution of such securities or property not to be equitable and practicable, sell such securities or property and distribute any net proceeds in the same way it distributes cash.
 - *Elective Distributions.* In the case of a dividend payable at the election of our shareholders in cash or in additional shares, we will notify the depositary at least 30 days prior to the proposed distribution stating whether or not we wish such elective distribution to be made available to ADR holders. The depositary shall make such elective distribution available to ADR holders only if (i) we shall have timely requested that the elective distribution be available to ADR holders, (ii) the depositary shall have determined that such distribution is reasonably practicable and (iii) the depositary shall have received satisfactory documentation within the terms of the deposit agreement including any legal opinions of counsel that the depositary in its reasonable discretion may request. If the above conditions are not satisfied, the depositary shall, to the extent permitted by law, distribute to the ADR holders, on the basis of the same determination as is made in the local market in respect of the shares for which no election is made, either (x) cash or (y) additional ADSs representing such additional shares. If the above conditions are satisfied, the depositary shall establish procedures to enable ADR holders to elect the receipt of the proposed dividend in cash or in additional ADSs. There can be no assurance that ADR holders generally, or any ADR holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of shares.
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If the depositary determines in its discretion that any distribution described above is not practicable with respect to any specific registered ADR holder, the depositary may choose any method of distribution that it deems practicable for such ADR holder, including the distribution of foreign currency, securities or property, or it may retain such items, without paying interest on or investing them, on behalf of the ADR holder as deposited securities, in which case the ADSs will also represent the retained items.

Any U.S. dollars will be distributed by checks drawn on a bank in the United States for whole dollars and cents. Fractional cents will be withheld without liability and dealt with by the depositary in accordance with its then current practices.

The depositary is not responsible if it decides that it is unlawful or not reasonably practicable to make a distribution available to any ADR holders.

There can be no assurance that the depositary will be able to convert any currency at a specified exchange rate or sell any property, rights, shares or other securities at a specified price, nor that any of such transactions can be completed within a specified time period.

Deposit, Withdrawal and Cancellation

How does the depositary issue ADSs?

The depositary will issue ADSs if you or your broker deposit shares or evidence of rights to receive shares with the custodian and pay the fees and expenses owing to the depositary in connection with such issuance. In the case of the ADSs issued under our prospectus, we will arrange to have the shares deposited.

Shares deposited in the future with the custodian must be accompanied by certain delivery documentation and shall, at the time of such deposit, be registered in the name of JPMorgan Chase Bank, N.A., as depositary for the benefit of holders of ADRs or in such other name as the depositary shall direct.

The custodian will hold all deposited shares (including those being deposited by or on our behalf in connection with the offering to which our prospectus relates) for the account of the depositary. ADR holders thus have no direct ownership interest in the shares and only have such rights as are contained in the deposit agreement. The custodian will also hold any additional securities, property and cash received on or in substitution for the deposited shares. The deposited shares and any such additional items are referred to as “deposited securities”.

Upon each deposit of shares, receipt of related delivery documentation and compliance with the other provisions of the deposit agreement, including the payment of the fees and charges of the depositary and any taxes or other fees or charges owing, the depositary will issue an ADR or ADRs in the name or upon the order of the person entitled thereto evidencing the number of ADSs to which such person is entitled. All of the ADSs issued will, unless specifically requested to the contrary, be part of the depositary’s direct registration system, and a registered holder will receive periodic statements from the depositary which will show the number of ADSs registered in such holder’s name. An ADR holder can request that the ADSs not be held through the depositary’s direct registration system and that a certificated ADR be issued.

How do ADR holders cancel an ADS and obtain deposited securities?

When you turn in your ADR certificate at the depositary’s office, or when you provide proper instructions and documentation in the case of direct registration ADSs, the depositary will, upon payment of certain applicable fees, charges and taxes, deliver the underlying shares to you or upon your written order. Delivery of deposited securities in certificated form will be made at the custodian’s office. At your risk, expense and request, the depositary may deliver deposited securities at such other place as you may request.

The depositary may only restrict the withdrawal of deposited securities in connection with:

- temporary delays caused by closing our transfer books or those of the depositary or the deposit of shares in connection with voting at a shareholders’ meeting, or the payment of dividends;
 - the payment of fees, taxes and similar charges; or
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- compliance with any U.S. or foreign laws or governmental regulations relating to the ADRs or to the withdrawal of deposited securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

Record Dates

The depositary may, after consultation with us if practicable, fix record dates for the determination of the registered ADR holders who will be entitled (or obligated, as the case may be):

- to receive any distribution on or in respect of shares,
- to give instructions for the exercise of voting rights at a meeting of holders of shares,
- to pay the fee assessed by the depositary for administration of the ADR program and for any expenses as provided for in the ADR, or
- to receive any notice or to act in respect of other matters,

all subject to the provisions of the deposit agreement.

Voting Rights

How do I vote?

If you are an ADR holder and the depositary asks you to provide it with voting instructions, you may instruct the depositary how to exercise the voting rights for the shares which underlie your ADSs. As soon as practicable after receiving notice of any meeting or solicitation of consents or proxies from us, the depositary will distribute to the registered ADR holders a notice stating such information as is contained in the voting materials received by the depositary and describing how you may instruct the depositary to exercise the voting rights for the shares which underlie your ADSs, including instructions for giving a discretionary proxy to a person designated by us. For instructions to be valid, the depositary must receive them in the manner and on or before the date specified.

The depositary will try, as far as is practical, subject to the provisions of and governing the underlying shares or other deposited securities, to vote or to have its agents vote the shares or other deposited securities as you instruct.

Under the deposit agreement for the ADSs, if you do not vote, the depositary will give us a discretionary proxy to vote our ordinary shares underlying your ADSs at shareholders' meetings unless:

- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have a material adverse impact on shareholders; or
- the voting at the meeting is to be made on a show of hands.

Holders are strongly encouraged to forward their voting instructions to the depositary as soon as possible. Voting instructions will not be deemed to be received until such time as the ADR department responsible for proxies and voting has received such instructions, notwithstanding that such instructions may have been physically received by the depositary prior to such time. The depositary will not itself exercise any voting discretion. Furthermore, neither the depositary nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast or for the effect of any vote. Notwithstanding anything contained in the deposit agreement or any ADR, the depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of deposited securities, distribute to the registered holders of ADRs a notice that provides such holders with, or otherwise publicizes to such holders,

instructions on how to retrieve such materials or receive such materials upon request (for example, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

We have advised the depositary that under the Cayman Islands law and our constituent documents, each as in effect as of the date of the deposit agreement, voting at any meeting of shareholders is by show of hands unless a poll is (before or on the declaration of the results of the show of hands) demanded. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with our constituent documents, the depositary will instruct the custodian to vote all deposited securities in accordance with the voting instructions received from a majority of holders of ADSs who provided voting instructions. The depositary will not demand a poll or join in demanding a poll, whether or not requested to do so by holders of ADSs. There is no guarantee that you will receive voting materials in time to instruct the depositary to vote and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

Reports and Other Communications

Will ADR holders be able to view our reports?

The depositary will make available for inspection by ADR holders at the offices of the depositary and the custodian the deposit agreement, the provisions of or governing deposited securities, and any written communications from us which are both received by the custodian or its nominee as a holder of deposited securities and made generally available to the holders of deposited securities.

Additionally, if we make any written communications generally available to holders of our shares, and we furnish copies thereof (or English translations or summaries) to the depositary, it will distribute the same to registered ADR holders.

Reclassifications, Recapitalizations and Mergers

If we take certain actions that affect the deposited securities, including (i) any change in par value, split-up, consolidation, cancellation or other reclassification of deposited securities or (ii) any distributions of shares or other property not made to holders of ADRs or (iii) any recapitalization, reorganization, merger, consolidation, liquidation, receivership, bankruptcy or sale of all or substantially all of our assets, then the depositary may choose, and shall if reasonably requested by us choose:

- to amend the form of ADR;
- to distribute additional or amended ADRs;
- to distribute cash, securities or other property it has received in connection with such actions;
- to sell any securities or property received and distribute the proceeds as cash; or
- to do none of the above.

If the depositary chooses to do none of the above, any of the cash, securities or other property it receives will constitute part of the deposited securities and each ADS will then represent a proportionate interest in such property.

Amendment and Termination

How may the deposit agreement be amended?

We may agree with the depositary to amend the deposit agreement and the ADSs without your consent for any reason. ADR holders must be given at least 30 days' notice of any amendment that imposes or increases any fees or charges (other than stock transfer or other taxes and other governmental charges, transfer or registration fees, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or otherwise prejudices any substantial existing right of ADR holders. Such notice need not describe in detail the specific amendments effectuated thereby, but must identify to ADR holders a means to access the text of such amendment. If an ADR holder continues to hold an ADR or ADRs after being so notified, such ADR holder is deemed to agree to such amendment and to be bound

by the deposit agreement as so amended. Notwithstanding the foregoing, if any governmental body or regulatory body should adopt new laws, rules or regulations which would require amendment or supplement of the deposit agreement or the form of ADR to ensure compliance therewith, we and the depositary may amend or supplement the deposit agreement and the ADR at any time in accordance with such changed laws, rules or regulations, which amendment or supplement may take effect before a notice is given or within any other period of time as required for compliance. No amendment, however, will impair your right to surrender your ADSs and receive the underlying securities, except in order to comply with mandatory provisions of applicable law.

How may the deposit agreement be terminated?

The depositary may, and shall at our written direction, terminate the deposit agreement and the ADRs by mailing notice of such termination to the registered holders of ADRs at least 30 days prior to the date fixed in such notice for such termination; provided, however, if the depositary shall have (i) resigned as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders unless a successor depositary shall not be operating under the deposit agreement within 60 days of the date of such resignation, and (ii) been removed as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders of ADRs unless a successor depositary shall not be operating under the deposit agreement on the 120th day after our notice of removal was first provided to the depositary. After the date so fixed for termination, (a) all Direct Registration ADRs shall cease to be eligible for the Direct Registration System and shall be considered ADRs issued on the ADR Register and (b) the depositary shall use its reasonable efforts to ensure that the ADSs cease to be DTC eligible so that neither DTC nor any of its nominees shall thereafter be a registered holder of ADRs. At such time as the ADSs cease to be DTC eligible and/or neither DTC nor any of its nominees is a registered holder of ADRs, the depositary shall (a) instruct its custodian to deliver all shares to us along with a general stock power that refers to the names set forth on the ADR Register and (b) provide us with a copy of the ADR Register. Upon receipt of such shares and the ADR Register, we have agreed to use our best efforts to issue to each registered holder a Share certificate representing the Shares represented by the ADSs reflected on the ADR Register in such registered holder's name and to deliver such Share certificate to the registered holder at the address set forth on the ADR Register. After providing such instruction to the custodian and delivering a copy of the ADR Register to us, the depositary and its agents will perform no further acts under the Deposit Agreement and the ADRs and shall cease to have any obligations under the Deposit Agreement and/or the ADRs.

Limitations on Obligations and Liability to ADR Holders

Limits on our obligations and the obligations of the depositary; limits on liability to ADR holders and holders of ADSs

Prior to the issue, registration, registration of transfer, split-up, combination, or cancellation of any ADRs, or the delivery of any distribution in respect thereof, and from time to time in the case of the production of proofs as described below, we or the depositary or its custodian may require:

- payment with respect thereto of (i) any stock transfer or other tax or other governmental charge, (ii) any stock transfer or registration fees in effect for the registration of transfers of shares or other deposited securities upon any applicable register and (iii) any applicable fees and expenses described in the deposit agreement;
- the production of proof satisfactory to it of (i) the identity of any signatory and genuineness of any signature and (ii) such other information, including without limitation, information as to citizenship, residence, exchange control approval, beneficial ownership of any securities, compliance with applicable law, regulations, provisions of or governing deposited securities and terms of the deposit agreement and the ADRs, as it may deem necessary or proper; and
- compliance with such regulations as the depositary may establish consistent with the deposit agreement.

The issuance of ADRs, the acceptance of deposits of shares, the registration, registration of transfer, split-up or combination of ADRs or the withdrawal of shares, may be suspended, generally or in particular instances, when the ADR register or any register for deposited securities is closed or when any such action is deemed advisable by the depositary; provided that the ability to withdraw shares may only be limited under the following circumstances: (i)

temporary delays caused by closing transfer books of the depository or our transfer books or the deposit of shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes, and similar charges, and (iii) compliance with any laws or governmental regulations relating to ADRs or to the withdrawal of deposited securities.

The deposit agreement expressly limits the obligations and liability of the depository, ourselves and our respective agents, provided, however, that no such disclaimer of liability under the Securities Act is intended by any of the limitations of liabilities provisions of the deposit agreement. In the deposit agreement it provides that neither we nor the depository nor any such agent will be liable if:

- any present or future law, rule, regulation, fiat, order or decree of the United States, the Cayman Islands, the People's Republic of China or any other country, or of any governmental or regulatory authority or securities exchange or market or automated quotation system, the provisions of or governing any deposited securities, any present or future provision of the depository's charter, any act of God, war, terrorism, nationalization or other circumstance beyond our, the depository's or our respective agents' control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the deposit agreement or the ADRs provide shall be done or performed by us, the depository or our respective agents (including, without limitation, voting);
- the depository exercises or fails to exercise discretion under the deposit agreement or the ADR including, without limitation, any failure to determine that any distribution or action may be lawful or reasonably practicable;
- the depository performs its obligations under the deposit agreement and ADRs without gross negligence or willful misconduct;
- the depository takes any action or refrains from taking any action in reliance upon the advice of or information from legal counsel, accountants, any person presenting shares for deposit, any registered holder of ADRs, or any other person believed by it to be competent to give such advice or information; or
- the depository relies upon any written notice, request, direction, instruction or document believed by it to be genuine and to have been signed, presented or given by the proper party or parties.

Neither the depository nor its agents have any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs. We shall only be obligated to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs, which in our opinion may involve us in expense or liability, if indemnity satisfactory to us against all expense (including fees and disbursements of counsel) and liability is furnished as often as may be required. The depository and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the deposit agreement, any registered holder or holders of ADRs, any ADRs or otherwise related to the deposit agreement or ADRs to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators. The depository shall not be liable for the acts or omissions made by, or the insolvency of, any securities depository, clearing agency or settlement system. Furthermore, the depository shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of any custodian that is not a branch or affiliate of JPMorgan Chase Bank, N.A. Notwithstanding anything to the contrary contained in the deposit agreement or any ADRs, the depository shall not be responsible for, and shall incur no liability in connection with or arising from, any act or omission to act on the part of the custodian except to the extent that the custodian committed fraud or willful misconduct in the provision of custodial services to the depository or failed to use reasonable care in the provision of custodial services to the depository as determined in accordance with the standards prevailing in the jurisdiction in which the custodian is located. The depository and the custodian(s) may use third party delivery services and providers of information regarding matters such as pricing, proxy voting, corporate actions, class action litigation and other services in connection with the ADRs and the deposit agreement, and use local agents to provide extraordinary services such as attendance at annual meetings of issuers of securities. Although the depository and the custodian will use reasonable care (and cause their agents to use reasonable care) in the selection and retention of such third party

providers and local agents, they will not be responsible for any errors or omissions made by them in providing the relevant information or services. The depositary shall not have any liability for the price received in connection with any sale of securities, the timing thereof or any delay in action or omission to act nor shall it be responsible for any error or delay in action, omission to act, default or negligence on the part of the party so retained in connection with any such sale or proposed sale.

The depositary has no obligation to inform ADR holders or other holders of an interest in any ADSs about the requirements of Cayman Islands or People's Republic of China law, rules or regulations or any changes therein or thereto.

Additionally, none of us, the depositary or the custodian shall be liable for the failure by any registered holder of ADRs or beneficial owner therein to obtain the benefits of credits on the basis of non-U.S. tax paid against such holder's or beneficial owner's income tax liability. Neither we nor the depositary shall incur any liability for any tax consequences that may be incurred by holders or beneficial owners on account of their ownership of ADRs or ADSs.

Neither the depositary nor its agents will be responsible for any failure to carry out any instructions to vote any of the deposited securities, for the manner in which any such vote is cast or for the effect of any such vote. The depositary may rely upon instructions from us or our counsel in respect of any approval or license required for any currency conversion, transfer or distribution. The depositary shall not incur any liability for the content of any information submitted to it by us or on our behalf for distribution to ADR holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the deposited securities, for the validity or worth of the deposited securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the deposit agreement or for the failure or timeliness of any notice from us. The depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the depositary or in connection with any matter arising wholly after the removal or resignation of the depositary, provided that in connection with the issue out of which such potential liability arises the depositary performed its obligations without negligence while it acted as depositary. Neither the depositary nor any of its agents shall be liable to registered holders of ADRs or beneficial owners of interests in ADSs for any indirect, special, punitive or consequential damages (including, without limitation, lost profits) of any form incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought.

In the deposit agreement each party thereto (including, for avoidance of doubt, each holder and beneficial owner and/or holder of interests in ADRs) irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any suit, action or proceeding against the depositary and/or us directly or indirectly arising out of or relating to the shares or other deposited securities, the ADSs or the ADRs, the deposit agreement or any transaction contemplated therein, or the breach thereof (whether based on contract, tort, common law or any other theory).

The depositary and its agents may own and deal in any class of our securities and in ADSs.

Conversion between ADSs and Class A Ordinary Shares (Item 12.D.1 and 12.D.2 of Form 20-F)

Dealings and Settlement of Class A Ordinary Shares in Hong Kong

Our Class A ordinary shares now trade on the Hong Kong Stock Exchange in board lots of 20 ordinary shares. Dealings in our Class A ordinary shares on the Hong Kong Stock Exchange will be conducted in Hong Kong dollars.

The transaction costs of dealings in our Class A ordinary shares on the Hong Kong Stock Exchange include:

- (a) Hong Kong Stock Exchange trading fee of 0.005% of the consideration of the transaction, charged to each of the buyer and seller;
- (b) SFC transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- (c) trading tariff of HK\$0.50 on each and every purchase or sale transaction. The decision on whether or not to pass the trading tariff onto investors is at the discretion of brokers;



- (d) transfer deed stamp duty of HK\$5.00 per transfer deed (if applicable), payable by the seller;
- (e) ad valorem stamp duty at a total rate of 0.26% of the value of the transaction, with 0.13% payable by each of the buyer and the seller;
- (f) stock settlement fee, which is currently 0.002% of the gross transaction value, subject to a minimum fee of HK\$2.00 and a maximum fee of HK\$100.00 per side per trade;
- (g) brokerage commission, which is freely negotiable with the broker (other than brokerage commissions for IPO transactions which are currently set at 1% of the subscription or purchase price and will be payable by the person subscribing for or purchasing the securities); and
- (h) the Hong Kong share registrar will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the Hong Kong Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong.

Investors must settle their trades executed on the Hong Kong Stock Exchange through their brokers directly or through custodians. For an investor who has deposited his/her Class A ordinary shares in his/her stock account or in his/her designated CCASS participant's stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his/her broker or custodian before the settlement date.

Conversion between Class A Ordinary Shares Trading in Hong Kong and ADSs

In connection with the initial public offering of our Class A ordinary shares in Hong Kong, or the Hong Kong Public Offering, we have established a branch register of members in Hong Kong, or the Hong Kong share register, which is maintained by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited. Our principal register of members, or the Cayman share register, continues to be maintained by our Principal Share Registrar, Global Incorporation Centre Limited, in the Cayman Islands.

All Class A ordinary shares offered in the Global Offering have been registered on the Hong Kong share register in order to be listed and traded on the Hong Kong Stock Exchange. As described in further detail below, holders of Class A ordinary shares registered on the Hong Kong share register will be able to convert these shares into ADSs, and vice versa.

In connection with the Hong Kong Public Offering, and to facilitate fungibility and conversion between ADSs and Class A ordinary shares and trading between Nasdaq and the Hong Kong Stock Exchange, we have moved a portion of our issued Class A ordinary shares from our register of members maintained in the Cayman Islands to our Hong Kong share register.

Following the listing of our Class A ordinary shares on the Hong Kong Stock Exchange, all deposits of Class A ordinary shares for the issuance of ADSs and all withdrawals of Class A ordinary shares upon the cancellation of ADSs will be in the form of Class A ordinary shares registered on our Hong Kong share register and all corporate actions with respect thereto will be processed via the depository's custodian account at CCASS, subject to the rules and procedures applicable to CCASS — eligible securities, subject, in each case, to certain exceptions described below and provided that the foregoing shall not apply to certain of our restricted Class A ordinary shares and Class A ordinary shares as determined by the Company and the depository, which will be via our Principal Register in the Cayman Islands.

Our ADSs

Our ADSs are currently traded on the Nasdaq. Dealings in our ADSs on the Nasdaq are conducted in U.S. Dollars.

ADSs may be held either:

- (a) directly, by having an ADR in physical certificated form registered in his or her name,
- (b) indirectly, through a brokerage or safekeeping account, or
- (c) by holding a “Direct Registration ADR” in book-entry form through a participant, or a broker’s participant, in the “Direct Registration System,” the system established by the Depository Trust Company (“DTC”) for the uncertificated registration of ownership of securities utilized by the depository to record the ownership of ADRs without the issuance of certificates, in which case the ownership is evidenced by periodic statements issued by the Depository to the holders of ADRs entitled thereto.

If an owner of ADSs decides to hold his or her ADSs through his or her brokerage or safekeeping account, he or she must rely on the procedures of his or her broker or bank to assert his or her rights as ADS owner. Banks and brokers typically hold securities such as the ADSs through participants in the DTC clearing and settlement system. ADSs held through DTC will be registered in the name of a nominee of DTC directly, by having a certificated ADS, or an American Depositary Receipt (ADR), registered in the holder’s name, or by holding in the direct registration system, pursuant to which the depository may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements issued by the depository to the ADS holders entitled thereto.

The depository for our ADSs is JPMorgan Chase Bank, N.A., whose office is located at 383 Madison Avenue, Floor 11, New York, New York 10179, United States of America.

Converting Class A Ordinary Shares Trading in Hong Kong into ADSs

An investor who holds Class A ordinary shares registered in Hong Kong and who intends to convert them to ADSs to trade on the Nasdaq must deposit or have his or her broker deposit the Class A ordinary shares with the depository’s Hong Kong custodian, JPMorgan Chase Bank, N.A., Hong Kong Branch, or the custodian, in exchange for ADSs.

A deposit of Class A ordinary shares trading in Hong Kong in exchange for ADSs involves the following procedures:

- (a) If Class A ordinary shares have been deposited with CCASS, the investor must transfer Class A ordinary shares to the depository’s account with the custodian within CCASS by following the CCASS procedures for transfer and submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.
- (b) If Class A ordinary shares are held outside CCASS, the investor must arrange to deposit his or her Class A ordinary shares into CCASS for delivery to the depository’s account with the custodian within CCASS, submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.
- (c) Upon payment of its fees and expenses, payment or net of the Depository’s fees and expenses, and payment of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depository will issue the corresponding number of ADSs in the name(s) requested by an investor and will deliver the ADSs to the designated DTC account of the person(s) designated by an investor or his or her broker if such ADSs are to be held in book-entry form through DTC’s “Direct Registration System.”

For Class A ordinary shares deposited in CCASS, under normal circumstances, the above steps generally require two business days. For Class A ordinary shares held outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. Temporary delays may arise. For example, the transfer books of the depository may from time to time be closed to ADS issuances. The investor will be unable to trade the ADSs until the procedures are completed.

Converting ADSs to Class A Ordinary Shares Trading in Hong Kong

An investor who holds ADSs and who intends to convert his/her ADSs into Class A ordinary shares to trade on the Hong Kong Stock Exchange must cancel the ADSs the investor holds and withdraw Class A ordinary shares from our ADS program and cause his or her broker or other financial institution to trade such Class A ordinary shares on the Hong Kong Stock Exchange.

An investor that holds ADSs indirectly through a broker should follow the broker's procedure and instruct the broker to arrange for cancellation of the ADSs, and transfer of the underlying Class A ordinary shares from the depository's account with the custodian within the CCASS system to the investor's Hong Kong stock account.

For investors holding ADSs directly, the following steps must be taken:

- (a) To withdraw Class A ordinary shares from our ADS program, an investor who holds ADSs may turn in such ADSs at the office of the depository (and the applicable ADR(s) if the ADSs are held in certificated form), and send an instruction to cancel such ADSs to the depository.
- (b) Upon payment or net of its fees and expenses, payment of CCASS' fees and expenses, and payment of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depository will instruct the custodian to deliver Class A ordinary shares underlying the canceled ADSs to the CCASS account designated by an investor.
- (c) If an investor prefers to receive Class A ordinary shares outside CCASS, he or she must receive ordinary shares in CCASS first and then arrange for withdrawal from CCASS. Investors can then obtain a transfer form signed by HKSCC Nominees Limited (as the transferor) and register Class A ordinary shares in their own names with the Hong Kong share registrar.

For Class A ordinary shares to be received in CCASS, under normal circumstances, the above steps generally require two business days. For Class A ordinary shares to be received outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. The investor will be unable to trade the Class A ordinary shares on the Hong Kong Stock Exchange until the procedures are completed.

Temporary delays may arise. For example, the transfer books of the depository may from time to time be closed to ADS cancellations. In addition, completion of the above steps and procedures is subject to there being a sufficient number of Class A ordinary shares on the Hong Kong share register to facilitate a withdrawal from the ADS program directly into the CCASS system. We are not under any obligation to maintain or increase the number of Class A ordinary shares on the Hong Kong share register to facilitate such withdrawals.

Depository Requirements

Before the depository issues ADSs or permits withdrawal of Class A ordinary shares, the depository may require:

- (a) payment of all amounts required pursuant to the deposit agreement, including the issuance and cancellation fees therein, any stock transfer or other tax or other governmental charges and any stock transfer or registration fees in effect;
- (b) production of satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- (c) compliance with procedures it may establish, from time to time, consistent with the deposit agreement, including, but not limited to, presentation of transfer documents.

The depository may refuse to deliver, transfer, or register issuances, transfers and cancellations of ADSs generally when the transfer books of the depository or our Hong Kong share registrar are closed or at any time if the depository or we determine it advisable to do so.

All costs attributable to the transfer of Class A ordinary shares to effect a withdrawal from or deposit of Class A ordinary shares into our ADS program will be borne by the investor requesting the transfer. In particular, holders of Class A ordinary shares and ADSs should note that the Hong Kong share registrar will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the Hong Kong Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong. In addition, holders of ordinary shares and ADSs must pay up to US\$5.00 (or less) per 100 ADSs for each issuance of ADSs and each cancelation of ADSs, as the case may be, in connection with the deposit of Class A ordinary shares into, or withdrawal of Class A ordinary shares from, our ADS program.

ADS LENDING AGREEMENT

Dated as of November 30, 2023

Between

WEIBO CORPORATION (“**Lender**”)

(an exempted company incorporated under the laws of the Cayman Islands)

and

GOLDMAN SACHS INTERNATIONAL (“**Borrower**”)

This Agreement sets forth the terms and conditions under which Borrower shall borrow from Lender American Depositary Shares (as defined below) representing Class A ordinary shares of Lender.

The parties hereto agree as follows:

Section 1. *Certain Definitions.*

The following capitalized terms shall have the following meanings in this Agreement:

“**American Depositary Shares**” or “**ADSs**” means American Depositary Shares, with each ADS representing as of the date hereof an ownership interest in one (1) Class A ordinary share, par value \$0.00025 per share, of Lender held by JPMorgan Chase Bank, N.A., as depositary (including any successor depositary, the “**Depositary**”), under the Amended and Restated Deposit Agreement dated August 10, 2020 as supplemented by a restricted issuance agreement dated December 4, 2023 (as from time to time amended, the “**Deposit Agreement**”) among Lender, the Depositary and all holders and beneficial owners from time to time of American Depositary Receipts issued thereunder.

“**Applicable Share Limit**” means a number of ADSs and/or Ordinary Shares equal to (A) the minimum number of ADSs and/or Ordinary Shares that could give rise to reporting or registration obligations (other than any reporting or registration obligations under Section 13 of the Exchange Act) or other requirements (including obtaining prior approval from any person or entity) of a Borrower Person (as defined in the definition of Share Amount), or could result in an adverse effect on a Borrower Person, under any Applicable Restriction (as defined in the definition of Share Amount), as determined by Borrower in its commercially reasonable discretion, minus (B) 1% of the number of Outstanding Shares.

“**Borrower’s Cash Account**” means a cash account of Borrower maintained with a financial institution to be notified by Borrower to Lender in writing following the execution of this Agreement from time to time.

“**Bankruptcy Code**” has the meaning set forth in Section 7(f).

“**Bankruptcy Law**” has the meaning set forth in Section 9(a)(iii).

“**Borrower Default**” has the meaning set forth in Section 9(a).

“**Borrower Group**” has the meaning set forth in Section 2(c).

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

“**Calculation Agent**” means Borrower. Whenever Borrower in its capacity as Calculation Agent or otherwise is required to act or to exercise judgment in any way, it will do so in good faith and in a commercially reasonable manner. Furthermore, each party agrees that the Calculation Agent is not acting as a fiduciary for or as an advisor to such party in respect of its duties as Calculation Agent hereunder. In making any adjustment hereunder (as set forth under the definition of “Loaned ADSs” or under Section 4), the Calculation Agent shall take into account any adjustment in respect of the relevant transaction or event made by the Depository under the Deposit Agreement, any relevant fees and/or expenses of the Depository and any relevant withholding or deduction of taxes. The Calculation Agent or Borrower, as applicable, shall provide written notice to Lender promptly upon the making of any calculation, adjustment or determination pursuant to this Agreement, so long as Lender has given prompt written notice to the Calculation Agent and Borrower of the event or action that gave rise to the relevant calculation, adjustment or determination made pursuant to this Agreement. After the Calculation Agent or Borrower, as applicable, has given such notice to Lender, the Calculation Agent shall, upon written request by Lender, promptly (and in any event within five Business Days) provide a written explanation in reasonable detail of the basis for any such determination, adjustment or calculation (including any quotations, market data or information from external sources used in making such calculation, adjustment or determination, as the case may be, but without disclosing Calculation Agent’s or Borrower’s proprietary models or other information that is subject to contractual, legal or regulatory obligations to not disclose such information).

“**Cash**” means any currency of the United States as at the time shall be legal tender for payment of public and private debts.

“**Clearing Organization**” means The Depository Trust Company, or, if agreed to in writing by Borrower and Lender, such other securities intermediary at which Borrower and Lender maintain accounts.

“**Closing Price**” on any day means, with respect to the ADSs (i) if the ADSs are listed or admitted to trading on a U.S. securities exchange or are included in the OTC Bulletin Board (operated by the Financial Industry Regulatory Authority, Inc.), the last reported sale price, regular way, in the principal trading session on such day on such market on which the ADSs are then listed or are admitted to trading (or, if the day of

determination is not a Trading Day, the last preceding Trading Day) and (ii) if the ADSs are not so listed or admitted to trading or if the last reported sale price is not obtainable (even if the ADSs are listed or admitted to trading on such market), the average of the bid prices for the ADSs obtained from as many dealers in the ADSs (which may include Borrower or its affiliates), but not exceeding three, as shall furnish bid prices to the Calculation Agent.

“**Code**” has the meaning set forth in Section 7(h).

“**Common Equity**”, of any person (including, for the avoidance of doubt, the Lender), means (i) ordinary share capital or common stock (directly or in the form of depositary receipts) of such person that is convertible into or exchangeable for (or, in the case of depositary receipts, represents) Ordinary Shares and/or (ii) Hong Kong Shares.

“**Confirmation**” has the meaning set forth in Section 2(a).

“**Conversion Rate**” means an initial conversion rate of 72.6929 ADSs per \$1,000 principal amount of Convertible Notes, as adjusted from time to time pursuant to the terms of the Indenture.

“**Convertible Notes**” means the \$300,000,000 aggregate principal amount of 1.375% Convertible Senior Notes due 2030 issued by Lender, or up to \$330,000,000 aggregate principal amount to the extent the option to purchase additional Convertible Notes is exercised in full as set forth in the Convertible Note Purchase Agreement.

“**Convertible Note Purchase Agreement**” means the purchase agreement, dated as of the date hereof, between Lender and the initial purchasers named therein relating to the offering of the Convertible Notes.

“**Cutoff Time**” means 11:00 a.m. in the jurisdiction of the Clearing Organization, which, in the case of The Depository Trust Company, shall be 11:00 a.m. New York City time.

“**Default Termination Date**” has the meaning set forth in Section 3(b).

“**Deposited Securities**” has the meaning set forth in the Deposit Agreement.

“**Excess ADSs**” has the meaning set forth in **Error! Reference source not found.**

“**Excess ADS Event**” has the meaning set forth in **Error! Reference source not found.**

“**Exchange**” means the Nasdaq Global Select Market (or any successor thereto) or, if different, the principal trading market for the ADSs.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Facility Termination Date**” has the meaning set forth in Section 3(b).

“**First Time of Delivery**” has the meaning set forth in the Convertible Notes Purchase Agreement.

“**Foreign Private Issuer**” means a “foreign private issuer,” as such term is defined in Rule 3b-4 under the Exchange Act.

“**Hong Kong Shares**” means the ordinary shares of the Lender that have been registered on the books and records of the Lender’s share registrar in Hong Kong and listed on The Stock Exchange of Hong Kong Limited.

“**Indemnified Party**” has the meaning set forth in Section 12(c). “**Indemnifying Party**” has the meaning set forth in Section 12(c).

“**Indenture**” means the Indenture to be dated on or about December 4, 2023, between Lender and Citicorp International Limited, as trustee, pursuant to which the Convertible Notes will be issued. It is understood and agreed that the Indenture shall be substantially in the form last reviewed by Lender as of the date hereof.

“**Indenture Adjustment Notice**” has the meaning set forth in Section 8(b). “**Lender Default**” has the meaning set forth in Section 9(b).

“**Lender’s Designated Account**” means the securities account of Lender maintained on the books of the Depository to be notified by Lender to Borrower in writing following the execution of this Agreement from time to time.

“**Lender’s Cash Account**” means a cash account of Lender maintained with a financial institution to be notified by Lender to Borrower in writing following the execution of this Agreement from time to time.

“**Lien**” means any pledge, claim, encumbrance, lien (statutory or other), charge, preference, priority or other security interest or preferential arrangement, in each case, in the nature of a security interest of any kind whatsoever.

“**Loan**” has the meaning set forth in Section 2(a).

“**Loan Processing Fee**” has the meaning set forth in Section 2(b).

“**Loaned ADSs**” means the ADSs transferred to Borrower in the outstanding Loan hereunder. If, as the result of any change in nominal value, change in par value, a stock dividend, stock split, reverse stock split or any reclassification of the Deposited Securities, or any split-up or combination of the Deposited Securities, or upon any recapitalization, reorganization, merger or consolidation, or sale of assets affecting Lender or to which it is a party, the number of outstanding ADSs held by the holders thereof immediately prior to such event or transaction is increased or decreased, then the

number of Loaned ADSs under the outstanding Loan shall, effective as of the payment, delivery or effective date of such event, be proportionately increased or decreased, as the case may be, as determined by the Calculation Agent. If any new or different security (or two or more securities) shall be exchanged for the outstanding ADSs as the result of any reorganization, merger, split-up, consolidation, other business combination, reclassification, recapitalization or other corporate action (including, without limitation, a reorganization in bankruptcy) or as a result of the termination of the Deposit Agreement, such new or different security (or such two or more securities collectively) shall, effective upon such exchange, be deemed to become a Loaned ADS in substitution for the former Loaned ADS for which such exchange is made and in the same proportion for which such exchange was made, as determined by the Calculation Agent. For purposes of return of Loaned ADSs by Borrower or purchase, sale, delivery or transfer of securities pursuant to Section 3, Section 9(a)(i) or Section 10, such term shall refer to either Loaned ADSs or an equivalent number of Ordinary Shares (or other Common Equity of the Lender at such time, including, for the avoidance of doubt, Hong Kong Shares), and shall mean securities of the same issuer, class and quantity as the Loaned ADSs or Ordinary Shares as adjusted pursuant to the two preceding sentences, as applicable; *provided* that it is understood and agreed that the number of Hong Kong Shares underlying each Loaned ADS shall be equal to the number of Ordinary Shares underlying each ADS at such time and as adjusted pursuant to the preceding two sentences, as applicable.

“**Maximum Number of ADSs**” means, at any time, the number of ADSs equal to the product of (a) the aggregate principal amount of Convertible Notes outstanding at such time (assuming for such purpose that the option to purchase additional Convertible Notes in the Convertible Note Purchase Agreement has been exercised in full, unless and until such option has expired, in which case the Maximum Number of ADSs shall be determined without taking into account this parenthetical), divided by \$1,000 and (b) the Conversion Rate at such time, subject to the adjustments referred to in the definition of Loaned ADSs above.

“**Non-Cash Distribution**” has the meaning set forth in Section 4(b).

“**Ordinary Shares**” means “Shares” as such term is defined in the Deposit Agreement.

“**Original Delivery Date**” has the meaning set forth in Section 14.

“**Outstanding Shares**” means, as of any date, the outstanding Ordinary Shares as of such date, including the outstanding Deposited Securities.

“**Permitted Lien**” means (i) any lien, charge, claim or other encumbrance or restriction routinely imposed on all securities by the relevant Clearing Organization and (ii) any lien, charge, claim or other encumbrance or restriction (x) in the case of any Loaned ADSs, that exists in respect of all outstanding ADSs and (y) in the case of any Non-Cash Distribution, that exists in respect of all of the relevant distributed property in respect of such Non-Cash Distribution.

“**Permitted Transferee**” has the meaning set forth in Section 11(d).

“**Repayment Suspension**” has the meaning set forth in Section 10(a).

“**Replacement ADSs**” has the meaning set forth in Section 10(b).

“**Replacement Cash**” has the meaning set forth in Section 10(a).

“**Repurchase Notice**” has the meaning set forth in Section 8(b).

“**Repurchase Obstacle**” has the meaning set forth in Section 10(a).

“**Scheduled Trading Day**” means a day that is scheduled to be a Trading Day on the Exchange. If the ADSs are not so listed or admitted for trading, “Scheduled Trading Day” means a Business Day.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Share Amount**”, as of any day, is the number of ADSs and Ordinary Shares that Borrower and any person whose ownership position would be aggregated with that of Borrower (Borrower or any such person, a “**Borrower Person**”) under any law, rule, regulation, regulatory order or organizational documents or contracts of Lender that are, in each case, applicable to ownership of ADSs or Ordinary Shares, including, without limitation, under state, federal or foreign banking laws (“**Applicable Restrictions**”), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership under any Applicable Restriction, as determined by Borrower in its commercially reasonable discretion.

“**Trading Day**” means a day on which (i) there is no Market Disruption Event in respect of the ADSs and (ii) the Exchange is open for trading or, if the ADSs are not so listed, any day on which Lender is open for business. A Trading Day only includes those days that have a scheduled closing time of 4:00 p.m. (New York City time) or the then-standard closing time for regular trading on the Exchange. For the purpose of this definition, a “**Market Disruption Event**” means, in respect of the ADSs, the occurrence or existence of (i) a Trading Disruption (as defined in the 2002 ISDA Equity Derivatives Definitions as published by the International Swaps and Derivatives Association, Inc. (the “**2002 ISDA Definitions**”)), (ii) an Exchange Disruption (as defined in the 2002 ISDA Definitions) or (iii) an early closure of the Exchange prior to its scheduled closing time, in each case as the Calculation Agent determines is material.

“**Underwriting Agreement**” means the underwriting agreement, dated as of the date hereof, between Lender and Borrower and the underwriters named therein relating to the registered public offering of the ADSs.

(a) Subject to the terms and conditions of this Agreement (including, for the avoidance of doubt, Lender's ability to make accurate representations as to the matters set forth in Section 7), and subject to the closing of the issuance of the Convertible Notes pursuant to the Convertible Note Purchase Agreement, Lender hereby agrees to loan to Borrower, and Borrower agrees to borrow, 6,233,785 ADSs on the First Time of Delivery, as specified by Borrower in a written notice to Lender substantially in the form of Exhibit A attached hereto (a "**Borrowing Notice**") (such issuance and loan, the "**Loan**"). Such Loan shall be confirmed by a schedule and receipt listing the Loaned ADSs provided by Lender to Borrower (the "**Confirmation**"). Such Confirmation shall constitute conclusive evidence with respect to the Loan, including the number of ADSs that are the subject of the Loan, unless a written objection to the Confirmation specifying the reasons for the objection is received by Lender within five (5) Business Days after the delivery of the Confirmation to Borrower. For the avoidance of doubt, the receipt by Lender of any such written objection shall not delay Lender's obligation to deliver ADSs to Borrower in connection with the Loan. To effect the Loan, Lender agrees to issue a number of Ordinary Shares (credited as fully paid) underlying the number of ADSs for the Loan registered in the name of the Depository (or its nominee) and deposit share certificates evidencing such Ordinary Shares with, and deliver an original certified copy of Lender's register of members to, the custodian of the Depository on or prior to the First Time of Delivery, and cause the Depository to deliver the relevant ADSs to Borrower's account maintained with the Clearing Organization by no later than the Cutoff Time on the First Time of Delivery. For the avoidance of doubt, if Borrower redelivers any Loaned ADSs to Lender hereunder, Borrower may not subsequently reborrow such ADSs.

(b) Borrower agrees to pay Lender a single loan processing fee (the "**Loan Processing Fee**") equal to \$0.00025 per Loaned ADS (subject to adjustment to reflect any split up, combination or change in the ratio of Ordinary Shares to ADSs pursuant to the Deposit Agreement). The Loan Processing Fee shall be paid by or on behalf of Borrower on or before the time of transfer of the Loaned ADSs. Lender shall apply the Loan Processing Fee to fully pay up the Ordinary Shares underlying the ADSs for the Loan. Lender agrees to pay all fees and expenses of the Depository in connection with the Loan, including without limitation in connection with the issuance of the Loaned ADSs and the withdrawal of any such Ordinary Shares upon the cancellation of the Loaned ADSs.

(c) Borrower shall not be entitled to receive any Loaned ADSs, and any purported delivery of Loaned ADSs hereunder shall not be effective in conferring "beneficial ownership" (within the meaning of this Section 2(c)) on Borrower, and Borrower shall promptly return to Lender all Loaned ADSs comprising any such purported delivery hereunder, in each case, to the extent that (but only to the extent that), immediately upon giving effect to such receipt of such ADSs, (i)(x) Lender is not a Foreign Private Issuer and (y) the "beneficial ownership" (within the meaning of Section 13 of the Exchange Act and the rules promulgated thereunder) of Ordinary Shares by Borrower or any affiliate of Borrower subject to aggregation with Borrower under such Section 13 and rules or any "group" (within the meaning of such Section 13 and rules) of

which Borrower is a member (collectively, “**Borrower Group**”) would be equal to or greater than 8.5% of the Outstanding Shares, and/or (ii) the Share Amount would be equal to or greater than the Applicable Share Limit (if any applies). If any delivery owed to Borrower hereunder is not made, in whole or in part, as a result of this provision, Lender’s obligation to make such delivery shall not be extinguished and Lender shall make such delivery as promptly as practicable after, but in no event later than two Business Days after, Borrower gives notice to Lender that such delivery would not result in (i) Borrower Group directly or indirectly so beneficially owning in excess of 8.5% of the Outstanding Shares (and at such time Lender is not a Foreign Private Issuer) or (ii) the Share Amount exceeding the Applicable Share Limit (if any applies), as described above.

Section 3. *Redelivery of Loaned ADSs By Borrower; Loan Terminations.*

(a) Borrower may terminate all or any portion of the Loan on any Business Day by giving written notice thereof to Lender and transferring the corresponding number of Loaned ADSs to Lender, without any consideration being payable in respect thereof by Lender to Borrower; *provided* that such termination shall not relieve Borrower from the obligation to make such other payments and/or deliveries required to be made by it to Lender hereunder, including any such payments and/or deliveries pursuant to Section 4 hereof. Any such Loan termination shall be effective immediately upon delivery of the applicable Loaned ADSs in accordance with the terms hereof. All such redelivered Loaned ADSs shall be delivered by Borrower free and clear of all Liens (other than Permitted Liens) and shall not be deemed redelivered hereunder so long as any such Lien (other than Permitted Liens) shall exist.

(b) The Loan, if outstanding on the date this Agreement terminates pursuant to Section 13 (the “**Facility Termination Date**”) or pursuant to Section 9 (the “**Default Termination Date**”), shall terminate on such date and Borrower shall use its best efforts to deliver any and all outstanding Loaned ADSs to Lender as soon as practicable and in any event such outstanding Loaned ADSs shall be delivered to Lender no later than the twenty-fifth (25th) Trading Day following the Facility Termination Date or the Default Termination Date, without any consideration being payable in respect thereof by Lender to Borrower; *provided* that such termination shall not relieve Borrower from the obligation to make such other payments and/or deliveries required to be made by it to Lender hereunder, including any such payments and/or deliveries pursuant to Section 4 hereof.

(c) If on any date the aggregate number of Loaned ADSs exceeds the Maximum Number of ADSs (an “**Excess ADS Event**”), Lender may request in writing that the number of Loaned ADSs in excess of the Maximum Number of ADSs (such excess Loaned ADSs, the “**Excess ADSs**”) shall be delivered by Borrower to Lender, without any consideration being payable in respect thereof by Lender to Borrower. Upon receipt of such notice, Borrower shall, as soon as practicable and in any event no later than the date thirty-five (35) Trading Days following the date on which Borrower receives such written notice, deliver the Excess ADSs to Lender.

(d) For the avoidance of doubt, for the purposes of return or redelivery of Loaned ADSs or an equivalent number of Ordinary Shares by Borrower pursuant to this Section 3, the term “Loaned ADSs” shall refer to either Loaned ADSs or the equivalent in Ordinary Shares (or other Common Equity of the Lender at such time, including, for the avoidance of doubt, Hong Kong Shares). The obligation of Borrower to deliver Loaned ADSs or Excess ADSs to Lender pursuant to Section 3(a), 3(b) or (c) shall be deemed satisfied in full upon Borrower’s delivery of the relevant Loaned ADSs or Excess ADSs, as the case may be, to the Depository (with written instructions to the Depository to cancel the relevant Loaned ADSs or Excess ADSs, as the case may be, and to deliver to Lender the Ordinary Shares (or other Common Equity of the Lender at such time) underlying the Loaned ADSs or Excess ADSs, as the case may be, being surrendered for cancellation), or upon the transfer by Borrower of such Loaned ADSs or Excess ADSs, as the case may be, to Lender’s Designated Account, or, at Borrower’s election (in the case of any Loaned ADSs or Excess ADSs that are Ordinary Shares (or other Common Equity of the Lender at such time) if any such surrender or transfer is not reasonably practicable for any reason), upon Borrower surrendering such Loaned ADSs or Excess ADSs to Lender (or such other account as notified by Lender to Borrower prior to such transfer).

(e) For the avoidance of doubt, (i) any and all outstanding Loaned ADSs shall be delivered by Borrower to Lender, net of any fees or expenses of the Depository and any applicable withholdings or deductions on account of taxes or other governmental charges imposed on such delivery, if any; and (ii) if the ADSs, Ordinary Shares, or other Common Equity of the Lender at such time are listed on more than one securities exchange or, if delisted from the Exchange and listed on a different securities exchange than the Exchange, Borrower may deliver the relevant Loaned ADSs or Excess ADSs, as the case may be, to the applicable account at the relevant clearing organization or securities intermediary, unless Lender has notified Borrower of a different applicable account prior to such transfer; *provided* that, if the Ordinary Shares are listed on an exchange other than the Exchange, prior to delivering an equivalent number of Ordinary Shares underlying such Loaned ADSs or Excess ADSs, as the case may be, the Calculation Agent shall have determined that it is not commercially reasonable for Borrower to deliver the Loaned ADSs or Excess ADSs, as the case may be.

Section 4. *Distributions.*

(a) If, at any time when there are Loaned ADSs outstanding under this Agreement, Lender makes a cash or other distribution in respect of all of its Ordinary Shares (including, without limitation, any cash exchanged for the outstanding ADSs as the result of any reorganization, merger, split-up, consolidation, other business combination, reclassification, recapitalization or other corporate action), with the result that, through the Depository, a cash distribution is made to the then holder or holders of such Loaned ADSs pursuant to the Deposit Agreement, Borrower shall pay to Lender (whether or not Borrower is a holder of any or all of the outstanding Loaned ADSs), within twenty-five (25) Trading Days after the payment of such distribution, an amount in cash (in the same currency as received by holders of Loaned ADSs from the Depository) equal to the product of (A) the amount per Loaned ADS of such distribution

(net of any fees or expenses of the Depositary and any applicable withholdings or deductions on account of taxes or other governmental charges imposed on such distribution) and (B) the number of Loaned ADSs on the record date for such distribution, in each case as determined by the Calculation Agent; *provided* that if Borrower returns any Loaned ADSs to Lender following a record date for such distribution but prior to the payment of such distribution, Borrower shall nonetheless pay to Lender the amount of such distribution (net of any fees or expenses of the Depositary and any applicable withholdings or deductions on account of taxes or other governmental charges imposed on such delivery, if any) within twenty-five (25) Trading Days after the payment of such distribution.

(b) If, at any time when there are Loaned ADSs outstanding under this Agreement, Lender, through the Depositary, makes a distribution in respect of all of its outstanding ADSs in property or securities, including any options, warrants, rights or privileges in respect of securities (other than a distribution of ADSs, but including any distribution of Ordinary Shares or any options, warrants, rights or privileges exercisable for, convertible into or exchangeable for ADSs or Ordinary Shares or other securities of any other entity) to the then holder or holders of such Loaned ADSs (a “**Non-Cash Distribution**”), Borrower shall (x) in the case of any Non-Cash Distribution consisting exclusively of Ordinary Shares, deliver to Lender (whether or not Borrower is a holder of any or all of the outstanding Loaned ADSs), within twenty-five (25) Trading Days after the delivery date of such Ordinary Shares, Ordinary Shares in an amount equal to the product of (A) the amount of Ordinary Shares distributed pursuant to such Non-Cash Distribution and (B) the number of Loaned ADSs outstanding on the record date for such distribution or (y) in the case of any other Non-Cash Distribution, use commercially reasonable efforts to deliver to Lender (whether or not Borrower is a holder of any or all of the outstanding Loaned ADSs) in kind, within twenty-five (25) Trading Days after the delivery date of such Non-Cash Distribution, the property or securities distributed, in an amount equal to the product of (A) the amount per ADS of such Non-Cash Distribution (net of any reasonable fees or expenses of the Depositary and any applicable withholdings or deductions on account of taxes or other government charges imposed on such distribution) and (B) the number of Loaned ADSs outstanding on the record date for such distribution, in each case, as determined by the Calculation Agent; *provided* that, in the case of a Non-Cash Distribution described in clause (y) above, to the extent such delivery is not commercially reasonable with respect to any Non-Cash Distribution (other than any distribution consisting exclusively of Ordinary Shares), Borrower shall deliver to Lender the cash value of the property that was not so delivered, with such cash value to be determined by the Calculation Agent in good faith and in a commercially reasonable manner. Any such Non-Cash Distributions shall be delivered by Borrower free and clear of all Liens (other than Permitted Liens) and shall not be deemed delivered hereunder so long as any such Lien (other than Permitted Liens) shall exist. For the avoidance of doubt, Borrower’s obligation to deliver a Non-Cash Distribution to Lender pursuant to this Section 4(b) shall not apply to any Non-Cash Distribution retained through the facilities of the Depositary and not otherwise distributed directly to holders of ADSs.

Section 5. *Rights in Respect of Loaned ADSs.*

Subject to the terms of this Agreement, Borrower, insofar as it is the beneficial owner of the Loaned ADSs, shall have all of the incidents of ownership in respect of such Loaned ADSs, until it delivers such Loaned ADSs to Lender pursuant to the terms hereof, including the right to transfer the Loaned ADSs to others. Borrower agrees that neither it nor any of its affiliates that is the beneficial owner of any Loaned ADSs hereunder (including ADSs reacquired by Borrower or its affiliates for return to Lender hereunder) shall vote such Loaned ADSs on any matter submitted to a vote of Lender's shareholders; *provided* that, if by Borrower failing to vote such Loaned ADSs there shall not be a quorum at any meeting of shareholders relating to such a matter, Borrower shall in accordance with customary practice vote its ADSs proportionately to the votes of all other shareholders voting on such matter at such meeting. Borrower covenants and agrees with Lender that it will use commercially reasonable efforts to use such Loaned ADSs to directly or indirectly facilitate the sale of the Convertibles Notes and the hedging of the Convertibles Notes by the holders thereof.

Section 6. *Taxes.*

(a) Notwithstanding the foregoing in Section 3(e) and Section 4 and anything else to the contrary in this Agreement, if Borrower or any of its affiliates determines in good faith that any payment or delivery (in cash or in kind) by Borrower or any of its affiliates under this Agreement is subject to withholding tax or reduction under applicable law, Borrower shall promptly notify Lender and such payment may be reduced by such withholding or reduction. Any amount withheld in accordance with the foregoing shall be promptly remitted to the appropriate taxing authority, and such remittance shall be treated for purposes of this Agreement as a payment made to the party on whose behalf such amounts were withheld. Borrower shall provide reasonable proof of payment of such withholding tax to Lender and shall reasonably cooperate with Lender in connection with any contest or dispute with a governmental authority relating to such tax. If Borrower or any of its affiliates is required to deduct or withhold from any payment or delivery (in cash or in kind) hereunder, and does not so deduct or withhold, but such withholding or reduction is assessed directly against Borrower or any of its affiliates, then, except to the extent Lender has satisfied or then satisfies the liability resulting from such withholding or deduction, Lender shall promptly pay to Borrower or its affiliate, as applicable, the amount of such liability. If, as the result of the imposition of any applicable withholdings or deductions on account of taxes or other governmental charges, the amount Borrower or its affiliate actually receives in respect of any Loaned ADSs held by Borrower or such affiliate is less than the amount of the payment that Lender would otherwise be entitled to receive pursuant to Section 4 above, then the amount Borrower shall be required to pay per Loaned ADS pursuant to Section 4 above shall be the amount per Loaned ADS actually received by Borrower or such affiliate reduced by any fees or expenses of the Depository and any applicable withholdings or deductions on account of taxes or other governmental charges imposed.

(b) Lender will bear any present or future stamp, transfer, court, issue, documentary, capital, registration, value-added, property or other similar taxes or duties, including any indirect transfer tax under Public Notice 2015 No. 7 and any related laws

and regulations of the People's Republic of China (the "PRC"), and including any interest or penalties, if any, that arise in any jurisdiction from the transfer of the Loaned ADSs or Ordinary Shares under this Agreement or upon redelivery of the Loaned ADSs or Replacement Cash under Section 3, or otherwise in connection with this Agreement. If Borrower determines in good faith that it is required to pay such taxes or other charges to any taxing or governmental authority, Borrower shall be entitled to pay them to the relevant authority and Lender shall reimburse Borrower for the amounts so paid and for the cost of preparing the applicable filings.

Section 7. *Representations and Warranties.*

(a) Each of Borrower and Lender represents and warrants to the other that:

(i) it has full power to execute and deliver this Agreement, to enter into the Loan contemplated hereby and to perform its obligations hereunder;

(ii) it has taken all necessary action to authorize such execution, delivery and performance;

(iii) this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency, reorganization and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and

(iv) the execution, delivery and performance of this Agreement does not and will not violate, contravene, or constitute a default under, (A) its certificate of incorporation, amended and restated memorandum and articles of association, bylaws or other governing documents, (B) any laws, rules or regulations of any governmental authority to which it is subject, (C) any material contracts, agreements or instrument to which it is a party or (D) any judgment, injunction, order or decree by which it is bound.

(b) Lender represents and warrants to Borrower, as of the date hereof, and as of the date any Loaned ADSs are transferred to Borrower in respect of the Loan hereunder, that the Loaned ADSs and the Ordinary Shares underlying the Loaned ADSs have been duly authorized and, upon the issuance and delivery of any Loaned ADSs to Borrower in accordance with the terms and conditions hereof, and subject to the contemporaneous and prior receipt of the Loan Processing Fee by Lender, such Loaned ADSs and the Ordinary Shares underlying such Loaned ADSs will be duly authorized, validly issued, fully paid and non-assessable and will rank *pari passu* with all other ADSs and Ordinary Shares; and the holders of Ordinary Shares and holders of ADS have no preemptive rights with respect to the Loaned ADSs or the Ordinary Shares underlying such Loaned ADSs.

(c) Lender represents and warrants to Borrower, as of the date any Loaned ADSs are transferred to Borrower in respect of the Loan hereunder, that it has good and valid title to all such ADSs free and clear of any Liens (other than Permitted Liens).

(d) Lender represents and warrants to Borrower, (i) as of the date hereof, and as of the date any Loaned ADSs are transferred to Borrower in respect of the Loan, that the outstanding ADSs are listed on the Exchange and (ii) as of the date any Loaned ADSs are transferred to Borrower in respect of the Loan hereunder, Lender shall have delivered any required notice to the Exchange concerning the issuance of such Loaned ADSs.

(e) Lender represents and warrants to Borrower that, as of the date hereof, and as of the date any Loaned ADSs are transferred to Borrower in respect of the Loan hereunder, Lender is not, and will not be required to register as, an “investment company” as such term is defined in the Investment Company Act of 1940, as amended.

(f) Lender represents and warrants to Borrower, as of and immediately after the date any Loaned ADSs are transferred to Borrower in respect of the Loan hereunder, that (i) Lender is not “insolvent” (as such term is defined under Section 101(32) of Title 11 of the United States Code (the “**Bankruptcy Code**”)), (ii) for the purposes of Cayman Islands law, Lender is not insolvent and is able to pay its debts when due and (iii) Lender would be able to purchase the Maximum Number of ADSs in compliance with Cayman Islands law.

(g) Lender represents and warrants to Borrower that the Deposit Agreement has been duly authorized, executed and delivered by Lender, and constitutes a valid and legally binding agreement of Lender, enforceable in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency, reorganization and similar laws of general applicability relating to or affecting creditors’ rights and to general equity principles; and, upon the deposit of Ordinary Shares in respect thereof in accordance with the provisions of the Deposit Agreement and this Agreement and the issuance by the Depositary of ADSs, such ADSs will be duly and validly issued and the persons in whose names the ADSs are registered will be entitled to the rights specified therein and in the Deposit Agreement.

(h) Lender represents to Borrower that for United States tax purposes it is a foreign corporation within the meaning of Section 7701(a) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”).

(i) Lender represents to Borrower that it takes the position that the transactions contemplated by this Agreement are not subject to tax or reporting under Public Notice 2015 No. 7 and any related laws and regulations of the PRC.

(j) Lender and Borrower each represents and agrees that (A) this Agreement is not unsuitable for it in the light of such party’s financial situation, investment objectives and needs and (B) it is entering into this Agreement in reliance upon such tax, accounting, regulatory, legal and financial advice as it deems necessary and not upon any view expressed by the other.

(k) Lender represents to Borrower that it is not a United States person or a foreign person controlled by or acting on behalf of or in conjunction with United States

persons within the meaning of, and Lender is not subject to, Regulation X of the Board of Governors of the Federal Reserve System (12 C.F.R. Section 224).

(l) Lender and Borrower each acknowledges and agrees that “Non-Reliance”, “Agreements and Acknowledgments Regarding Hedging Activities” and “Additional Acknowledgments” (each as set forth in the 2002 ISDA Definitions) will be deemed to be applicable as if set forth herein.

Section 8. *Covenants.*

(a) The parties hereto agree and acknowledge that Borrower is a “financial institution,” “swap participant” and “financial participant” within the meaning of Sections 101(22), 101(53C) and 101(22A) of Title 11 of the Bankruptcy Code. The parties hereto further agree and acknowledge (A) that this Agreement is intended to be (i) a “securities contract,” as such term is defined in Section 741(7) of the Bankruptcy Code, with respect to which each payment and delivery hereunder is a “settlement payment,” as such term is defined in Section 741(8) of the Bankruptcy Code, and (ii) a “swap agreement,” as such term is defined in Section 101(53B) of the Bankruptcy Code, with respect to which each payment and delivery hereunder is a “transfer,” as such term is defined in Section 101(54) of the Bankruptcy Code, and (B) that Borrower is intended to be entitled to the protections afforded by, among other sections, Sections 362(b)(6), 362(b)(17), 546(e), 546(g), 555 and 560 of the Bankruptcy Code.

(b) Lender shall, immediately following any repurchase of ADSs or Ordinary Shares effected by Lender, including Ordinary Shares underlying the ADSs, give Borrower a written notice of its Outstanding Shares taking into account such repurchase (a “**Repurchase Notice**”) if, following such repurchase, the Outstanding Shares shall have decreased by more than 0.5% since the immediately preceding Repurchase Notice (or, in the case of the first such Repurchase Notice, the Outstanding Shares as of the date hereof). In addition, Lender shall, immediately following the making of any adjustment described in this sentence, give Borrower written notice of the section or sections of the Indenture pursuant to which any adjustment has been made to the Conversion Rate as set forth in Section 14.04 of the Indenture (an “**Indenture Adjustment Notice**”). If such repurchase or transaction or event giving rise to such Indenture Adjustment Notice would constitute material nonpublic information with respect to Lender, the ADSs or the Ordinary Shares, Lender shall make public disclosure thereof at or prior to delivery of such Repurchase Notice or Indenture Adjustment Notice, as applicable.

(c) Lender shall provide to Borrower (i) a properly executed Internal Revenue Service Form W-8BEN-E (or any successor thereto) prior to the initial delivery of the Loaned ADSs hereunder and from time to time thereafter whenever a lapse in time or change in circumstances renders such form inaccurate or the Lender becomes aware that the form has become obsolete, in each case, in any material respect or upon reasonable request by Borrower and (ii) any other form or document that may be required or reasonably requested in writing in order to allow Borrower to make a payment under this Agreement without any deduction or withholding, including under Sections 1471 through

(d) Lender will provide a written notice to Borrower as soon as practicable upon Lender becoming aware that Lender is no longer a Foreign Private Issuer.

(e) Lender shall deliver to Borrower, on or before the date hereof, resolutions of Lender's board of directors authorizing this Agreement.

Section 9. Events of Default.

(a) The Loan may, at the option of Lender by a written notice to Borrower (which option shall be deemed exercised, even if no notice is given, immediately on the occurrence of an event specified in either Section 9(a)(iii) or (iv) below), be terminated (A) immediately on the occurrence of any of the events set forth in either Section 9(a)(iii) or (iv) below and (B) two (2) Trading Days following such notice on the occurrence of any of the other events set forth below (each, a "**Borrower Default**") (provided that Lender may, in its sole discretion, waive in writing such Borrower Default):

(i) Subject to Section 10(a), Borrower fails to deliver the Loaned ADSs or the equivalent in Ordinary Shares (or other Common Equity of the Lender at such time) to Lender as required by Section 3;

(ii) Subject to Section 10(a), Borrower fails to deliver or pay to Lender when due any cash, securities or other property as required by Section 4 or Section 10;

(iii) the filing by or on behalf of Borrower of a voluntary petition or an answer, or the convening of a meeting for the passing of a resolution, seeking reorganization, arrangement, readjustment of its debts, voluntary winding up or liquidation, or for any other relief under any bankruptcy, reorganization, receivership, compromise, arrangement, insolvency, readjustment of debt, dissolution, winding-up or liquidation or similar act or law, of any state, federal or other applicable foreign jurisdictions, now or hereafter existing ("**Bankruptcy Law**"), or any action by Borrower for, or consent or acquiescence to, the appointment of a receiver, trustee, custodian or similar official of Borrower, or of all or a substantial part of its property; or the making by Borrower of a general assignment for the benefit of creditors; or the inability of Borrower, or the admission by Borrower in writing of its inability, to pay its debts as they become due;

(iv) the filing of any involuntary petition against Borrower in bankruptcy or the winding up or liquidation or seeking reorganization, arrangement, readjustment of its debts or for any other relief under any Bankruptcy Law and an order for relief by a court having jurisdiction in the premises shall have been issued or entered therein; or any other similar relief shall be granted under any applicable federal or state law or law of any other applicable foreign jurisdictions;

or a decree or order of a court having jurisdiction in the premises for the winding up or liquidation of Borrower or the appointment of a receiver, liquidator, sequestrator, trustee or other officer having similar powers over Borrower or over all or a part of its property shall have been entered; or the involuntary appointment of an interim receiver, trustee or other custodian of Borrower or of all or a substantial part of its property or the issuance of a warrant of attachment, execution or similar process against any substantial part of the property of Borrower and continuance of any such event for thirty consecutive calendar days unless dismissed, bonded to the satisfaction of the court having jurisdiction in the premises or discharged;

(v) Borrower fails to provide any indemnity as required by Section 12;

(vi) (a) Borrower notifies Lender of Borrower's inability or intention not to perform its obligations hereunder or (b) Borrower otherwise disaffirms, fails to perform, rejects or repudiates any of its obligations hereunder; or

(vii) any representation made by Borrower under this Agreement in connection with the Loan shall be incorrect or untrue in any material respect during the term of the Loan or Borrower fails to comply in any material respect with any of its covenants or agreements under this Agreement.

(b) The Loan may, at the option of Borrower by a written notice to Lender (which option shall be deemed exercised, even if no notice is given, immediately on the occurrence of an event specified in either Section 9(b)(i) or (ii) below), be terminated immediately on the occurrence of any of the events set forth below (each, a "**Lender Default**") (provided that Borrower may, in its sole discretion, waive in writing such Lender Default):

(i) the filing by or on behalf of Lender of a voluntary petition or an answer, or the convening of a meeting for the passing of a resolution, seeking reorganization, arrangement, readjustment of its debts, voluntary winding-up or liquidation, or for any other relief under any Bankruptcy Law, or any action by Lender for, or consent or acquiescence to, the appointment of a receiver trustee or other custodian of Lender, or of all or a substantial part of its property; or the making by Lender of a general assignment for the benefit of creditors; or the inability of Lender, or the admission by Lender in writing of its inability, to pay its debts as they become due;

(ii) the filing of any involuntary petition against Lender in bankruptcy or for its winding-up or liquidation or seeking reorganization, arrangement, readjustment of its debts or for any other relief under any Bankruptcy Law and an order for relief by a court having jurisdiction in the premises shall have been issued or entered therein; or any other similar relief shall be granted under any applicable federal or state law, Cayman Islands law or law of any other applicable foreign jurisdictions; or a decree or order of a court having jurisdiction in the premises for the winding-up or liquidation of Lender or the appointment of a

receiver, liquidator, sequestrator, trustee or other officer having similar powers over Lender or over all or a part of its property shall have been entered; or the involuntary appointment of an interim receiver, trustee or other custodian of Lender or of all or a substantial part of its property; or the issuance of a warrant of attachment, execution or similar process against any substantial part of the property of Lender; and continuance of any such event for thirty consecutive calendar days unless dismissed, bonded to the satisfaction of the court having jurisdiction in the premises or discharged; or Lender is dissolved or struck off;

(iii) Lender fails to provide any indemnity as required by Section 12;

(iv) (a) Lender notifies Borrower of Lender's inability or intention not to perform its obligations hereunder or (b) Lender otherwise disaffirms, fails to perform, rejects or repudiates any of its obligations hereunder; or

(v) any representation made by Lender under this Agreement in connection with the Loan shall be incorrect or untrue in any material respect during the term of the Loan or Lender fails to comply in any material respect with any of its covenants or agreements under this Agreement.

Section 10. *Lender's Remedies.*

(a) Notwithstanding anything to the contrary herein, if Borrower is required to return Loaned ADSs pursuant to Section 3, and, in the good faith judgment of Borrower, the purchase and/or borrow of Loaned ADSs by Borrower or its affiliate or agent in an aggregate amount equal to all or any portion of the number of Loaned ADSs to be delivered to Lender in accordance with Section 3 shall (A) be prohibited by any law, rule or regulation of any governmental authority to which Borrower or its affiliate or agent is or would be subject (including any rule or code of conduct generally applicable to members of any self-regulatory organization of which Borrower or its affiliate or agent is a member or to the regulation of which it is subject (whether or not such rules or codes of conduct are imposed by law or have been voluntarily adopted by Borrower or its affiliate or agent)) or any related policies and procedures applicable to Borrower or its affiliate or agent (provided that such policies or procedures are generally applicable in similar situations) or would be unadvisable, based on the advice of external counsel of national standing or internal counsel of Borrower (or any of its affiliates), if Borrower or its affiliate or agent were to effect such purchases of Loaned ADSs as if Borrower or its affiliate or agent, as the case may be, were Lender or an affiliated purchaser of Lender while remaining in compliance with any such law, rule, regulation or code of conduct or related policies and procedures applicable to Borrower or such affiliate or agent (provided that such policies or procedures are generally applicable in similar situations), (B) violate, or would upon such purchase or borrow likely violate, any order or prohibition of any court, tribunal or other governmental authority, (C) require the prior consent of any court, tribunal or governmental authority prior to any such purchase or borrow, (D) based on the advice of counsel, subject Borrower or its affiliate or agent, as a result of making such purchase or borrow, to any liability or potential liability under any applicable federal securities law (including, without limitation, Section 16 of the

Exchange Act) or (E) be impracticable due to illiquidity of the ADSs across all relevant markets relative to the date hereof or due to a delisting or cancellation of the ADSs (each of (A), (B), (C), (D) and (E), a “**Repurchase Obstacle**”), then, in each case, Borrower shall immediately notify Lender of the Repurchase Obstacle and the basis therefor, whereupon Borrower’s obligations under Section 3 shall be suspended until such time as no Repurchase Obstacle with respect to such obligations shall exist (a “**Repayment Suspension**”). Following the occurrence of and during the continuation of any Repayment Suspension, Borrower shall use commercially reasonable efforts to remove or cure the Repurchase Obstacle as promptly as reasonably practicable and shall promptly deliver to Lender any Loaned ADSs it is able to acquire. If Borrower is unable to completely remove or cure the Repurchase Obstacle within thirty-five (35) Trading Days of the original date on which Borrower is required to return Loaned ADSs pursuant to this Agreement (such 35th Trading Day, the “**Final Day**”), Borrower shall pay to Lender, in lieu of the delivery of Loaned ADSs in accordance with Section 3, an amount in immediately available funds (the “**Replacement Cash**”) equal to the product of (x) the arithmetic average of the volume-weighted average prices per ADS in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on the Exchange on each Trading Day during a commercially reasonable period of consecutive Trading Days as determined by the Calculation Agent (the “**VWAP Price**”) and (y) the number of Loaned ADSs otherwise required to be delivered; *provided* that, in case of a Repurchase Obstacle due to a delisting or cancellation of the ADSs, the VWAP Price shall be calculated by the Calculation Agent using commercially reasonable means (based, to the extent practicable, on the VWAP Price (which definition shall be adjusted by the Calculation Agent to refer to “Ordinary Shares” and the relevant securities exchange as applicable) of the Ordinary Shares if the Ordinary Shares are then listed).

(b) If Borrower shall fail to deliver Loaned ADSs to Lender as a result of a Borrower Default or a Lender Default pursuant to Section 3 when due or shall fail to pay Replacement Cash when due, then, in addition to any other remedies available to Lender under this Agreement or under applicable law, Lender shall have the right (upon prior written notice to Borrower) to purchase a like number of Loaned ADSs (“**Replacement ADSs**”) in the principal market for such securities in a commercially reasonable manner; *provided* that if any Repayment Suspension or failure to deliver shall exist and be continuing, Lender may not exercise such right if a Repurchase Obstacle exists solely as a result of action by Lender and, with respect to other Repurchase Obstacles, until after the thirty-five (35) Trading Day period referred to in Section 10(a) above. To the extent Lender shall exercise such right, Borrower’s obligation to return a like amount of Loaned ADSs or to pay the Replacement Cash, as applicable, shall terminate and Borrower shall be liable to Lender for the purchase price of the Replacement ADSs (plus all other amounts, if any, due to Lender hereunder), all of which shall be due and payable within two (2) Trading Days of notice to Borrower by Lender of the aggregate purchase price of the Replacement ADSs. The purchase price of Replacement ADSs purchased under this Section 10(b) shall include broker’s fees and commissions or any other costs, fees and expenses related to such purchase if none of the Borrower or any of its affiliates is able to act as a broker with respect to such purchases. In the event Lender exercises its rights

under this Section 10(b), Lender may elect in its sole discretion, in lieu of purchasing all or a portion of the Replacement ADSs, to be deemed to have made, respectively, such purchase of Replacement ADSs for an amount equal to the Closing Price of the ADSs on the date Lender elects to exercise this remedy (or, if such date is not a Trading Day, the immediately preceding Trading Day).

Section 11. *Transfers.*

(a) Subject to Section 3(c), all transfers of Loaned ADSs to Borrower or Lender hereunder shall be made by the crediting by a Clearing Organization of such financial assets to the transferee's account maintained with such Clearing Organization. Subject to Section 3(c), all transfers of Loaned ADSs to Lender hereunder shall be made by the delivery of such Loaned ADSs to the Depositary at Lender's Designated Account (whereupon, for the avoidance of doubt, such Loaned ADSs credited to Lender's Designated Account shall become the property of Lender, and Borrower shall have no voting, dispositive control or pecuniary interest with respect thereto).

(b) All transfers of cash hereunder to Borrower or Lender shall be by wire transfer in immediately available, freely transferable funds to the Borrower's Cash Account (or such other account as Borrower shall notify to Lender in writing prior to such transfer) or the Lender's Cash Account (or such other account as Lender shall notify to Borrower in writing prior to such transfer) respectively.

(c) A transfer of securities or cash may be effected under this Section 11 on any day except (i) a day on which the transferee is closed for business at its principal address or (ii) a day on which a Clearing Organization or wire transfer system is closed, if the facilities of such Clearing Organization or wire transfer system are required to effect such transfer.

(d) The rights and duties of Borrower under this Agreement may not be assigned or transferred by Borrower without the prior written consent of Lender, such consent not to be unreasonably withheld; *provided* that Borrower may assign or transfer any of its rights or duties hereunder to Borrower's ultimate parent entity or any directly or indirectly wholly-owned subsidiary or affiliate of Borrower's ultimate parent entity (a "**Permitted Transferee**") without the prior written consent of Lender as long as such Permitted Transferee is of equal or better credit rating as Borrower or is guaranteed by Borrower or an entity of equal or better credit rating as Borrower.

(e) The rights and duties of Lender under this Agreement may not be assigned or transferred by Lender without the prior written consent of Borrower.

Section 12. *Indemnities.*

(a) Lender hereby agrees to indemnify and hold harmless Borrower and its affiliates and its and their directors and officers, and each person, if any, who controls the Borrower within the meaning of the Securities Act (to the fullest extent permitted by applicable law) from and against any and all liabilities, judgments, claims, settlements,

losses, damages, fees, liens, taxes, penalties, obligations and expenses (including, without limitation, any losses relating to Borrower's market activities as a consequence of becoming, or of the risk of becoming, subject to Section 16(b) of the Exchange Act, including, without limitation, any forbearance of market activities or cessation of market activities and any losses in connection therewith) incurred or suffered by any such person or entity directly arising from, by reason of, or in connection with, (i) any breach by Lender of any of its representations or warranties contained in Section 7 or (ii) any breach by Lender of any of its covenants or agreements in this Agreement.

(b) Borrower hereby agrees to indemnify and hold harmless Lender and its affiliates and its and their directors and officers, and each person, if any, who controls the Lender within the meaning of the Securities Act from and against any and all liabilities, judgments, claims, settlements, losses, damages, fees, liens, taxes, penalties, obligations and expenses, incurred or suffered by any such person or entity directly arising from, by reason of, or in connection with (i) any breach by Borrower of any of its representations or warranties contained in Section 7 or (ii) any breach by Borrower of any of its covenants or agreements in this Agreement.

(c) In case any claim or litigation which might give rise to any obligation of a party under this Section 12 (each an "**Indemnifying Party**") shall come to the attention of the party seeking indemnification hereunder (the "**Indemnified Party**"), the Indemnified Party shall promptly notify the Indemnifying Party in writing of the existence and amount thereof; *provided* that the failure of the Indemnified Party to give such notice shall not adversely affect the right of the Indemnified Party to indemnification under this Agreement, except to the extent the Indemnifying Party is materially prejudiced thereby. The Indemnifying Party shall promptly notify the Indemnified Party in writing if it accepts such claim or litigation as being within its indemnification obligations under this Section 12. Such response shall be delivered no later than thirty days after the initial notification from the Indemnified Party; *provided* that, if the Indemnifying Party reasonably cannot respond to such notice within thirty days, the Indemnifying Party shall respond to the Indemnified Party as soon thereafter as reasonably possible.

(d) An Indemnifying Party shall be entitled to participate in and, if (i) in the judgment of the Indemnified Party such claim can properly be resolved by money damages alone and the Indemnifying Party has the financial resources to pay such damages and (ii) the Indemnifying Party admits that this indemnity fully covers the claim or litigation, the Indemnifying Party shall be entitled to direct the defense of any claim at its expense, but such defense shall be conducted by legal counsel reasonably satisfactory to the Indemnified Party. An Indemnified Party shall not make any settlement of any claim or litigation under this Section 12 without the written consent of the Indemnifying Party. Notwithstanding the foregoing provisions in this Section 12, an Indemnifying Party shall not be responsible for any special, indirect or consequential damages, even if informed of the possibility thereof.

Section 13. *Termination of Agreement.*

(a) This Agreement shall terminate upon the earliest of (i) the date on which Lender notifies Borrower in writing of its intention to terminate this Agreement at any time after the date on which the entire principal amount of the Convertible Notes ceases to be outstanding, whether as a result of conversion, repurchase, redemption, cancellation or otherwise, (ii) the date as of which Borrower has returned all Loaned ADSs to Lender, (iii) the written agreement of Lender and Borrower to so terminate, (iv) the termination of the Convertible Note Purchase Agreement without issuance of the Convertible Notes, (v) the election (or deemed election) by Lender to terminate pursuant to Section 9(a) upon the occurrence of a Borrower Default as set forth in Section 9(a), and (vi) the election (or deemed election) by Borrower to terminate pursuant to Section 9(b) upon the occurrence of a Lender Default as set forth in Section 9(b).

(b) Unless otherwise agreed in writing by Borrower and Lender, the provisions of Section 12 shall survive the termination of this Agreement.

Section 14. *Delivery of ADSs.*

Notwithstanding anything to the contrary herein, at any time at which (a) (x) Lender is not a Foreign Private Issuer and (y) the number of Ordinary Shares “beneficially owned” (within the meaning of Section 13 of the Exchange Act and the rules promulgated thereunder) by Borrower or any affiliate of Borrower subject to aggregation with Borrower under Section 13 of the Exchange Act and rules or any “group” (within the meaning of such Section 13 and rules) of which Borrower is a member plus the number of Ordinary Shares represented by the Loaned ADSs is equal to or greater than 8.5% of the Outstanding Shares, or (b) the Share Amount is equal to or exceeds the Applicable Share Limit, Borrower may, by prior notice to Lender, satisfy its obligation to deliver any ADSs or other securities on any date due under the terms of this Agreement (an “**Original Delivery Date**”) by making separate deliveries of ADSs or such other securities, as the case may be, at more than one time on or prior to the twentieth (20th) Trading Day immediately following such Original Delivery Date, so long as the aggregate number of ADSs and other securities so delivered on or prior to such Trading Day is equal to the number required to be delivered on such Original Delivery Date.

Section 15. *Notices.*

(a) All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when received.

(b) Any and all notices, demands, or communications of any kind relating to this Agreement between Lender and Borrower shall be transmitted exclusively at the following addresses:

Borrower:

Goldman Sachs International
Plumtree Court, 25 Shoe Lane, London

EC4A 4AU
Attn: Securities Lending Collateral Management (Equities) and GSS Compliance
Email: [***]
Attn: Collateral Management (Stock)
Email: [***]
Facsimile No: [***]

With a copy to:

Goldman Sachs (Asia) LLC
68th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

Attention: [***]
Phone: [***]
Email: [***]

Goldman, Sachs & Co.
200 West Street
New York, NY 10282-2198
Attention: [***]
Phone: [***]
Email: [***]

And email notification to the following address: [***]

Lender:

Weibo Corporation
8/F, Qihao Plaza, No. 8 Xinyuan S. Road
Chaoyang District, Beijing 100027
People's Republic of China
Attention: Investor Relations
Tel: +86 10-5898 3336
Email: ir@staff.weibo.com

Section 16. Governing Law; Submission To Jurisdiction; Severability.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, but excluding any choice of law provisions that would require the application of the laws of a jurisdiction other than New York.

(b) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK CITY, AND ANY APPELLATE COURT FROM ANY SUCH COURT, SOLELY FOR THE PURPOSE OF ANY SUIT, ACTION OR PROCEEDING BROUGHT TO ENFORCE ITS OBLIGATIONS HEREUNDER OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE LOAN HEREUNDER AND WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, ANY DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT AND ANY RIGHT OF JURISDICTION ON ACCOUNT OF ITS PLACE OF RESIDENCE OR DOMICILE.

(c) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(d) Lender hereby appoints Cogency Global Inc., located at 122 East 42nd Street, 18th Floor, New York, NY 10168 as agent for service of process.

(e) To the extent permitted by law, the unenforceability or invalidity of any provision or provisions of this Agreement shall not render any other provision or provisions herein contained unenforceable or invalid.

Section 17. U.K. Resolution Stay and Contractual Bail-in Provisions.

(a) Recognition of the U.K. Special Resolution Regime.

(i) The terms of the 2020 UK (PRA Rule) Jurisdictional Module (the “**2020 UK Module**”) are incorporated into and form part of this Agreement, and

this Agreement shall be deemed to be a Covered Agreement for purposes of the 2020 UK Module. In the event of any inconsistencies between this Agreement and the 2020 UK Module, the 2020 UK Module will prevail. Borrower shall be deemed to have adhered to the 2020 UK Module as a Regulated Entity Counterparty, and the Lender shall be deemed to have adhered to the 2020 UK Module as a Module Adhering Party and identified Borrower as a Regulated Entity Counterparty.

- (ii) Each party agrees that, with respect to the Agreement between them, if a:
 - (A) Crisis Prevention Measure;
 - (B) Crisis Management Measure; or
 - (C) Recognised Third-country Resolution Action

is taken in relation to Borrower or any member of the same Group as Borrower, the Lender shall be entitled to exercise a Termination Right under, or rights to enforce a Security Interest in connection with the Agreement, to the extent that it would be entitled to do so under the Special Resolution Regime if the Agreement was governed by the laws of any part of the United Kingdom.

- (iii) For purposes of this Section 17(a):

- (A) Section 48Z of the U.K. Banking Act 2009, as amended from time to time, is to be disregarded to the extent that it relates to a Crisis Prevention Measure other than the making of a “mandatory reduction instrument” by the Bank of England under section 6B of the U.K. Banking Act 2009, as amended from time to time;

- (B) “Crisis Prevention Measure”, “Crisis Management Measure”, “Group”, “Recognised Third- country Resolution Action”, “Security Interest”, “Special Resolution Regime” and “Termination Right” have the meaning given to them in or pursuant to the PRA Rule; and

- (C) “**PRA Rule**” means the Stay in Resolution Part of the PRA Rulebook promulgated by the United Kingdom Prudential Regulation Authority, as amended from time to time.

- (b) Contractual Recognition of the UK Bail-in Power.

- (i) Notwithstanding and to the exclusion of any other term of this Agreement or any other agreements, arrangements, or understanding between Borrower and Lender, the Lender acknowledges and accepts that a UK Bail-in Liability arising under this Agreement may be subject to the exercise of UK Bail-

in Powers by the relevant UK resolution authority, and acknowledges, accepts, and agrees to be bound by:

(A) the effect of the exercise of UK Bail-in Powers by the relevant UK resolution authority in relation to any UK Bail-in Liability of Borrower to Lender under this Agreement, that (without limitation) may include and result in any of the following, or some combination thereof:

(1) the reduction of all, or a portion, of the UK Bail-in Liability or outstanding amounts due thereon;

(2) the conversion of all, or a portion, of the UK Bail-in Liability into shares, other securities or other obligations of Borrower or another person, and the issue to or conferral on Lender of such shares, securities or obligations;

(3) the cancellation of the UK Bail-in Liability; and/or

(4) the amendment or alteration of any interest or premium, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and

(B) the variation of the terms of this Agreement, as deemed necessary by the relevant UK resolution authority, to give effect to the exercise of UK Bail-in Powers by the relevant UK resolution authority.

(ii) For purposes of this Section 17(b):

(A) “**UK Bail-in Legislation**” means Part I of the UK Banking Act 2009 and any other law or regulation applicable in the UK relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

(B) “**UK Bail-in Liability**” means a liability in respect of which the UK Bail-in Powers may be exercised.

(C) “**UK Bail-in Powers**” means the powers under the UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or affiliate of a bank or investment firm, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of

that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability.

Section 18. *U.S. Resolution Stay Provisions.*

- (a) Recognition of the U.S. Special Resolution Regimes.
 - (i) In the event that Borrower becomes subject to a proceeding under (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder or (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (a “**U.S. Special Resolution Regime**”) the transfer from Borrower of this Agreement, and any interest and obligation in or under, and any property securing, this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any interest and obligation in or under, and any property securing, this Agreement were governed by the laws of the United States or a state of the United States
 - (ii) In the event that Borrower or an Affiliate becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable (“**Default Right**”)) under this Agreement that may be exercised against Borrower are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.
- (b) Limitation on Exercise of Certain Default Rights Related to an Affiliate’s Entry Into Insolvency Proceedings. Notwithstanding anything to the contrary in this Agreement, the parties expressly acknowledge and agree that:
 - (i) Lender shall not be permitted to exercise any Default Right with respect to this Agreement or any Affiliate Credit Enhancement that is related, directly or indirectly, to an Affiliate of the Borrower becoming subject to receivership, insolvency, liquidation, resolution, or similar proceeding (an “**Insolvency Proceeding**”), except to the extent that the exercise of such Default Right would be permitted under the provisions of 12 C.F.R. 252.84, 12 C.F.R. 47.5 or 12 C.F.R. 382.4, as applicable; and
 - (ii) Nothing in this Agreement shall prohibit the transfer of any Affiliate Credit Enhancement, any interest or obligation in or under such Affiliate Credit Enhancement, or any property securing such

Affiliate Credit Enhancement, to a transferee upon or following an Affiliate of Borrower becoming subject to an Insolvency Proceeding, unless the transfer would result in the Lender being the beneficiary of such Affiliate Credit Enhancement in violation of any law applicable to the Lender.

(iii) For the purpose of this paragraph:

“**Affiliate**” is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“**Credit Enhancement**” means any credit enhancement or credit support arrangement in support of the obligations of Borrower under or with respect to this Agreement, including any guarantee, collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.

- (c) U.S. Protocol. If Lender has previously adhered to, or subsequently adheres to, the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. as of July 31, 2018 (the “**ISDA U.S. Protocol**”), the terms of such protocol shall be incorporated into and form a part of this Agreement and the terms of the ISDA U.S. Protocol shall supersede and replace the terms of this section. For purposes of incorporating the ISDA U.S. Protocol, Borrower shall be deemed to be a Regulated Entity, Lender shall be deemed to be an Adhering Party, and this Agreement shall be deemed to be a Protocol Covered Agreement. Capitalized terms used but not defined in this paragraph shall have the meanings given to them in the ISDA U.S. Protocol.
- (d) Pre-existing In-Scope Agreements. Borrower and Lender agree that to the extent there are any outstanding “in-scope QFCs,” as defined in 12 C.F.R. § 252.82(d), that are not excluded under 12 C.F.R. § 252.88, between Borrower and Lender that do not otherwise comply with the requirements of 12 C.F.R. § 252.2, 252.81–8 (each such agreement, a “**Preexisting In-Scope Agreement**”), then each such Preexisting In-Scope Agreement is hereby amended to include the foregoing provisions in this section, with references to “this Agreement” being understood to be references to the applicable Preexisting In-Scope Agreement.

Section 19. *Financial Assistance*. Lender represents and warrants that it and any of its subsidiaries has not applied, and shall not, until after the first date on which no portion of this Agreement remains outstanding following any final exercise and settlement, cancellation or early termination of this Agreement, apply, for a loan, loan guarantee, direct loan (as that term is defined in the Coronavirus Aid, Relief and Economic Security Act (the “**CARES Act**”)) or other investment, or to receive any

financial assistance or relief under any program or facility (collectively “**Financial Assistance**”) that (a) is established under applicable law (whether in existence as of the Trade Date or subsequently enacted, adopted or amended), including without limitation the CARES Act and the Federal Reserve Act, as amended, and (b) (i) requires under applicable law (or any regulation, guidance, interpretation or other pronouncement of a governmental authority with jurisdiction for such program or facility) as a condition of such Financial Assistance, that the Lender comply with any requirement not to, or otherwise agree, attest, certify or warrant that it has not, as of the date specified in such condition, repurchased, or will not repurchase, any equity security of Lender, and that Lender has not, as of the date specified in the condition, made a capital distribution or will make a capital distribution, or (ii) where the terms of this Agreement would cause Lender to fail to satisfy any condition for application for or receipt or retention of the Financial Assistance (collectively “**Restricted Financial Assistance**”); *provided*, that Lender or any of its subsidiaries may apply for Restricted Financial Assistance if Lender either (a) determines based on the advice of outside counsel of national standing that the terms of this Agreement would not cause Lender or any of its subsidiaries to fail to satisfy any condition for application for or receipt or retention of such Financial Assistance based on the terms of the program or facility as of the date of such advice or (b) delivers to Borrower evidence or other guidance from a governmental authority with jurisdiction for such program or facility that this Agreement is permitted under such program or facility (either by specific reference to this Agreement or by general reference to transactions with the attributes of this Agreement in all relevant respects).

Section 20. *Counterparts*. This Agreement may be executed in any number of counterparts, and all such counterparts taken together shall be deemed to constitute one and the same agreement.

Section 21. *Amendments*. No amendment or modification in respect of this Agreement shall be effective unless it shall be in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto to have executed this ADS Lending Agreement as of the date and year first above written.

WEIBO CORPORATION,
as Lender

GOLDMAN SACHSINTERNATIONAL,
as Borrower

By: /s/ Gaofei Wang
Name: Gaofei Wang
Title: Director and Chief Executive Officer

By: /s/ Simon Gosling
Name: Simon Gosling
Title: Managing Director

[Signature Page to ADS Lending Agreement]

Form of Borrowing Notice

[**]



Weibo Corporation
8/F, Qihao Plaza, No. 8 Xinyuan S. Road
Chaoyang District, Beijing 100027
Attention: Investor Relations
Telephone No.: +86 10-5898 3336
Email: ir@staff.weibo.com

March 13, 2024

To: Goldman Sachs International
Plumtree Court, 25 Shoe Lane, London
EC4A 4AU
Attn: Securities Lending Collateral Management (Equities) and GSS
Compliance Email: [***]
Attn: Collateral Management (Stock)
Email: [***]
Facsimile No: [***]

Re: ADS Lending Transaction

Reference is made to the ADS Lending Agreement, dated as of November 30, 2023, confirming the terms and conditions of that certain ADS Lending Transaction (the “**Transaction**”) entered into between Weibo Corporation (“**Lender**”) and Goldman Sachs International (“**Borrower**”) (as amended and supplemented from time to time, the “**Agreement**”). Any capitalized term used herein and not expressly defined herein has the meaning assigned to it in the Agreement.

Each of Lender and Borrower, intending to be legally bound, hereby acknowledges and agrees that:

1. Notwithstanding anything to the contrary in the Agreement, the last sentence of Section 10(a) (*Lender’s Remedies*) of the Agreement shall be clarified to mean the following:

If Borrower is unable to completely remove or cure the Repurchase Obstacle within thirty-five (35) Trading Days of the original date on which Borrower is required to return Loaned ADSs pursuant to this Agreement (such 35th Trading Day, the “**Final Day**”), Lender may at its option require Borrower to pay to Lender, in lieu of the delivery of Loaned ADSs in accordance with Section 3, an amount in immediately available funds (the “**Replacement Cash**”) equal to the product of (x) the arithmetic average of the volume-weighted average prices per ADS in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on the Exchange on each Trading Day during a commercially reasonable period of consecutive Trading Days as determined by the Calculation Agent (the “**VWAP Price**”) and (y) the number of Loaned ADSs otherwise required to be delivered; *provided* that, in case of a Repurchase Obstacle due to a delisting or cancellation of the ADSs, the VWAP Price shall be calculated

by the Calculation Agent using commercially reasonable means (based, to the extent practicable, on the VWAP Price (which definition shall be adjusted by the Calculation Agent to refer to “Ordinary Shares” and the relevant securities exchange as applicable) of the Ordinary Shares if the Ordinary Shares are then listed). If the Lender elects not to require such Replacement Cash, the Borrower and Lender can mutually agree to decide settlement alternatives in ADSs and/or Ordinary Shares in good faith and in a commercially reasonable manner, provided that any settlement alternative shall provide the same economic value to the Lender.

2. Each of Lender and Borrower hereby confirms that the Agreement, as clarified herein, and the terms of the Transaction shall continue in full force and effect. All references to the “Agreement” in the Agreement or any document related thereto shall for all purposes constitute references to the Agreement as modified hereby. In the event of any inconsistency between provisions of the Agreement and this letter agreement, this letter agreement will prevail.

3. The Agreement and this letter agreement constitute the entire agreement and understanding of the parties with respect to the matters set forth therein and above and supersede all oral communications and prior writings with respect thereto.

4. **THIS LETTER AGREEMENT AND ALL MATTERS ARISING IN CONNECTION WITH THIS LETTER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, BUT EXCLUDING ANY CHOICE OF LAW PROVISIONS THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN NEW YORK.**

[Remainder of page left blank intentionally.]

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this letter agreement and returning it to Lender.

Very truly yours,

WEIBO CORPORATION

By: /s/ Gaofei Wang

Name: Gaofei Wang

Title: Director and Chief Executive Officer

[Signature Page to Letter Agreement]

Accepted and confirmed

as of the date first written above:

GOLDMAN SACHS INTERNATIONAL

By: /s/ Simon Gosling

Name: Simon Gosling

Title: Managing Director

[Signature Page to Letter Agreement]

List of Significant Subsidiaries and Principal Variable Interest Entities*

Subsidiary	Jurisdiction of Organization
WB Online Investment Limited	Cayman Islands
Weibo Hong Kong Limited (formerly known as T.CN Hong Kong Limited)	Hong Kong
Weibo Internet Technology (China) Co., Ltd.	PRC
Hangzhou Weishichangmeng Advertising Co., Ltd.	PRC
Principal Variable Interest Entities	Jurisdiction of Organization
Beijing Weimeng Technology Co., Ltd.	PRC
Beijing Weimeng Chuangke Investment Management Co., Ltd.	PRC

* Other entities of Weibo Corporation have been omitted from this list since, considered in the aggregate as a single entity, they would not constitute a significant subsidiary.

**CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gaofei Wang, certify that:

1. I have reviewed this annual report on Form 20-F of Weibo Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the period presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 25, 2024

/s/ Gaofei Wang

Name: Gaofei Wang

Title: Chief Executive Officer

**CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Fei Cao, certify that:

1. I have reviewed this annual report on Form 20-F of Weibo Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the period presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 25, 2024

/s/ Fei Cao

Name: Fei Cao

Title: Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Weibo Corporation (the “Company”) on Form 20-F for the fiscal year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gaofei Wang, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 25, 2024

/s/ Gaofei Wang

Name: Gaofei Wang

Title: Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Weibo Corporation (the "Company") on Form 20-F for the fiscal year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Fei Cao, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 25, 2024

/s/ Fei Cao

Name: Fei Cao

Title: Chief Financial Officer

Weibo Corporation

8/F, QIHAO Plaza, No. 8 Xinyuan S. Road
Chaoyang District, Beijing 100027
People's Republic of China

25 April 2024

Dear Sirs,

Weibo Corporation

We have acted as legal advisers as to the laws of the Cayman Islands to Weibo Corporation, an exempted company incorporated with limited liability in the Cayman Islands (the "Company"), in connection with the filing by the Company with the United States Securities and Exchange Commission (the "SEC") of an annual report on Form 20-F for the year ended 31 December 2023 (the "Annual Report").

We hereby consent to the reference to our firm under the headings "Item 5. Operating and Financial Review and Prospects—Taxation" and "Item 10. Additional Information—B. Memorandum and Articles of Association" in the Annual Report, and we further consent to the incorporation by reference of the summary of our opinions under these headings into the Company's registration statement on Form S-8 (File No. 333-199022) that was filed on 30 September 2014 pertaining to the Company's 2010 Share Incentive Plan and 2014 Share Incentive Plan, the Company's registration statement on Form S-8 (File No. No. 333-228525) pertaining to the Company's 2014 Share Incentive Plan, and the Company's registration statement on Form S-8 (File No. 333-271461) pertaining to the Company's 2023 Share Incentive Plan.

We consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,

/s/ Maples and Calder (Hong Kong) LLP

April 25, 2024

Weibo Corporation

8/F, QIHAO Plaza, No. 8 Xinyuan S. Road
Chaoyang District, Beijing 100027
People's Republic of China

We hereby consent to references to our name under the heading “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business,” “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Corporate Structure,” “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China,” “Item 4. Information on the Company—B. Business Overview—Regulation” and “Item 4. Information on the Company—C. Organizational Structure—Minority Investment in Weimeng” in Weibo Corporation’s annual report on Form 20-F for the year ended December 31, 2023 (the “Annual Report”), and further consent to the incorporation by reference into the Registration Statement (Form S-8 No. 333-199022) pertaining to Weibo Corporation’s 2010 Share Incentive Plan and 2014 Share Incentive Plan, Registration Statement (Form S-8 No. 333-228525) pertaining to Weibo Corporation’s 2014 Share Incentive Plan, and Registration Statement on Form S-8 (File No. 333-271461) pertaining to Weibo Corporation’s 2023 Share Incentive Plan, of the summary of our opinion under the heading “Item 4. Information on the Company—B. Business Overview—Regulation” and “Item 4. Information on the Company—C. Organizational Structure—Contractual Arrangements with the VIEs and Their Respective Individual Shareholders” in the Annual Report. We also consent to the filing of this consent letter with the U.S. Securities and Exchange Commission as an exhibit to the Annual Report. We also consent to the incorporation by reference of the summaries of our opinions that appear in the registration statements on Form F-3 (Nos. 333-261379 and 333-275785).

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,
For and on behalf of

/s/ Kewei Law Firm

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-271461, 333-228525, and 333-199022) and on Form F-3 (Nos. 333-275785 and 333-261379) of Weibo Corporation of our report dated April 25, 2024 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers Zhong Tian LLP
Beijing, the People's Republic of China
April 25, 2024

WEIBO CORPORATION

CLAWBACK POLICY

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Weibo Corporation (the “Company”) believes that it is appropriate for the Company to adopt this Clawback Policy (the “Policy”) to be applied to the Executive Officers of the Company and adopts this Policy to be effective as of the Effective Date.

1. Definitions

For purposes of this Policy, the following definitions shall apply:

- a) “Covered Compensation” means any Incentive-Based Compensation granted, vested or paid to a person who served as an Executive Officer at any time during the performance period for the Incentive-Based Compensation and that was Received (i) on or after October 2, 2023 (the effective date of the Nasdaq listing standards), (ii) after the person became an Executive Officer and (iii) at a time that the Company had a class of securities listed on a national securities exchange or a national securities association such as Nasdaq.
- b) “Effective Date” means December 1, 2023.
- c) “Erroneously Awarded Compensation” means the amount of Covered Compensation granted, vested or paid to a person during the fiscal period when the applicable Financial Reporting Measure relating to such Covered Compensation was attained that exceeds the amount of Covered Compensation that otherwise would have been granted, vested or paid to the person had such amount been determined based on the applicable Restatement, computed without regard to any taxes paid (i.e., on a pre-tax basis). For Covered Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in a Restatement, the Committee will determine the amount of such Covered Compensation that constitutes Erroneously Awarded Compensation, if any, based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Covered Compensation was granted, vested or paid and the Committee shall maintain documentation of such determination and provide such documentation to Nasdaq.
- d) “Exchange Act” means the U.S. Securities Exchange Act of 1934.
- e) “Executive Officer” means the Company’s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (whether or not an officer or employee of the Company) who performs similar policy-making functions for the Company. “Policy-making function” does not include policy-making functions that are not significant. Both current and former Executive Officers are subject to the Policy in accordance with its terms.

- f) “Financial Reporting Measure” means (i) any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measures derived wholly or in part from such measures and may consist of IFRS/U.S. GAAP or non-IFRS/non-U.S. GAAP financial measures (as defined under Regulation G of the Exchange Act and Item 10 of Regulation S-K under the Exchange Act), (ii) stock price or (iii) total shareholder return. Financial Reporting Measures need not be presented within the Company’s financial statements or included in a filing with the SEC.
- g) “Group” means the Company and each of its subsidiaries or consolidated affiliated entities, as applicable.
- h) “Home Country” means the Company’s jurisdiction of incorporation, i.e., the Cayman Islands.
- i) “Incentive-Based Compensation” means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.
- j) “Lookback Period” means the three completed fiscal years (plus any transition period of less than nine months that is within or immediately following the three completed fiscal years and that results from a change in the Company’s fiscal year) immediately preceding the date on which the Company is required to prepare a Restatement for a given reporting period, with such date being the earlier of: (i) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare a Restatement. Recovery of any Erroneously Awarded Compensation under the Policy is not dependent on whether or when the Restatement is actually filed.
- k) “Nasdaq” means the Nasdaq Stock Market.
- l) “Received”: Incentive-Based Compensation is deemed “Received” in the Company’s fiscal period during which the Financial Reporting Measure specified in or otherwise relating to the Incentive-Based Compensation award is attained, even if the grant, vesting or payment of the Incentive-Based Compensation occurs after the end of that period.
- m) “Restatement” means a required accounting restatement of any Company financial statement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements (commonly referred to as a “Big R” restatement) or (ii) to correct an error in previously issued financial statements that is not material to the previously issued financial statements but that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly referred to as a “little r” restatement). Changes to the Company’s financial statements that do not represent error corrections under the then-current relevant accounting standards will not constitute Restatements. Recovery of any Erroneously Awarded Compensation under the Policy is not dependent on fraud or misconduct by any person in connection with the Restatement.

n) “SEC” means the U.S. Securities and Exchange Commission.

2. Recovery of Erroneously Awarded Compensation

In the event of a Restatement, any Erroneously Awarded Compensation Received during the Lookback Period prior to the Restatement (a) that is then-outstanding but has not yet been paid shall be automatically and immediately forfeited and (b) that has been paid to any person shall be subject to reasonably prompt repayment to the Group in accordance with Section 3 of this Policy. The Committee must pursue (and shall not have the discretion to waive) the forfeiture and/or repayment of such Erroneously Awarded Compensation in accordance with Section 3 of this Policy, except as provided below.

Notwithstanding the foregoing, the Committee (or, if the Committee is not a committee of the Board responsible for the Company’s executive compensation decisions and composed entirely of independent directors, a majority of the independent directors serving on the Board) may determine not to pursue the forfeiture and/or recovery of Erroneously Awarded Compensation from any person if the Committee determines that such forfeiture and/or recovery would be impracticable due to any of the following circumstances: (i) the direct expense paid to a third party (for example, reasonable legal expenses and consulting fees) to assist in enforcing the Policy would exceed the amount to be recovered, including the costs that could be incurred if pursuing such recovery would violate local laws other than the Company’s Home Country laws (following reasonable attempts by the Group to recover such Erroneously Awarded Compensation, the documentation of such attempts, and the provision of such documentation to Nasdaq), (ii) pursuing such recovery would violate the Company’s Home Country laws adopted prior to November 28, 2022 (provided that the Company obtains an opinion of Home Country counsel acceptable to Nasdaq that recovery would result in such a violation and provides such opinion to Nasdaq), or (iii) recovery would likely cause any otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of Group, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

3. Means of Repayment

In the event that the Committee determines that any person shall repay any Erroneously Awarded Compensation, the Committee shall provide written notice to such person by email or certified mail to the physical address on file with the Group for such person, and the person shall satisfy such repayment in a manner and on such terms as required by the Committee, and the Group shall be entitled to set off the repayment amount against any amount owed to the person by the Group, to require the forfeiture of any award granted by the Group to the person, or to take any and all necessary actions to reasonably promptly recover the repayment amount from the person, in each case, to the fullest extent permitted under applicable law, including without limitation, Section 409A of the U.S. Internal Revenue Code and the regulations and guidance thereunder. If the Committee does not specify a repayment timing in the written notice described above, the applicable person shall be required to repay the Erroneously Awarded Compensation to the Group by wire, cash, cashier’s check, or other means as agreed by the Committee no later than thirty (30) days after receipt of such notice.

4. No Indemnification

No person shall be indemnified, insured or reimbursed by the Group in respect of any loss of compensation by such person in accordance with this Policy, nor shall any person receive any advancement of expenses for disputes related to any loss of compensation by such person in accordance with this Policy, and no person shall be paid or reimbursed by the Group for any premiums paid by such person for any third-party insurance policy covering potential recovery obligations under this Policy. For this purpose, “indemnification” includes any modification to current compensation arrangements or other means that would amount to *de facto* indemnification (for example, providing the person a new cash award which would be cancelled to effect the recovery of any Erroneously Awarded Compensation). In no event shall the Group be required to award any person an additional payment if any Restatement would result in a higher incentive compensation payment.

5. Miscellaneous

This Policy generally will be administered and interpreted by the Committee, provided that the Board may, from time to time, exercise discretion to administer and interpret this Policy, in which case, all references herein to “Committee” shall be deemed to refer to the Board. Any determination by the Committee with respect to this Policy shall be final, conclusive and binding on all interested parties. Any discretionary determinations of the Committee under this Policy, if any, need not be uniform with respect to all persons, and may be made selectively amongst persons, whether or not such persons are similarly situated.

This Policy is intended to satisfy the requirements of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as it may be amended from time to time, and any related rules or regulations promulgated by the SEC or Nasdaq, including any additional or new requirements that become effective after the Effective Date which upon effectiveness shall be deemed to automatically amend this Policy to the extent necessary to comply with such additional or new requirements.

The provisions in this Policy are intended to be applied to the fullest extent of the law. To the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to applicable law. The invalidity or unenforceability of any provision of this Policy shall not affect the validity or enforceability of any other provision of this Policy. Recovery of Erroneously Awarded Compensation under this Policy is not dependent upon the Group satisfying any conditions in this Policy, including any requirements to provide applicable documentation to Nasdaq.

The rights of the Group under this Policy to seek forfeiture or reimbursement are in addition to, and not in lieu of, any rights of recovery, or remedies or rights other than recovery, that may be available to the Group pursuant to the terms of any law, government regulation or stock exchange listing requirement or any other policy, code of conduct, employee handbook, employment agreement, equity award agreement, or other plan or agreement of the Group.

6. Amendment and Termination

To the extent permitted by, and in a manner consistent with applicable law, including SEC and Nasdaq rules, the Committee may terminate, suspend or amend this Policy at any time in its discretion.

7. Successors

This Policy shall be binding and enforceable against all persons and their respective beneficiaries, heirs, executors, administrators or other legal representatives with respect to any Covered Compensation granted, vested or paid to or administered by such persons or entities.