The Case for Change at Sina

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Executive Summary

Aristeia Capital, L.L.C. (collectively with Aristeia Master, L.P. and certain other affiliates, "Aristeia" or "we"), a long-term investor in Sina Corporation ("Sina" or the "Company") (NASDAQ: SINA), is currently one of the Company's five largest shareholders and owns approximately three million shares.

WHY CHANGE IS NEEDED AT SINA:

- Over any medium or long-term period, Sina's Total Shareholder Return ("TSR") has dramatically underperformed its peers.
  - While share price performance has improved in the shorter-term, this is solely due to Weibo Corporation's (NASDAQ: WB) ("Weibo" or "WB") stock surging.
  - Sina shareholders have still not fared nearly as well as they should have, given: 1) the poor performance of Sina's non-Weibo business, 2) Sina's large and growing discount to net asset value ("NAV"), and 3) the detraction of value from questionable insider share issuances.

- To the detriment of shareholders, Sina has an insular, over-tenured board and a track record of poor corporate governance.
  - The Company's Board of Directors ("Board") is comprised of too few directors who have deep historic ties to Sina and its Chairman and CEO Charles Chao ("Mr. Chao").
  - These entrenched directors have served in their roles for too long (average of over 15 years among independent directors) and have too little accountability to non-insider shareholders due to the Board's classified structure.
  - This lack of independent voices on the Board has enabled troubling actions, including questionable share issuances to corporate insiders, and a failure to engage meaningfully with Sina's shareholders and the broader investor community.

All of these issues have contributed to a staggering and growing discount in Sina's share price compared to its NAV and to a failure on the part of Sina's Board to adequately evaluate potential solutions to unlock value for shareholders.

Executive Summary (Cont.)

THE CORE PROBLEM:

- Substantial shareholder value has been compromised due to the lack of independent perspectives and fresh voices on an insular board who has not acted in the best interests of all shareholders. Long-tenured boards, such as Sina's, have the potential for "group think" to set in.

THE SOLUTION:

- Enhance Sina's Board by electing two highly-qualified independent directors who will act on behalf of, and be accountable to, all Sina shareholders. **IMPORTANTLY, WE ARE NOT PROPOSING THE REMOVAL OF ANY INCUMBENT DIRECTORS.**

- The nominees are seasoned international executives with <u>deep experience in China and Asia</u> who can bring fresh perspectives to the boardroom.

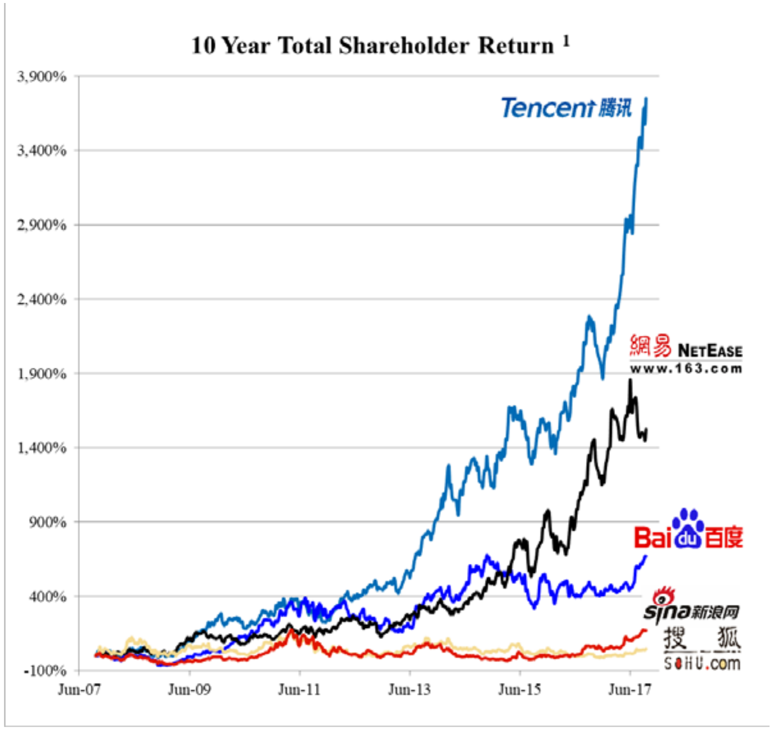
- **Mr. Thomas J. Manning** is a highly-capable chief executive, board director and corporate advisor.
  - He possesses extensive experience advising companies on management practices and has a track record of <u>successfully running businesses in Asia, Europe and the United States.</u>
  - Currently a Lecturer at The University of Chicago Law School, where he has <u>taught courses on Chinese corporate governance, private equity and U.S.-China relations.</u>
  - Has served as a board member of seven public companies, including five in China, most notably on the board of the systemically important Bank of Communications Co., Ltd (HKSE: 3328.HK).
  - Previously CEO of Capgemini Asia Pacific and CEO of Ernst & Young Consulting Asia Pacific.
- **Mr. Brett H. Krause** is a recognized business leader and highly-respected investment manager.
  - He has unique experience at the <u>intersection of Chinese business, the technology sector and international finance</u>.
  - Managing Partner of PurpleSky Capital LLC, <u>one of China's leading early-stage Angel Venture Capital firms</u>.
  - Previously held <u>senior executive roles at leading global financial institutions</u> such as J.P. Morgan Chase and Citigroup.

There is tremendous potential value within Sina, and adding – not replacing – voices in the boardroom can help unlock it.

Situation Overview – Why We Are Here

<u>Sina's TSR should be much higher</u>. Poor corporate governance and refusal to take action to maximize value for all shareholders have led to a massive and widening discount to NAV. In addition, multiple dilutive insider transactions have further eroded TSR.

- Sina's share price has increased, but the Company:
  - Vastly lags the comparable peers it has identified.
  - Has grown based solely upon Weibo's share price growth, which it has significantly underperformed.
- We demonstrate that 10 year TSR should be significantly higher, but for these problems.
- Investors should not accept "good enough," when our company is worth much more.



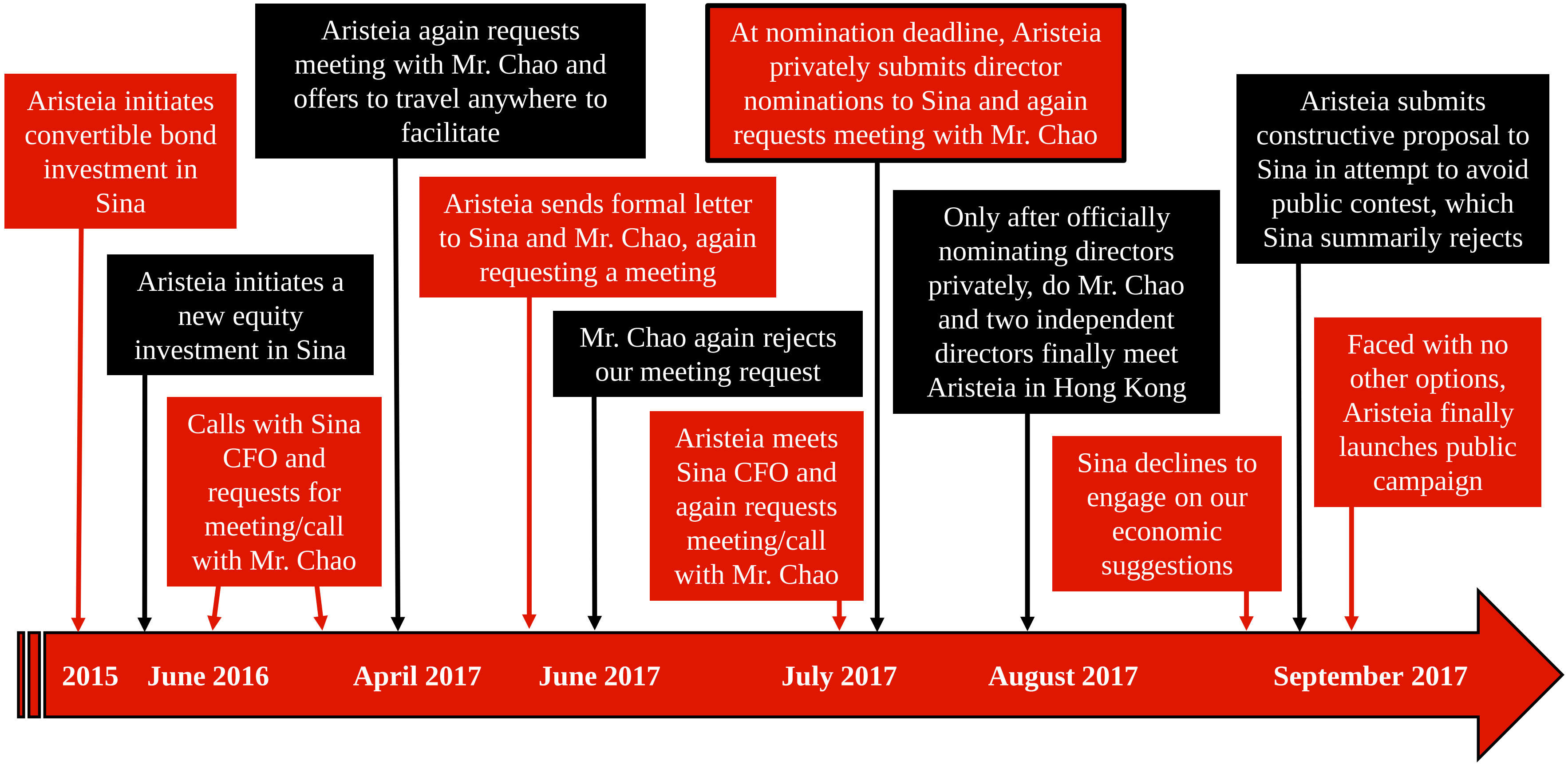
In evaluating Sina over multiple years, we have concluded that this needless underperformance is the direct product of serious governance shortfalls which have eroded shareholder value. This presentation will demonstrate that substantial shareholder value has been compromised as a result.

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) Total Shareholder Return = share price appreciation adjusted for splits and distributions.

Situation Overview – Why We Are Here (Cont.)

We have made repeated efforts to engage constructively with Sina.

Despite our best efforts, at no time did Sina constructively engage or attempt to negotiate with us.



Critical Corporate Governance Failings

What is Wrong with Sina's Current Board?

Each of Sina's directors is long-tenured and has close historical ties to the Company, ensuring none are truly independent. Since Mr. Chao became CEO in 2006, Sina's Board has withered from 10 directors to only five today. Because of Sina's classified Board structure and governing documents, only one director stands for re-election annually, and Mr. Chao has a permanent seat that is never voted on by shareholders.

CHARLES CHAO – Director since 2006 (11 years):

- CEO and director since 2006, Chairman of the Board since 2012.
- Has generated over $1 billion of personal wealth through twice buying stock directly from Sina at very opportune times.

YAN WANG – Director since 2003 (14 years):

- Director since 2003 and reclassified as independent in 2008.
- CEO from 2003-2006, Chairman of the Board from 2006-2012, and a shareholder in SINA's Chinese Variable Interest Entities ("VIEs") until 2016.
- Founded Beijing SINA Information Technology Co., Ltd., one of Sina's original subsidiaries.
- Upon retirement in 2012, Sina announced plans to establish a charitable foundation in his honor that he would lead.
- Twice approved large share issuances directly from Sina to entities controlled by Mr. Chao.

TER FUNG TSAO – Director since 1999 (18 years):

- Sina pre-IPO investor.
- Twice approved large share issuances directly from Sina to entities controlled by Mr. Chao.

YICHEN ZHANG – Director since 2002 (15 years):

- Twice approved, and once participated in (through entities affiliated with CITIC Capital), large share issuances directly from Sina to entities controlled by Mr. Chao.

SONG-YI ZHANG – Director since 2004 (13 years):

- Twice approved large share issuances directly from Sina to entities controlled by Mr. Chao.

Board tenure is so long that <u>Sina hasn't had a new director with new perspectives since before the iPhone</u> was invented.

Sina's Corporate Governance Structure

Sina's corporate governance structure disenfranchises shareholders...

- Over-tenured Board with independent directors serving an average of 15 years.
- Classified Board with only one nominee up for re-election every year for a four-year term.
- Combined Chairman / CEO position.
- Chairman has a permanent, non-elected, Board seat.
- No lead director.
- No nomination committee. There was a committee prior to Mr. Chao's tenure as Chairman, but it has since been disbanded.
- Board has decreased from ten to five directors – for comparison, S&P 500 and NASDAQ 100 constituents average over ten directors.
- Only meets minimum governance standards required for continued NASDAQ listing. Relies on foreign private issuer exemptions from NASDAQ Rules for a range of other issues including shareholder approval of share incentive plans.

In a recently published research report, J.P. Morgan echoed our view, highlighting "investor concerns over corporate governance" as the top reason for the "widening gap" in Sina's valuation. [1]

(1) J.P. Morgan Analyst Report, 9/22/17.

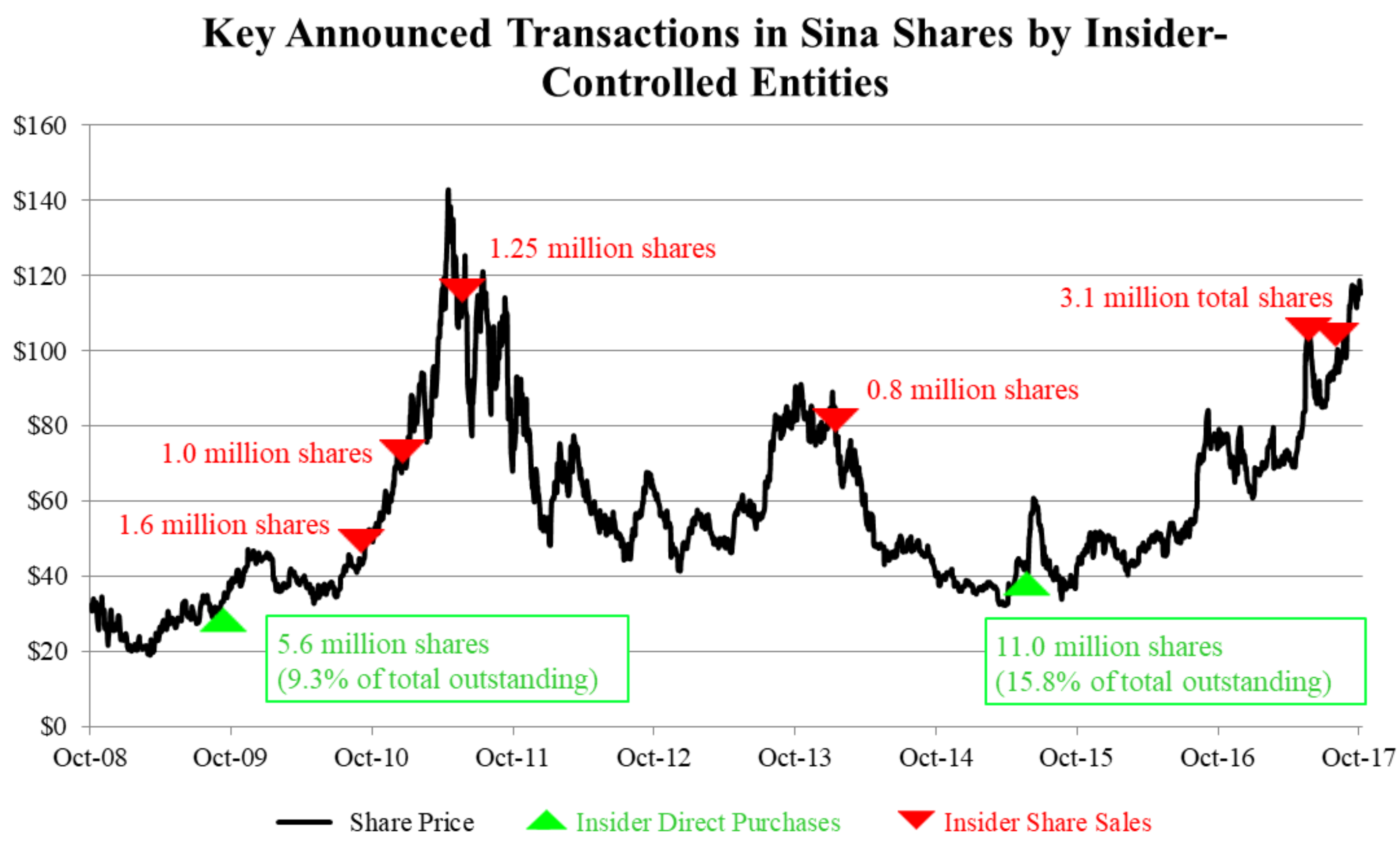
Sina’s Corporate Governance Structure in Action

…and the Board has taken numerous actions that we believe are not consistent with sound corporate governance.

- Implementing the Company’s “poison pill” without shareholder approval.
- Waiving the Company’s “poison pill” solely to permit the Chairman and CEO to increase control.
- Approving unnecessary and opportunistic share issuances directly to corporate insiders on multiple occasions.
- Approving a private loan to the founder of E-House, an affiliate, to assist in his take-private transaction.
- Authorizing share-based compensation arrangements resulting in misaligned and outsized employee rewards in the face of a stagnating core business valued at less than zero by the stock market.
- Failing to insist upon ordinary engagement with the investor and analyst community.
- Providing minimal disclosure regarding Sina’s substantial non-Weibo investment portfolio holdings.
- Neglecting opportunities to maximize value for all shareholders of the Company.
- Choosing to hold only four Board meetings per year.

Sina’s insular and opaque governance policies, which deviate radically from standard practices for public companies listed in the U.S., have <u>consistently eroded shareholder value and hindered the Company from seizing shareholder-friendly opportunities</u>.

Unnecessary Share Issuances to Insiders



Sina's Board has repeatedly facilitated large, dilutive, and unnecessary share issuances to Company insiders – representing a pattern of value destruction.

Sources: Aristeia internal analysis, Bloomberg L.P.

The Playbook: How Sina's Insiders Buy Shares Advantageously

Step 1

Announce a share subscription agreement with corporate insiders at a fixed price at a time when Sina's stock price is depressed.

Step 2

As Sina shares appreciate over the next 2-4 months, the insiders procure financing, including debt, to fund the purchase.

Step 3

Close the transaction for immediate mark-to-market profit, while pledging shares to lenders as collateral.

Step 4

Insiders sell shares after 6+ months to repay loans and lock in profit.

Permissive share subscription agreements **provided significant flexibility to the insiders regarding closing time and ability to not close based upon adverse developments at the Company.**

Corporate insiders financed their investment in part with borrowed funds – a terrible idea. When the share price falls, the borrower can be a forced seller to cover margin requirements. Even if the shares perform well, the borrower will likely need to sell to pay off the loan balances when due.

Transaction #1: The Playbook in Action

On September 21, 2009, Sina announced an agreement to sell 5.6 million shares for $180 million (9.3% of total outstanding shares) to an investment company controlled by Mr. Chao in a transaction that resulted in nearly $600 million of value detraction from public shareholders.

- On the same day, the Company also announced the formal termination of its acquisition of Focus Media's digital out-of-home business – a dilutive acquisition that had been a recent overhang on Sina's share price.
- Mr. Chao did not have financing in place upon signing the subscription agreement.

> ***"There is a very bad corporate governance issue here, because they are going to issue 10 percent new shares to the management at a 10 percent discount, I don't know how they can get around with this"***
>
> ***- Elinor Leung, CLSA Asia Pacific [1]***

> ***"The buy-in helps raise management decision-making power and alleviates Sina's risk as an acquisition target"***
>
> ***- Morgan Stanley [2]***

> ***"In our view, the key positive is the Focus overhang being removed"***
>
> ***- Goldman Sachs [3]***

(1) Reuters: http://www.reuters.com/article/sina-focus/update-2-sina-focus-media-drop-merger-plan-idUSLS26092420090928.
(2) Morgan Stanley Analyst Report, 9/29/2009.
(3) Goldman Sachs Analyst Report, 9/28/2009.

Transaction #1: Textbook Governance Failure

The share transaction did not close until November 27th, over two months after the announcement of the agreement. The share price was already <u>40%</u> higher than the subscription price.

- Shares were acquired by an entity controlled by Mr. Chao, using a combination of debt ($58 million margin loan provided by Merrill Lynch) and third-party equity financing ($75 million).
- Entities affiliated with Sina's independent director Yichen Zhang participated in and benefitted from the transaction, demonstrating a shocking conflict of interest. Further, the transaction appears to have benefited non-management parties (private equity investors including entities affiliated with Mr. Zhang), undermining the Board's rationale for approving the transaction.
- <u>The November 27th closing date was a full two weeks after the contractual termination date of the original subscription agreement</u> – another clear governance failure, as the Company should not have provided Mr. Chao a free amendment when it could easily have sold shares at a much higher price.
- Sina had over $500 million of net cash and no obvious need for additional liquidity at the time of the share issuance.

How did Sina justify this obviously questionable transaction?

> ***"This is a reflection of a strong commitment by our management team to SINA's future and further aligns the interest of management with SINA's other shareholders."***
>
> ***- Charles Chao, Sina CEO [1]***

Mr. Chao sold 100% of the shares he acquired in 2009, illustrating that the transaction did not align management with Sina's other shareholders, as stated. Did the Board properly vet the need for this transaction or was Mr. Chao's request simply rubber stamped?

(1) Sina Press Release, 11/27/2009.

Transaction #2: The Playbook in Action, Again

On June 1, 2015, Sina signed an agreement to sell 11 million shares for $456 million (15.8% of total outstanding shares) to an investment company controlled by Mr. Chao, another clear governance failure that has resulted in over $1 billion of value detraction from public shareholders.

- Sina had repurchased shares at higher prices within the 12 months prior to the sale transaction.
- Mr. Chao did not have financing in place upon signing the subscription agreement and was given four whole months to close the transaction.
- The shares have appreciated by $1 billion, value that was detracted from Sina's public shareholders. Sina had no need for additional capital and the cash raised by the share issuance still remains on the Company's balance sheet today.

The share transaction did not close until November 6th, more than <u>five months</u> after the announced agreement, with the share price <u>24%</u> higher than the subscription price.

- Why was Sina again willing to extend the already generous four month closing period for no monetary consideration?
- Shares were acquired by an entity controlled by Mr. Chao and immediately pledged as collateral for a $230 million loan.
- Sina's Board altered its poison pill to create an exception solely for Mr. Chao, with little to no economic rationale or premium obtained for doing so, further entrenching Mr. Chao.

Would the Company have enforced its rights under the subscription agreement if Sina's share price was down 24%, rather than up 24%?

Transaction #2: Why did Mr. Chao Acquire Shares?

"He did so in an effort to increase shareholders' confidence in SINA and align management's interests with those of all shareholders" [1]

FACT

This was the exact same rationale provided in 2009 – however, Mr. Chao has already sold 100% of the shares acquired in 2009, demonstrating the lack of alignment these transactions created.

Amazingly, Dealreporter stated on June 9, 2015, just eight days after Sina signed the subscription agreement with Mr. Chao, that the Company was actively considering privatization and subsidiary listing transactions. Despite Sina's contention, this market speculation may well have been the real reason that its shares actually appreciated nearly 50% over the following two weeks.

"Several investment banks have approached Sina with go-private proposals… A possible spin-off plan including Sina's reading, entertainment and sports segments is also under discussion right now"

- Dealreporter on 6/9/2015 [2]

"A person close to Alibaba's investment department revealed that Alibaba is in talks with Sina"

- The Paper on 11/15/2015 [3]

"Sina… is likely to be sold to Alibaba as a whole… Rumors are rife that Sina has stopped recruiting with a view to lowers its costs and improve its bargaining position"

- Beijing Youth on 11/3/2015 [4]

(1) Sina Press Release, 9/25/17.
(2) "Sina has yet to reach consensus on going-private or subsidiary listing, sources say", Dealreporter, 6/9/2015.
(3) http://www.thepaper.cn/newsDetail_forward_1392948.
(4) http://business.sohu.com/20151103/n425057376.shtml.

Investors Should Take a Serious Look at These Transactions

Ask yourself: Have public shareholders benefitted appropriately from Mr. Chao's trading in Sina shares? Or has the main beneficiary of Sina's share issuances been the CEO?

We see no rational explanation for an independent board facilitating these unnecessary and highly dilutive share issuances to corporate insiders.

- Share issuances coincided with significant corporate actions or market speculation of favorable future developments.
- Subscription agreements provided unnecessary flexibility and required no committed financing.
- Sina's CEO has a fiduciary duty to all Sina shareholders. If he felt the Company was undervalued to the point where he was willing to lever himself to the share price, he should have instead directed the company to repurchase shares using its excess cash. These transactions effectively eliminated the Company's option to repurchase shares at higher prices in the future since it had just issued shares to insiders near recent lows.
- We believe the Board's unilateral modification of Sina's poison pill to solely and permanently exempt Mr. Chao from the ownership limit and permit the 2015 share issuance to him represents highly questionable fiduciary judgement.

Sina's <u>poor corporate governance standards have enabled the Board to engage in concerning related-party transactions</u> that have enriched insiders to the detriment of public shareholders.

A Growing Valuation Gap is Harming Shareholders

Massive Share Price Discount

We estimate Sina's NAV to be at least $13.5 billion, while its current market capitalization is only $8.2 billion.

Sina's 46% economic ownership (72% voting control) in Weibo alone is worth $10.2 billion before consideration of any control premium, an amount which is $2.0 billion higher than the Company's entire market capitalization.

Aristeia Estimated Sum of the Parts

Asset	Value ($ mm)	Value ($ / share)
Weibo Shares [1]	10,219	143.07
Core Business [2]	383	5.36
Net Cash (ex Weibo)	1,317	18.44
Investment Portfolio	1,234	17.28
Other Investments	413	5.78
Net Asset Value (NAV)	**13,566**	**189.94**
Sina Market Price	8,233	115.27
% Discount to NAV	-39.3%	-39.3%
Valuation Gap	**5,333**	**74.67**

Public equity stakes in: Leju Holdings (LEJU) Tian Ge Interactive Holdings (1980 HK), Alibaba Group Holdings (BABA) and Jupai Holdings (JP).

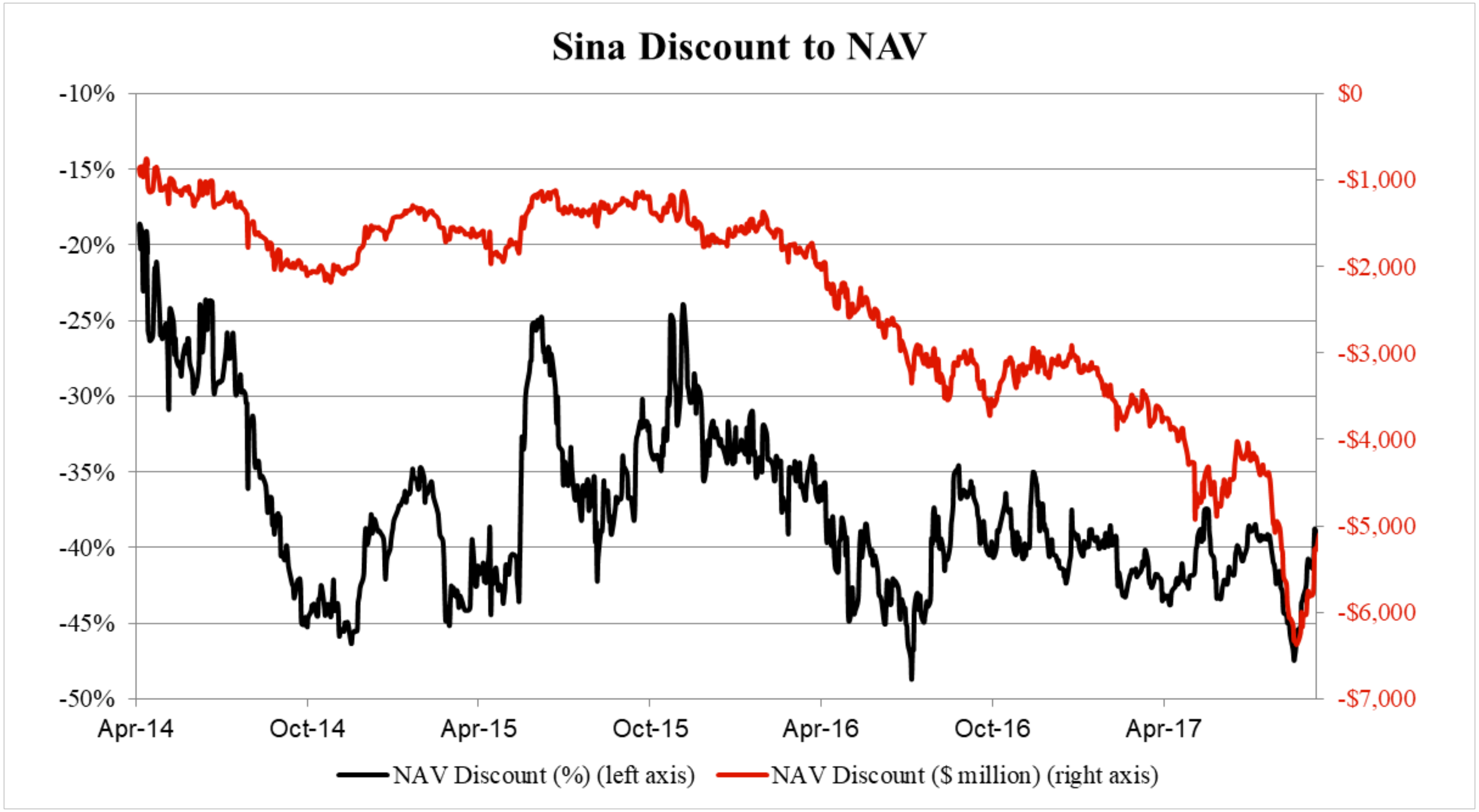
$755 million cost method investments including an estimated $380 million[3] equity in Yixia Technology.

New office building, prepayments to investees, loan receivables and investment deposits.

We estimate that <u>Sina currently trades at a $5.3 billion discount to NAV, representing a staggering 39% discount,</u> despite the Company owning primarily cash and other investments that are easily valued.

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) 101.8 million WB Class B shares valued at the public equity price of $100.40.
(2) Wholly-owned web portal valued at 1x trailing twelve month revenue.
(3) Based upon Yixia Technology's 2016 post-E round equity financing valuation of $2.0 billion.

Massive Share Price Discount (Cont.)



Sina's shares are trading at a discount to NAV that is exceptionally large on both an absolute and percentage basis, and that <u>discount has increased by $4 billion since the beginning of 2016.</u>

Sources: Aristeia internal analysis, Bloomberg L.P.

Massive Share Price Discount (Cont.)

We believe that Sina is the most heavily discounted U.S.-listed holding company in existence today.

Market valuations for comparable U.S.-listed holding companies range from a 4% premium to a 30% discount to NAV.

- **Sina's 39% discount is more than 3x the average comparable discount of 13%.**
- The next closest discount to Sina is Altaba, which trades at a 30% discount due to significant potential tax liabilities that Sina, as a Cayman company, does not face. In addition, Altaba's management is vocally and solely focused on reducing their discount to NAV for the benefit of all shareholders.
- While Sina may highlight the discounts of complex Chinese holding companies listed in emerging markets, Sina's asset simplicity, single voting share class and U.S. listing make such companies poor comparisons.

Holding Companies, U.S. Primary Listing ($1+ billion market capitalization)

	Premium / Discount (%)
Altaba	-30%
HRG Group	-7%
Liberty Broadband	-9%
Liberty Expedia	-8%
Liberty Serius XM	-17%
Liberty Ventures	-15%
Liberty TripAdvisor	4%
Loews	-17%
IAC	-15%
Sohu.com	-20%
Telephone & Data Systems	-13%
Average	**-13%**
Max	**-30%**
Min	**4%**
SINA	**-39%**

We see very clear ways for Sina to reduce its holding company discount, and we do not believe these ideas have been given adequate consideration by the Company's Board.

Sources: Aristeia internal analysis, Bloomberg L.P., third-party research.

Why Does This Discount Exist?

We Believe The Share Price Discount Exists For The Following Reasons:

1) Sina's corporate governance policies do not meet customary standards for U.S.-listed companies.

- Indeed, this view is broadly shared by third-party analysts:

> "*We attribute the widening gap to: 1) investor concern over Sina's corporate governance. 2) staggered growth of portal business. 3) low visibility of Sina's investment strategy in Internet finance.*"
>
> *- J.P. Morgan* [1]

> "*SINA's discount to NAV…stems in large part not from a complex set of assets, but from the company's opaque disclosures, in addition to concerns regarding weak corporate governance and uncertainty over exactly how the discount will be closed.*"
>
> *- United First Partners* [2]

2) Weibo has grown disproportionately large relative to all of Sina's other assets, making Sina an inefficient proxy for Weibo.

- Sina's core web portal business represents only 3% of NAV – it's so small relative to Weibo that any possible future synergy benefit simply can not have a material impact on Sina's share price.
- Shareholders who want exposure to Sina's other assets are unable to efficiently attain such exposure because of Weibo's massive influence on Sina's NAV.
- Sina's average daily trading value is less than half of Weibo's despite Sina having a substantially larger float.

(1) J.P. Morgan Analyst Report, 9/22/17.
(2) United First Partners Analyst Report, 9/28/17.

Why Does This Discount Exist (Cont.)?

3) Sina's continued investment in third parties is not properly explained to investors nor appropriately valued by the market.

- Investors do not give the Company credit for its investment portfolio, as recently illustrated when Sina's NAV discount widened by a shocking $469 million (2.6%) in the days following the Company's recent announcement to invest $500 million in online finance companies.
- The Company's core web portal business has seen no tangible benefit from these large investments for the past five years.

4) Sina's core web portal business has performed poorly.

- Sina's core web portal business has seen its revenue decline by 22% and its EBITDA decline by 87% over the past five years.
- Because Sina's share price is predominately driven by Weibo's performance, the stock-based compensation of Sina employees is not properly aligned with Sina's actual business performance.
- Amazingly, Sina's core stock-based compensation has exceeded core EBITDA by approximately 50% in each of the last two years and has exceeded core EBITDA on a cumulative basis over the past three full years.

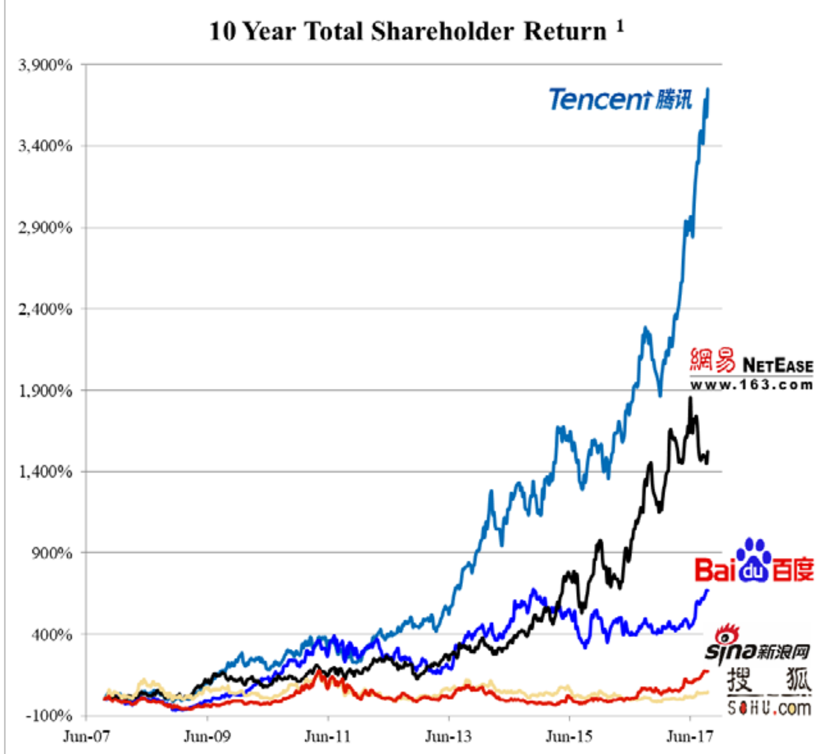
	Fiscal Year					
($ mm)	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
Core Revenue [1]	375	403	434	477	463	483
Change vs. Prior Year	**-6.9%**	**-7.2%**	**-9.0%**	**2.9%**	**-4.0%**	
Core EBITDA [2]	24	20	37	111	120	181
Change vs. Prior Year	**18.0%**	**-44.6%**	**-66.9%**	**-8.0%**	**-33.5%**	
Core Stock-based Compensation [3]	37	30	19	16	18	16
Change vs. Prior Year	**24.2%**	**58.9%**	**18.0%**	**-9.5%**	**12.3%**	

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) Core Revenue = Sina consolidated revenue minus Weibo revenue.
(2) Core EBITDA = Sina consolidated EBITDA minus Weibo EBITDA (excludes stock-based compensation).
(3) Core Stock-Based Compensation = Sina consolidated stock compensation minus Weibo stock-based compensation.

But Isn't Sina's Share Price Doing Well?

Company	Total Shareholder Return [1] 5 Year	10 Year	CEO Tenure [2]
Tencent Holdings	567%	3,710%	11,182%
Sohu.com	40%	43%	103%
NetEase	414%	1,508%	1,155%
Baidu	117%	652%	3,790%
Peer Average	**285%**	**1,478%**	**4,058%**
Sina	**116%**	**170%**	**366%**
Sina Relative Performance [3]	**-169%**	**-1,308%**	**-3,692%**

- Because Sina has an extremely long-tenured Board and CEO, we think the most important TSR data points are 5 and 10 years.
- Chinese mobile internet has experienced a massive gold rush over the past 10 years, but Sina has picked up only a few nuggets relative to its self-selected peers.
- Sina has recently and conveniently chosen the short-term performance of the NASDAQ Composite Index its preferred benchmark. However, less than 2.5% of the market capitalization of the index are Chinese companies that have benefitted from the explosive long-term growth of Chinese internet.



While Sina's share price performance has improved over the past few years, it has been entirely driven by Weibo's share price appreciation. Over any medium or long-term period, <u>Sina has still dramatically underperformed the companies it compares itself to</u> in its public documents.

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) Total Shareholder Return = share price appreciation adjusted for splits and distributions.
(2) CEO Tenure = Period since 5/8/2006, the date Charles Chao was appointed CEO.
(3) Relative Performance = Total Return in excess of Peer Average.

Sina's TSR Should be Much Higher

Historical share issuance to corporate insiders and the Company's massive and growing NAV discount have caused Sina's shares to dramatically underperform their full potential. We estimate that the combined impact of these two problems has reduced 10 year TSR by a staggering 217%.

Problem #1: Share Issuance to Corporate Insiders

- $50 per share NAV impact ($2.7 billion total) resulting from opportunistically timed share issuance to corporate insiders.
  - 2015: $1.7 billion NAV detraction.
  - 2009: $1.0 billion NAV detraction.
- $30 per share price impact when applying Sina's current onerous 39% NAV discount.
- 10 year TSR would be 71% higher than it is today had these share issuances not occurred.

Problem #2: Above-Average NAV Discount

- Sina's poor corporate governance is a large overhang that is causing Sina's NAV discount to trade 3x wider than its U.S.-listed peers.
- 10 year TSR would be 116% higher today if Sina's NAV discount was in-line with the U.S.-listed peer average.

	10 Year	CEO Tenure [2]
Sina's Actual TSR [1]	170%	366%
Problem #1: Share Issuance to Corporate Insiders		
TSR Without Share Issuance	240%	488%
TSR Impact of Share Issuance	-71%	-122%
Problem #2: NAV Discount is 3x Wider Than U.S.-Listed Peers		
TSR w/Average U.S.-Listed Holdco Discount	285%	565%
TSR Impact of Above-Average Holdco Discount	-116%	-200%
TSR Without Problem #1 and #2	**387%**	**740%**
TSR Impact of Problem #1 and #2 Combined	**-217%**	**-374%**

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) Total Shareholder Return = share price appreciation adjusted for splits and distributions.
(2) CEO Tenure = Period since 5/8/2006, the date Charles Chao was appointed CEO.

Sina Agrees That its Shares Trade at a Massive Discount to NAV

Sina has not questioned our valuation analysis, but is instead attempting to justify the massive discount as "common" for holding companies and within an acceptable range. Investors should not accept this assertion.

"A survey of listed holding companies with listed subsidiaries operating in the internet industry in China shows implied holding company trading discounts to NAV ranging from 33% to 37% in the second quarter of 2017." [1]

FACT

Sina's 39% NAV discount is the widest among U.S.-listed companies having a market capitalization over $1 billion and 3x wider than the peer average.

"…a discount to NAV is a common occurrence for companies such as SINA that have a holding company structure, and we are able to repurchase shares in the open market to help bring spikes in the discount back in line with the standard holding company range." [2]

FACT

Sina contends that it is a holding company and that shareholders must therefore expect a material discount, but it is the Board that continues to permit the structure to remain in place and force this discount upon shareholders. Further, Sina has not repurchased any shares in almost a year, despite the Company trading at a historically wide discount. Rather than repurchasing shares, Sina actually SOLD $456 million of stock to Mr. Chao in 2015.

(1) Sina Press Release, 9/25/17.
(2) Sina Press Release, 10/3/17.

Sina is at a Crossroad

Investors Must Choose: Stay the Current Course…

Even if Sina grows its investment portfolio at a heroic 40% compound annual growth rate ("CAGR") for the next five years and simultaneously tightens its NAV discount by 10%, the incremental benefit versus unlocking NAV today is de minimis. The risk / reward calculation analysis clearly favors a transaction to immediately unlock value.

- **Case 1:** Assumes 0% 5yr investment portfolio CAGR, static discount to NAV.
- **Case 2:** Assumes 20% 5yr investment portfolio CAGR, 10% NAV discount tightening.
- **Case 3:** Assumes 40% 5yr investment portfolio CAGR, 10% NAV discount tightening.

	Unlock	Continue on Same Path		
	NAV	Case 1	Case 2	Case 3
Current Share Price	115.27			
NAV [1]	189.94	189.94	223.17	285.49
Target NAV Discount [2,3]	0.0%	-39.3%	-29.3%	-29.3%
Target Share Price	**189.94**	115.27	157.76	201.81
Incremental 5yr Shareholder Return vs. Unlocking NAV today		(74.67)	(32.18)	11.87
Incremental 5yr Shareholder IRR vs. Unlocking NAV today		**-9.5%**	**-3.6%**	**1.2%**

Investors should no longer accept the status quo.

- We believe Sina has few operational synergies with Weibo.
- Weibo is nearly 3x larger than Sina – it is a mature company that no longer requires Sina's oversight nor necessitates that Sina shareholders accept a holding company structure and resulting massive discount to NAV.

Potential share price appreciation from unlocking the current NAV discount is significantly larger than any future synergy benefit that Weibo can possible provide to Sina.

Sources: Aristeia internal analysis, Bloomberg L.P.
(1) All cases assume 1 year weighted average investment period for $500 million new investments.
(2) Case 1 assumes the NAV discount remains static at -39.3%.
(3) Cases 2 and 3 assume the NAV discount tightens by 10%, to -29.3%

…Or Chart a New Course to Substantial Value Maximization

We have identified a number of available alternatives to unlock the value that currently exists in Sina:

(1) Explore a sale of Sina to an acceptable third-party buyer.

- Sina should explore a sale of the entire Company as part of a broader strategic review, with focus on determining if an acceptable strategic buyer exists that is willing to pay a premium for control of Weibo.
- We believe that an immediate sale could result in shareholders receiving in excess of $190 per Sina share.

(2) Spin or split-off all or a significant portion of Sina's Weibo stake to all shareholders.

- Sina would become a simplified investment company and the resulting capital structure would align Sina's employees with their actual performance.

(3) Reverse merger (Weibo acquires Sina).

- Illustrative transaction: Weibo acquires Sina in a cash + stock deal with the stock consideration equivalent to Sina's current Weibo stake (101.8 million shares). Consider – if Weibo acquired Sina for its own shares (101.8 million) plus Sina's cash ($1.3 billion), Weibo would obtain Sina's core web portal business and investment portfolio for free while Sina shareholders would realize $162 per share, a 40% premium to market.

(4) Repurchase Sina shares using $500 million to $1 billion of available cash.

A distribution of 30+ million shares of Weibo to Sina shareholders should be undertaken as an immediate first step towards unlocking value. This distribution would allow Sina to maintain control of Weibo and continue as its largest economic owner without compromising any of the strategic options listed above.

These options and others are unlikely to receive full and fair consideration without fresh, independent viewpoints on Sina's Board.

Distributing Weibo Shares Would Unlock Significant Value

We estimate that a simple distribution of 30 million Weibo shares could unlock $38 per share of immediate value (+33% gain) for Sina shareholders:

Aristeia Estimated Sum of the Parts / **Distribute 30 Million Weibo Shares**

Asset	Current ($ / share)	Distribution ($ / share)	Pro Forma ($ / share)
Weibo Shares [1]	143.07	42.17	100.90
Core Business [2]	5.36		5.36
Net Cash (ex Weibo)	18.44		18.44
Investment Portfolio	17.28		17.28
Other Investments	5.78		5.78
Net Asset Value (NAV)	**189.94**	**42.17**	**147.77**
Market Price	115.27	42.17	110.83
% Discount to NAV	-39.3%	0.0%	-25.0%
Valuation Gap	**74.67**	-	**36.94**

$153 per share total value = $38 per share value creation (+33% gain) assuming Sina's discount tightens to a slightly more reasonable 25%. Our assumed 25% discount still implies Sina's NAV discount remains 2x higher than comparable U.S.-listed holding companies despite enacting a clearly shareholder friendly action. Even if we assumed the discount remained a static 39%, this transaction would still unlock $17 (+14% gain) per Sina share.

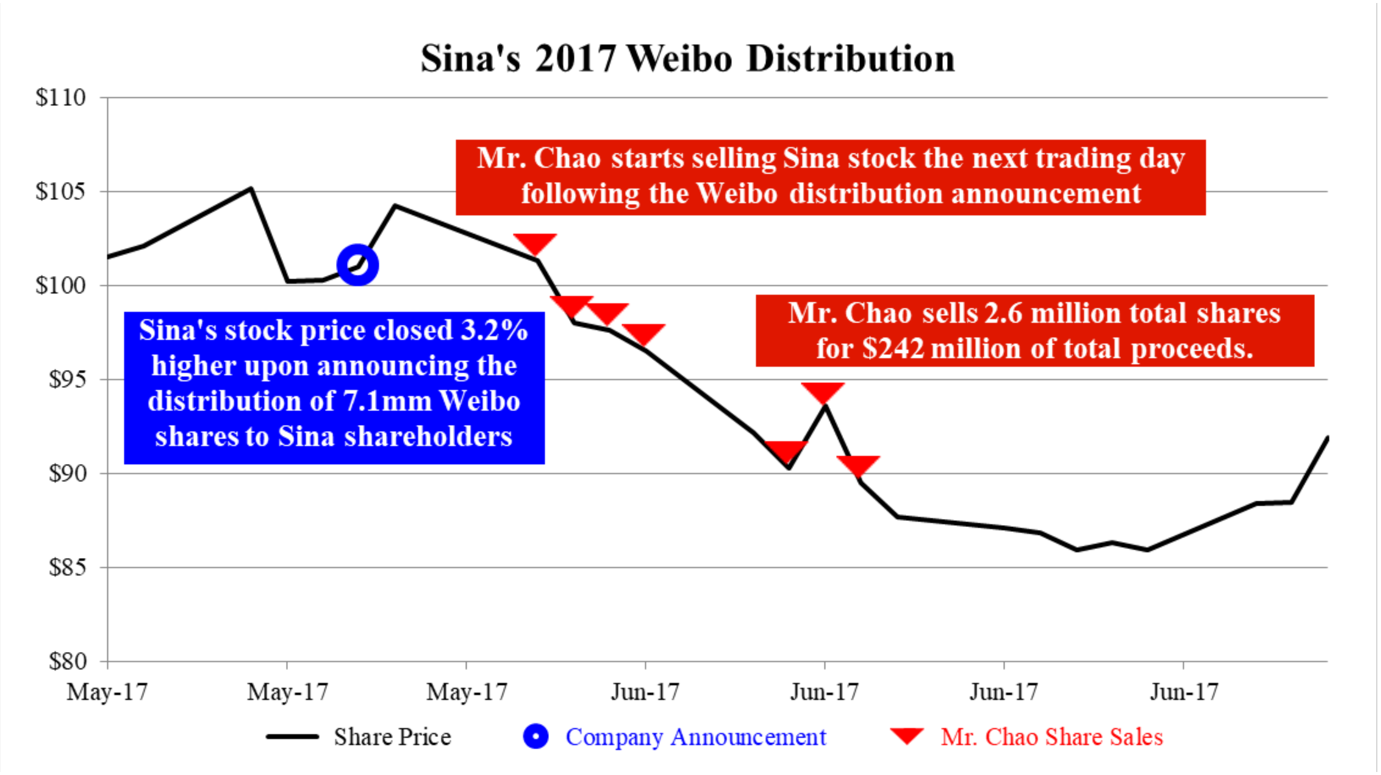
Sources: Aristeia internal analysis, Bloomberg L.P.
(1) 101.8 million WB Class B shares valued at the public equity price of $100.40.
(2) Wholly-owned web portal valued at 1x trailing twelve month revenue.

Why Won't Sina Distribute Additional Weibo Shares?

"In fact, contrary to what Aristeia may allege, the announcement of SINA's distribution of Weibo shares in July 2017 had a limited impact on SINA's stock price at the time" [1]

FACT

Upon the June 2017 Weibo distribution announcement, Sina shares closed 3.2% higher. However, Mr. Chao then sold $242 million of Sina stock in the 8 trading days immediately following the announcement, nearly ensuring that the distribution announcement would have limited positive impact on the share price.



Sources: Aristeia internal analysis, Bloomberg L.P.
(1) Sina Press Release, 9/25/17.

Sina Cares About the Taxation of its Shareholders?

"This distribution would be taxable to U.S. shareholders, and thus could prevent shareholders from fully participating in Weibo's upside to the extent they need to sell such shares to satisfy tax obligations." [1]

FACT

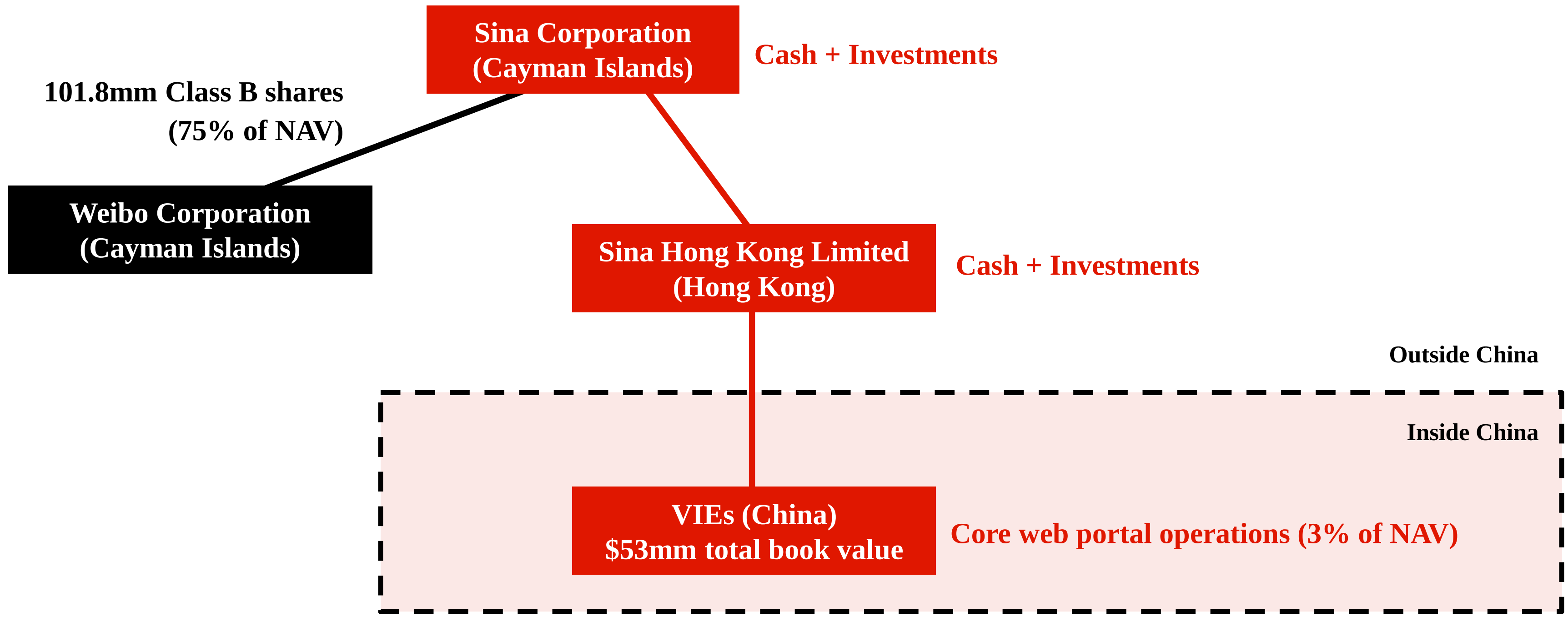
Our suggested distribution is identical to Sina's previous actions – it would have the same exact tax consequences as the Weibo distributions that the Company has voluntarily enacted twice in the past – and in which U.S. investors participated. [2]

- Sina has stated in its public filings that it believes it is a passive foreign investment company ("PFIC") for U.S. tax purposes. This is likely because the value of Sina's large cash balance and investment portfolio (passive assets) exceed the value of is operating assets (active assets, largely consisting of Weibo's assets held on Sina's consolidated balance sheet).
- PFIC status has negative tax consequences for U.S. taxable investors, and many companies actively manage their balance sheets to avoid being classified as PFICs. Many companies that are unable to avoid PFIC status will provide an annual information statement that allows shareholders to make a "Qualified Electing Fund" ("QEF") election that mitigates these adverse tax effects.
- Sina does not seek to avoid PFIC classification and won't provide the transparency needed for the QEF election, demonstrating utter disregard for its U.S. taxable investors. Sina shareholders will be thus taxed under Section 1291 of the Internal Revenue Code of 1986, as amended (the "Code"), unless they elect into the slightly more favorable "mark to market" regime of Section 1296 of the Code.
- Under Section 1296, gains, losses and dividends are all taxed at ordinary rates. If a spin-off of Weibo shares is taxed as a dividend or a shareholder participates in a Weibo spin-off which is considered a sale, the shareholder is taxed at the same rate and year as if none of these corporate actions had occurred. The only possible negative tax effect of the spin-off that could occur is an income character mismatch created by dividend income not being able to match ordinary losses. This issue could potentially be avoided altogether if a distribution is instead structured as a split-off.
- This minor potential adverse tax effect would be dwarfed by the enormous potential pre-tax benefit shareholders would realize from unlocking the NAV discount. And, if Sina truly cared about the taxation of its U.S. shareholders, it could MASSIVELY improve their tax situation by avoiding PFIC status and choosing a tax-free split-off.

(1) Sina Press Release, 9/25/17.
(2) SINA Announces Distribution of Weibo Shares, 5/26/17; SINA Announces Details of Distribution of Weibo Shares, 6/8/17

Sina's Current Holding Company Structure

Sina is a simple holding company. Weibo shares representing 75% of NAV are held directly by Sina's parent company. Sina's Chinese VIEs are only 3% of NAV.



We are not proposing any change to Sina's VIE structure, nor do any of our value-maximization ideas necessitate any change to the potentially sensitive VIEs.

Sources: Aristeia internal analysis.

What Has Sina Committed to do for its Public Shareholders?

Absolutely Nothing.

Sina believes that its poor corporate governance, its stale, insular Board and its massive, growing discount to NAV are completely acceptable and all that its public shareholders deserve or should expect.

The Company has:

- Refused to engage constructively with even its largest public shareholders.
- Refused to improve on weak corporate governance or commit to avoiding additional insider transactions.
- Refused to add any new perspectives to its tiny five member Board which has not had a new member in over a decade.
- Refused to commit to any future share repurchases.
- Refused to commit to distributing any Weibo shares.
- Refused to objectively explore or consider any and all strategic alternatives to reduce its valuation gap.
- Left Aristeia with absolutely no option to work constructively with the Board to usher in positive change to unlock value for all shareholders, and forced Aristeia to spend substantial time and resources on a public election contest – Aristeia's first and only public contest in its 20 year history.

Change is Needed

Thomas J. Manning Can Add Significant Value to Sina's Board

☑ Experience with regulated industries in China

- Through his tenure on the Board of Directors of Bank of Communications Co., Ltd (HKSE: 3328:HK), China's fifth largest bank, Mr. Manning gained significant experience in navigating the Chinese regulatory system.

☑ Strong management experience

- Chief Executive Officer of Cerberus Asia Operations & Advisory Limited, a subsidiary of Cerberus Capital Management, L.P., a global private equity firm.
- Senior partner with Bain & Company ("Bain"), a member of Bain's China board and head of Bain's information technology strategy practice in the Silicon Valley and Asia.
- Global Managing Director of the Strategy & Technology Business of Capgemini, SE, a multinational information technology consulting firm, Chief Executive Officer of Capgemini Asia Pacific, and Chief Executive Officer of Ernst & Young Consulting Asia Pacific, where he led the development of consulting and information technology service and outsourcing businesses across Asia

☑ Governance expert

- Has served on seven public company boards <u>including five in China</u>.
- Currently a director at Dun & Bradstreet Corporation (NYSE: DNB), where he has served as Lead Director and Charmain of the Nominating and Governance Committee; director at Commscope Holding Company, Inc. (NASDAQ: COMM); and Clear Media Limited.
- Lecturer in Law at The University of Chicago Law School in Chicago, Illinois, where he has taught courses on Chinese corporate governance, private equity and U.S.-China relations, since July 2012.

☑ Long history with China

- East Asian Studies major, began travelling to Asia in the 1970's, lived and worked in China for 17 years, maintains Hong Kong permanent resident status.

Brett H. Kraause Can Add Significant Value to Sina’s Board

☑ **Substantial financial management expertise at global financial institutions**

- Mr. Krause has had a 20 year career in Asian banking, including serving as President and Board Director of JPMorgan Chase Bank (China) Company Limited (“JPMorgan China”), a subsidiary of JPMorgan Chase & Co. (NYSE: JPM) and as Country Officer (CEO) of Citi Vietnam, a subsidiary of Citigroup, Inc. (NYSE: C).
- These institutions are among the most heavily regulated in the world, with strict standards for corporate governance.
- These roles require substantial engagement with government regulators and policy makers; he was twice approved by the Chinese Banking Regulatory Commission (CBRC) to serve on Chinese bank boards.

☑ **Highly relevant industry experience through his position as Managing Partner of PurpleSky Capital LLC**

- PurpleSky is one of China’s leading early-stage Angel Venture Capital firms specializing in funding start-ups in mobile internet, SaaS-based systems, e-commerce, computer & mobile hardware, internet gaming and other high-tech sectors.
- PurpleSky was the sole Angel investor for NASDAQ-listed Momo Inc. (NASDAQ: MOMO), one of China's leading social network apps, and is also an Angel investor in Inke (映客), China's cutting-edge and explosive-growth mobile streaming video app.

☑ **Deep appreciation and understanding of Chinese culture**

- Mr. Krause has lived in Asia for 21 years and in China for 14 years.

How do Thomas Manning and Brett Krause Stack Up?

Thomas Manning and Brett Krause are extremely well-qualified to join the Sina Board. They stack up well to the Company's own stated metrics and also bring important new skills that the Board lacks and sorely needs.

Board Member	Public Company Board	Chinese / Regulatory	International Market	Operations	Finance, Audit & Accounting	Internet / Mobile	Executive Leadership	Weibo Leadership	Corporate Governance Expert	Truly Independent	Fresh Perspectives
Yichen Zhang	●	●	●		●	●	●	●			
Charles Chao	●	●	●	●	●	●	●	●			
Ter Fung Tsao	●	●	●				●				
Yan Wang		●	●	●		●	●	●			
Song-Yi Zhang	●	●	●		●		●				
Thomas Manning	●	●	●	●	●	●	●		●	●	●
Brett Krause		●	●	●	●	●	●		●	●	●

We are not advocating removing any incumbent directors. We strongly believe adding new independent directors should only be accretive to the Board.

Third-Party Commentary:

"(W)e believe that the fund makes a credible case for change, and that there will be other SINA shareholders that are receptive to the fund's message."

- United First Partners [1]

"The interloper is right to demand a bigger and more diverse board. Chao, oddly, has a permanent seat. And none of the remaining four directors looks very independent. Each has a tenure of more than a decade."

- Robyn Mak, Reuters Breakingviews [2]

"Eyeing upside to the stock price, should Aristeia's proposal be potentially approved. We estimate that Sina stock price could go up by 15-45% if it potentially adopts the proposal raised by Aristeia Capital

- J.P. Morgan [3]

Sina's board rejected Aristeia's two director nominees, saying they lack relevant skills and experience. But if it came down to a proxy vote, the board might find itself outnumbered: Almost 70% of the company is in the hands of institutional investors, according to FactSet, who are possibly more sympathetic to Aristeia's proposals."

- Jacky Wong, WSJ Journal Heard on the Street [4]

(1) United First Partners Analyst Report, 9/28/17.
(2) https://www.breakingviews.com/considered-view/activist-has-fighting-chance-with-chinas-sina.
(3) J.P. Morgan Analyst Report, 9/22/17.
(4) https://www.wsj.com/articles/how-to-make-money-on-the-chinese-internet-1505810929.

Our Highly Qualified Independent Nominees Will Help to Bring Necessary Change

Sina's Shareholders Deserve New Perspectives on the Board to:

- Provide necessary independence and foster international "best in class" governance policies.
- Consider all possibilities to realize the vast unlocked value that exists in Sina today.

The Time is Now:

- Sina's valuation gap is growing.
- The next opportunity for change is likely some 14 months away.

Not Just the Right Thing – the Only Thing:

- Sina's shareholders have few avenues to compel change.
- Thomas Manning and Brett Krause will be able to work with Sina's Board both to release the intrinsic value of Sina today and to shape the growth of the Sina of tomorrow.

Mr. Thomas J. Manning

- Seasoned chief executive, board director and corporate advisor.
- Extensive experience advising companies on management practices and a track record of successfully running businesses in Asia, Europe and the United States.
- Currently a Lecturer at The University of Chicago Law School, where he has taught courses on Chinese corporate governance, private equity and U.S.-China relations.
- Prior CEO of Capgemini Asia Pacific and CEO of Ernst & Young Consulting Asia Pacific.

Mr. Brett H. Krause

- Recognized business leader and highly-respected investment manager with unique experience at the intersection of Chinese business, the technology sector and international finance.
- Managing Partner of PurpleSky Capital LLC, one of China's leading early-stage Angel Venture Capital firms.
- Previously held senior executive roles at global financial institutions such as J.P. Morgan Chase and Citigroup.

Thomas J. Manning

Thomas J. Manning, age 62, is a board director, corporate advisor and educator, who previously served as CEO of companies in Asia, Europe and the United States. Mr. Manning is currently a Lecturer in Law at The University of Chicago Law School in Chicago, Illinois, where he has taught courses on Chinese corporate governance, private equity and U.S.-China relations, since July 2012. In the last 13 years, Mr. Manning has served on seven public company boards, including five in China, as well as several private company boards in China, India and the U.S. Notably, he was the first American appointed by the Chinese government to a large bank board in 2004. His board experience spans a variety of industries, including information technology, software, internet, professional services, telecom, consumer products, retailing, financial services, publishing, media, automotive, education, and healthcare. Mr. Manning currently serves on the following public company boards: The Dun & Bradstreet Corporation (NYSE: DNB), a global provider of corporate information, where he has served as Lead Director, and Chairman of the Nominating and Governance Committee since 2016, and a member of the Audit Committee and the Innovation & Technology Committee since June 2013; CommScope Holding Company, Inc. (NASDAQ: COMM), a global wireless technology manufacturer, where he has served as a member of the Audit Committee, since November 2014; and, Clear Media Limited (HKSE: 0100.HK), a leading media company in China, where he has served as the Chairman of the Remuneration Committee, since October 2012. Mr. Manning's past public company board experience includes serving on the boards of Bank of Communications Co., Ltd. (HKSE: 3328.HK), China's fifth largest bank, from August 2004 to August 2010, Gome Electrical Appliances Holding Limited (HKSE: 0493.HK), one of China's largest retailers, from 2007 to June 2012, AsiaInfo-Linkage, Inc., China's largest telecom information technology firm, from October 2006 to September 2014 and iSoftStone, a leading information technology services company in China, from December 2010 to September 2014. In the past, Mr. Manning served as the Chief Executive Officer of Cerberus Asia Operations & Advisory Limited, a subsidiary of Cerberus Capital Management, L.P., a global private equity firm, and as a senior partner with Bain & Company ("Bain"), a management consulting firm, and a member of Bain's China board and head of Bain's information technology strategy practice in the Silicon Valley and Asia. Prior to that, Mr. Manning served as Global Managing Director of the Strategy & Technology Business of Capgemini, SE, a multinational information technology consulting firm, Chief Executive Officer of Capgemini Asia Pacific, and Chief Executive Officer of Ernst & Young Consulting Asia Pacific, where he led the development of consulting and information technology service and outsourcing businesses across Asia. Early in his career, Mr. Manning worked at McKinsey & Company, Buddy Systems, Inc. and CSC Index. Manning gained exposure to the online media and entertainment industry as an angel investor and Board member of both China-based AL07, an online English language teaching company, and Otto Radio (owned by CarGlass, Inc.), a leading podcasting curation company. Mr. Manning received his A.B. from Harvard College in 1977 and his M.B.A. from Stanford Graduate School of Business in 1979. Mr. Manning speaks English and Mandarin and is a frequent contributor at conferences and in the media. Mr. Manning lived and worked abroad for 17 years, primarily in Asia, and currently divides his time between the U.S. and Asia.

We believe Mr. Manning's vast experience serving on public company boards, including those of several Chinese companies, together with his expertise in Chinese corporate governance issues and his background in management and consulting, would make him a valuable addition to the Company's Board.

Brett H. Krause

Brett H. Krause, age 48, is the Managing Partner of PurpleSky Capital LLC ("PurpleSky"), one of China's leading early-stage Angel Venture Capital firms specializing in funding start-ups in mobile internet, SaaS-based systems, e-commerce, computer & mobile hardware, internet gaming and other hightech sectors, where he has worked since August 2016. PurpleSky has invested in more than 70 companies since its inception in 2011. Notable successes include being the sole Angel investor for NASDAQ-listed Momo Inc. (NASDAQ: MOMO), one of China's leading social network apps, and also recently as an Angel investor in Inke (映客), China's cutting-edge and explosive-growth mobile streaming video app. Prior to joining PurpleSky, Mr. Krause was the President of JPMorgan Chase Bank (China) Company Limited ("JPMorgan China"), a subsidiary of JPMorgan Chase & Co. (NYSE: JPM), from January 2014 to July 2016 and also served on its board of directors during that time. Prior to his time at JPMorgan China, Mr. Krause worked in various Asian businesses of Citigroup, Inc. (NYSE: C). From July 2008 to December 2013, Mr. Krause served as Country Officer (CEO) of Citi Vietnam, and from January 2002 to June 2008, he held several senior management roles at Citi in China, including as Managing Director and head of Global Transaction Services and board director of Citigroup China Company Limited, Citi's wholly-owned locally-incorporated Chinese subsidiary. Prior roles also included e-Business head at Citibank Japan and as Vice President in the Merchant Banking Group at Citigroup Corporate & Investment Bank in Taiwan. During his twenty-year Asian banking career, Mr. Krause specialized in building new banking businesses, including the build out of Citibank's domestic JPY business in Japan, the launch of the RMB banking platform in China as well as the establishment of Citibank's consumer franchise in Vietnam. Mr. Krause has also served on the board of directors of four private companies in China. In addition, Mr. Krause served as the Chairman of Vietnam's Foreign Banking Association from 2010 to 2011, and has been elected eight times as a Governor of the American Chamber of Commerce, including two terms as a Governor of the American Chamber of Commerce in China (Beijing), from 2015 to 2016. Mr. Krause received his B.S. in Foreign Services from Georgetown University in 1991 and his M.B.A. from Columbia Business School in 1996. In addition to English, Mr. Krause speaks Mandarin, Japanese and French.

We believe Mr. Krause's finance and investment expertise, particularly his substantial experience investing in Chinese companies focused on social networking, mobile video streaming and other high-tech sectors, together with his years of management experience, would allow him to make an immediate positive impact on the Board.