Client Alert

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Navigating the Holding Foreign Companies Accountable Act – The Road to Delisting or Redemption for China-based Companies

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I. Executive Summary

The Holding Foreign Companies Accountable Act ("HFCAA"), which was signed into law on December 18, 2020, addresses the U.S. government's long-standing concerns with the limitations imposed by the Chinese government on the ability of China-based auditors to provide access to the Public Company Accounting Oversight Board ("PCAOB"). In particular, China-based companies listed in the United States and their auditors, with the support of Chinese authorities, have historically invoked Chinese laws governing the protection of state secrets and national security as a basis for not producing documents pursuant U.S. Securities and Exchange Commission ("SEC") and PCAOB enforcement-related requests and PCAOB inspections. Leading up to the passage of the HFCAA, Chinese and U.S. regulators had negotiated for over a decade about how U.S. regulators could gain access to information from these China-based companies and their auditors without the China-based entities running afoul of Chinese laws protecting sensitive information. With no resolution arising from these negotiations, Congress and the administration stepped in to pass the HFCAA. The HFCAA sets up a framework by which the SEC is required to ban trading in the securities of such China-based companies if obstacles to PCAOB access are not removed within the time period prescribed by the HFCAA. The initial implementation of the HFCAA has spurred the PCAOB and Chinese regulators to renew their negotiations over an agreement on PCAOB access to China-based audit firms. At the same time, Chinese regulators may be suggesting that certain Chinese companies possessing what is viewed as sensitive information under Chinese law, consider delisting from U.S. exchanges. Finally, a handful of Chinese companies listed in the United States have recently hired U.S.-based audit firms to conduct their audits, in an effort to address questions over PCAOB access, or have pursued dual-listings or take-private offers. Together, these recent developments have significant implications, not only for the China-based companies and their auditors, but also for investors, U.S. exchanges, broker-dealers, investment advisers, and other market participants.

As this article will discuss, the key takeaways regarding these developments are:

- The SEC and PCAOB have started implementation of the HFCAA; the SEC already has identified Chinese companies as having auditors from jurisdictions inaccessible to the PCAOB;
- The PCAOB and Chinese regulators appear to be actively negotiating an agreement on PCAOB access to audit firms based in mainland China and Hong Kong;
- Assuming an agreement is reached, PCAOB inspections will have to be completed this year before the PCAOB determines whether audit firms based in mainland China and Hong Kong are accessible to it; and
- China-based companies listed in the U.S. are not standing still, as some engage U.S.-based auditors and others pursue dual-listings or take-private offers.

II. Background

Established by the Sarbanes-Oxley Act of 2002 ("SOX") in the wake of a number of high-profile corporate fraud and accounting scandals involving public companies such as Enron, WorldCom, and Tyco, the PCAOB is a private sector, non-profit corporation charged with oversight of registered public accounting firms that prepare or issue audit reports for companies listed on U.S. securities exchanges, as well as broker-dealers. As required under its mandate, the PCAOB regularly conducts inspections of registered audit firms and investigates potential violations of its audit standards and rules, as well as other legal requirements imposed on audit firms under the federal securities laws. SOX provides the PCAOB with broad access to auditors' work papers and personnel for conducting its oversight.

U.S. and non-U.S. audit firms are subject to the same PCAOB oversight requirements. Since its inception, the PCAOB has conducted inspections of registered audit firms in 51 foreign jurisdictions, including 25 jurisdictions where the PCAOB conducts its inspections and investigations pursuant to formal bilateral cooperative agreements with the relevant foreign government authorities. Notably absent from that list, however, has been mainland China and Hong Kong where the PCAOB has been unable to inspect or investigate audit firms headquartered in those jurisdictions based on positions taken by Chinese regulators.

China-based companies listed in the U.S. have a significant global footprint in terms of their overall market capitalization. As reported by the PCAOB, in the thirteen month period ended December 31, 2021, a total of 15 PCAOB-registered firms in mainland China and Hong Kong signed audit reports for 192 public companies with a combined global market capitalization (U.S. and non-U.S. exchanges) of approximately $1.7 trillion.[1] Although the HFCAA does not single out Chinese companies and their auditors expressly, at the time of its passage, it was generally understood that Chinese companies would comprise the largest, if not entire, share of issuers impacted by the HFCAA. According to the U.S.-China Economic and Security Review Commission, as of March 31, 2022, there were 261 Chinese companies listed on the three largest U.S. exchanges.[2] Indeed, in December 2021, as contemplated under the HFCAA, the PCAOB determined that all registered audit firms headquartered in the jurisdictions of mainland China or Hong Kong are not accessible to the PCAOB. Based on the PCAOB's determination, as required by the HFCAA, the SEC has begun identifying issuers that relied on principal auditors headquartered in those jurisdictions for their FY 2021 annual reports, the bulk of which have their principal places of business in China.

III. Overview of Key HFCAA Provisions

The HFCAA's critical potential outcome is a ban in U.S. markets on trading the securities of issuers the SEC identifies for three consecutive years as having retained an audit firm that the PCAOB is unable to inspect or investigate "because of a position taken by an authority in the foreign jurisdiction." Once "identified" by the SEC, such issuers also become subject to enhanced submission and disclosure requirements in their subsequent annual reports.

Trading Ban

Any issuer that is required to file reports under section 13 or 15(d) of the Securities Exchange Act of 1934 is considered to be a "covered issuer" potentially subject to identification under the HFCAA. Under the HFCAA, the SEC must "identify" any such covered issuer when its required report filings are accompanied by audit reports that were prepared by an audit firm that (a) is located in a foreign jurisdiction, and (b) the PCAOB is unable to inspect or investigate completely because of a position taken by an authority in that jurisdiction, as determined by the PCAOB.

Once the SEC identifies an issuer under the HFCAA for three consecutive years, it is required to prohibit that issuer's securities from being traded on a national securities exchange or through any other method that is within the SEC's jurisdiction to regulate, including "over-the-counter" trading. Although the HFCAA does not technically mandate those securities be "delisted," we expect U.S. exchanges will move to delist any issuer whose securities are subject to a trading ban under the HFCAA. We also expect broker-dealers and investment advisers to cease effecting transactions in those banned securities.

The trading ban will remain in place until the issuer retains an audit firm that the PCAOB is able to inspect. Once a trading ban is lifted, however, that issuer can become subject to a mandatory five-year trading ban if it subsequently retains an audit firm that the PCAOB cannot inspect, which can only be lifted if the issuer retains an auditor that the PCAOB is able to inspect following the conclusion of that five-year period.

Enhanced Submission and Disclosure Requirements

After the first year of identification, the HFCAA imposes new submission and disclosure requirement on those issuers. Specifically, an issuer identified by the SEC under the HFCAA must subsequently submit documentation to the SEC that establishes it is not owned or controlled by a governmental entity in the relevant foreign jurisdiction.[3] In addition, *foreign* identified issuers must begin making the following disclosures in their subsequent annual reports:

- That, during the period covered by the report, the issuer retained a "non-compliant" public accounting firm, as determined by the PCAOB, to prepare an audit report for the issuer;
- The percentage of the shares of the issuer owned by governmental entities in the foreign jurisdiction in which the issuer is incorporated or otherwise organized;
- Whether governmental entities in the applicable foreign jurisdiction of the issuer's non-compliant audit firm have a controlling financial interest with respect to the issuer;

- The name of each official of the Chinese Communist Party ("CCP") who is a member of the board of directors of the issuer or the operating entity with respect to the issuer; and
- Whether the articles of incorporation of the issuer (or equivalent organizing document) contains any charter of the CCP, including the text of any such charter.

It is unclear whether Chinese authorities will have concerns with what issuers may disclose pursuant to these HFCAA requirements, as they touch upon the role of Chinese governmental entities in the issuers. Chinese authorities may restrict issuers from disclosing, for example, whether a governmental entity owns shares in the issuer. If, as a result, compliance with these disclosures become challenging, some issuers may choose to voluntarily accelerate their timeline for delisting from U.S. exchanges ahead of any trading ban.

IV. PCAOB Rule 6100 and Its Implementation

The PCAOB's HFCAA implementing rule – Rule 6100[4] – took effect in November 2021, following the SEC's formal approval. Most notably, under the framework established in Rule 6100, the PCAOB has opted to make primarily "jurisdiction-wide" determinations that apply to all audit firms headquartered in that jurisdiction with no exceptions considered. The decision to make jurisdiction-wide determinations rather than separate determinations as to each registered firm in the jurisdiction is noteworthy because it enables the PCAOB to encompass all registered auditors headquartered in these jurisdictions in a single action.

The jurisdiction-wide determinations, however, only apply to firms that are "headquartered" in that jurisdiction, i.e., its principal place of business where the firm's management directs, control, and coordinates the firm's activities, which, in the first instance, is presumed to be the physical address reported by the firm in its required PCAOB filings. As an important delineation under the rule, the PCAOB will not treat that non-compliant audit firm as an "office" of other member firms that are part of the same international firm network – which would have had the effect of making all member firms in that international firm network subject to the jurisdiction-wide determination – so long as the non-compliant audit firm is a separate legal entity from the other member firms in the network and signs audit reports in its own name.

The PCAOB may also make individual determinations with respect to specific registered audit firms. Firm-specific determinations may arise if an audit firm is not "headquartered" in a non-cooperative jurisdiction, but nevertheless has an office there, or if a foreign authority is forbidding a PCAOB inspection or investigation of a particular firm, but is not doing so in a way that might apply to all firms headquartered in the jurisdiction.

Under Rule 6100, when assessing whether it is unable to "inspect or investigate completely" registered audit firms located in a foreign jurisdiction based on a position taken by an authority in that jurisdiction, the PCAOB evaluates three factors. Specifically, the PCAOB considers whether it has:

1. The ability to select engagements, audit areas, and potential violations to be reviewed or investigated;
2. Timely access to, and the ability to retain and use, any document or information (including through conducting interviews and testimony) in the possession, custody,

or control of the firm(s) or any associated persons thereof that the PCAOB considers relevant to an inspection or investigation; or

3. The ability to conduct inspections and investigations in a manner consistent with the provisions of SOX and PCAOB rules, as interpreted and applied by the PCAOB.

By their terms, these factors leave the PCAOB with broad discretion in determining if it can adequately conduct its oversight of audit firms in the jurisdiction in question. In the course of its assessment, the PCAOB may consider "any documents or information it deems relevant" including (i) the black-letter law of the foreign jurisdiction and any relevant interpretations or applications of that law; (ii) the PCAOB's efforts to reach and secure agreements regarding the conduct of inspections and investigations with the relevant authorities in the foreign jurisdiction, the existence or absence of an agreement, and the authority's interpretations of and performance under any such agreement; and (iii) the PCAOB's past experiences with that foreign authority, including any prior conduct and positions taken relative to PCAOB inspections or investigations.

Not each factor must be met in order for the PCAOB to determine it is unable to inspect or investigate a registered audit firm. Relatedly, the PCAOB need not actually initiate an inspection or investigation and have that inspection or investigation formally limited by the audit firm or foreign authority in order to make a determination that it is unable to investigate or inspect an audit firm. Rather, the PCAOB may rely on its prior experiences with respect to that foreign jurisdiction and its authorities, such as historical knowledge or experience that commencing an inspection would be futile, when assessing whether to make a determination that it is unable to inspect or investigate registered audit firms located in that foreign jurisdiction.

The PCAOB intends to reassess any determinations at least annually and can also initiate a reassessment whenever warranted by changes in facts and circumstances. In the latter case, the PCAOB stated in its release adopting the final Rule 6100 that it does not anticipate modifying or vacating a determination until it has first tested the efficacy of any change by conducting inspections or investigations in that jurisdiction. At the same time, it noted that concluding an inspection or investigation would "not necessarily" be "conclusive evidence that conditions preventing the Board from inspecting or investigating completely firms located in the foreign jurisdiction have been resolved,"[5] meaning successfully concluding an inspection may not be sufficient for the PCAOB to vacate its determination.

On December 16, 2021, the PCAOB issued two "jurisdiction-wide" determinations under the HFCAA that, as expected, will impact all PCAOB-registered audit firms headquartered in mainland China or Hong Kong. Specifically, the PCAOB concluded that it is "unable to inspect or investigate completely" registered public accounting firms headquartered in mainland China and Hong Kong because of positions taken by the relevant governmental authorities in those jurisdictions. A complete list of the impacted audit firms is included in Appendix A and Appendix B to the HFCAA Determination Report, which is available on the PCAOB's HFCAA page.[6] Consistent with Rule 6100, the determinations only impact audit firms that are "headquartered" in mainland China or Hong Kong and does not impact the other member firms of those auditors' international firm networks.

V. SEC HFCAA Rule and its Implementation

The SEC adopted its final rule implementing the HFCAA in December 2021, most notably outlining the timing and process for making identifications of covered issuers. Under that framework, the SEC intends to make identifications "promptly" following the issuer's filing of an annual report, beginning with FY 2021 annual reports, by evaluating whether a PCAOB-identified audit firm serves as the "principal accountant" for the issuer's annual report, as defined by Rule 2-05 of Regulation S-X. The SEC will not identify issuers under the HFCAA that rely on non-compliant auditors for just a portion of their annual report, e.g., U.S. multinationals and non-China-based foreign issuers that rely on China-based auditors for auditing their Chinese operations.

Identifications will be "provisional" for 15 business days to allow the issuer to contact the SEC if it believes it has been incorrectly identified and to provide evidence in support of its claim. If the SEC does not agree the issuer was incorrectly identified or the issuer does not dispute its identification, the identification will become "conclusive" after 15 business days. The list of such "Commission-Identified Issuers" on the SEC's website, www.sec.gov/HFCAA, will indicate whether the identification is provisional or conclusive and also identify the number of consecutive years the issuer has been identified as a Commission-Identified Issuer and whether it has been subject to any prior trading prohibitions under the HFCAA.

The SEC intends to issue an order to prohibit the trading of the securities of Commission-Identified Issuers on a national securities exchange or through the over-the-counter market "as soon as practicable" after the issuer has been conclusively identified as a Commission-Identified Issuer for three consecutive years. The trading prohibition will become effective four business days following issuance of the SEC's order. According to the SEC, the time between when an issuer is first identified as a Commission-Identified Issuer and when it becomes subject to a trading ban provides sufficient notice to investors and market participants to make investment decisions prior to the trading prohibition becoming effective.[7] It is expected that, for an issuer facing a trading ban in year three, U.S. exchanges will commence a delisting process. It also is expected that broker-dealers and investment advisers will stop transacting in the to-be-banned issuer's securities immediately before the imposition of the SEC ban.

Consistent with its implementing rules, in March 2022 the SEC began identifying issuers that retained PCAOB-identified audit firms as the "principal accountant" for their FY 2021 annual report. The first tranche of issuer identifications became "conclusive" on March 30, 2022 as reflected on the SEC's website at www.sec.gov/HFCAA. As of the date of this article, the SEC has either provisionally or conclusively determined more than 135 companies to be Commission-Identified Issuers. As it currently stands, issuers identified in 2022 will become subject to a trading ban in 2024 (the third consecutive year of identification),[8] unless in the meantime they either retain an auditor the PCAOB is able to inspect or the PCAOB changes its determinations regarding its access to audit firms in mainland China and Hong Kong. Given the significant number of Chinese companies currently relying on principal auditors in China or Hong Kong, we anticipate that the number of SEC identified issuers in 2022 will increase substantially.[9]

VI. HFCAA-Related Statements by U.S. and Chinese Officials and Recent Developments in China

Recent statements by Chinese regulators regarding "positive progress" concerning PCAOB access to mainland China and Hong Kong audit firms and the China

Securities Regulatory Commission's (CSRC) publication of a new draft rule regarding access to information by overseas regulators has generated a lot of attention, raising expectations that a deal to forestall the delisting of Chinese issuers in the United States is imminent. In our view, those new reports may not always capture the state of progress on this issue. Historically, the Chinese authorities tend to offer more optimistic public statements regarding the progress of negotiations than the PCAOB, which has not provided a similar assessment to date. The PCAOB called the rumors of an imminent deal between the PCAOB and the Chinese regulators "premature." And, as demonstrated by SEC Chair Gary Gensler's recent statements on this topic, the U.S. negotiating position may have hardened following enactment of the HFCAA. In the words of Chair Gensler, only full compliance with PCAOB inspections will suffice and that "[i]t's up to the Chinese authorities" about how productive the ongoing discussions will be and that the Chinese authorities face a "hard set of choices."

Nevertheless, for their part, the Chinese authorities appear to be removing some obstacles to an agreement on PCAOB access. The CSRC's proposed rule, "Provisions Regarding Strengthening the Relevant Secret Protection and Archive Management Work for Domestic Companies' Offshore Securities Issuance and Overseas Listings,"[10] issued on April 2, 2022, represents progress toward resolving the PCAOB access issue. The draft rules contemplate that overseas regulators will conduct investigations and inspections of domestic Chinese entities under a "cross-border regulatory cooperation mechanism" with Chinese authorities. The previous law contemplated that the Chinese regulators would conduct such investigations and inspections themselves. While the draft law, or "Provisions," makes some changes to the rules as to how overseas listed companies, their advisors, and Chinese regulators handle information sharing with overseas regulators, Chinese regulators ultimately still retain control over what information is shared. Further, on their face, the draft rules do not appear to relax the application of laws governing state secrets and other sensitive information. However, the CSRC commented that the draft rule aims to "reduce unnecessary entrance of state secrets and sensitive information into working papers."[11] And if Chinese regulators clearly direct China-based audit firms that the firms and their issuer clients have sufficient discretion to determine what sensitive information requires protection, without running afoul of Chinese laws protecting that information, there is a greater chance less sensitive information is redacted in the work papers and, thus, sufficient PCAOB access may be achieved. Whether these messages from Chinese regulators had any impact on the audit work papers for audits performed on financial statements for 2021, is another question. If it is able to obtain access to China-based auditors in 2022, we expect the PCAOB is more likely to inspect audits of financial statements covering 2021.

Before reversing its determinations regarding its inability to inspect or investigate audit firms in mainland China and Hong Kong, it is widely expected that the PCAOB will need to conduct inspections of multiple China-based and Hong Kong-based audit firms to demonstrate it is actually getting full access to mainland China and Hong Kong audit firms and that the access is durable and widespread. Assuming an agreement can be reached in the near term to allow for PCAOB inspections to be conducted this year, it is likely such inspections may not conclude until late in the fall. Then, and only then, do we expect any public comments from either the SEC or PCAOB that sufficient access has been attained.

VII. What to Watch

Unless Commission-Identified Issuers switch auditors or the PCAOB rescinds its determination, any issuer identified in 2022 will become subject to a trading ban in 2024. As noted above, we do not think an agreement between the PCAOB and CSRC necessarily is imminent, as it will require resolution of important issues on the nature of PCAOB access and the role of Chinese regulators in facilitating that access. At the same time, it recently has been reported that PCAOB officials are in Beijing to finalize an agreement.[12] Further, other reports indicate that Chinese regulators have informed audit firms and U.S.-listed companies to prepare for PCAOB inspections.[13]

Possible deal

To the extent a deal is reached by this summer, we would expect PCAOB inspections to begin by the fall to test the integrity of any agreement ahead of the PCAOB's annual reassessment of the mainland China and Hong Kong determinations from last December. Whether that provides sufficient time for the PCAOB to determine whether it has complete access, remains to be seen.

In the meantime, at least two Commission-Identified Issuers have switched to a U.S.-based auditor,[14] with other firms exploring initial public offerings in the United States doing the same.[15] U.S.-based audit firms could conduct the China-based company audits by using their China-based affiliate to conduct a portion of the audit and rely on that work to issue an audit report. This approach is permitted under PCAOB audit standards. See PCAOB Audit Standard 1204.[16]

Voluntary Exits from U.S.

There have been reports of certain high-profile China-based companies seeking to exit their U.S. listing.[17] Whether others are likely to follow remains to be seen and depends on a number of factors, not all of which are related to identification by the SEC under the HFCAA. At the same time, there are reports that the Chinese authorities may ask some companies in possession of sensitive information to delist.[18] The impact of any delisting on the holders of U.S.-listed securities in these China-based companies will be determined by several factors, not least of which is whether the delisting is accompanied by a take-private offer, or is preceded by a secondary listing (or dual-primary listing) on another international bourse such as the Hong Kong Stock Exchange (HKEx).[19] For now, Didi is unique in seeking the voluntary delisting of its U.S.-listed securities without there being another official listing in place (Didi's existing regulatory issues have for now prevented its intended HKEx listing), or any take-private offer being made.

Legislation Under Consideration

Current law under the HFCAA would lead to the adoption of trading bans after three consecutive years of non-compliance, but Congress is currently considering legislation to expedite that process. In particular, the Senate on June 21, 2021 passed the "Accelerating the Holding Foreign Companies Accountable Act", which would accelerate imposition of the SEC's trading ban on Commission-Identified Issuers from three consecutive years of identification to two years. The House has also indicated its approval for this policy, including the same provisions as part of the America COMPETES Act, which it passed on February 4, 2022. Given the support of both houses of Congress for this legislation, there is a significant likelihood that it could be included in the final version of the China competition bill, now known as the Bipartisan Innovation Act, and eventually signed into law. If enacted, that would mean trading

bans would take effect in 2023. That accelerated timeline would place renewed pressure on the successful implementation of any agreement between Chinese and U.S. regulators on PCAOB access.

VIII. Conclusion

The year ahead offers a great deal of anticipation as to whether the Chinese authorities and the PCAOB can not only reach an agreement on PCAOB access to China-based audit firms, but also whether that access can be realized by the end of the year, ahead of the next PCAOB's annual reassessment of its jurisdiction-wide determination regarding mainland China and Hong Kong under the HFCAA and Rule 6100. In the meantime, some Chinese companies are repositioning themselves with dual listings or take-private deals, and others are seeking out U.S.-based auditors. For the time being, market participants, including investors, seemingly have to prepare simultaneously for both the possibility of a slate of delisted China-based companies, as well as the possibility of a resolution on PCAOB access.

[1] https://pcaobus.org/oversight/international/china-related-access-challenges

[2] https://www.uscc.gov/sites/default/files/2022-03/Chinese_Companies_on_US_Stock_Exchanges.pdf

[3] The SEC's implementing rules clarified that identified issuers that *are* owned or controlled by a foreign government are not required to submit such documentation.

[4] https://pcaob-assets.azureedge.net/pcaob-dev/docs/default-source/rules/documents/section_6.pdf?sfvrsn=d3bc3560_1

[5] PCAOB Release No. 2021-004, September 22, 2021, at p. 37, https://pcaob-assets.azureedge.net/pcaob-dev/docs/default-source/rulemaking/docket048/2021-004-hfcaa-adopting-release.pdf?sfvrsn=f6dfb7f8_4

[6] https://pcaobus.org/oversight/international/board-determinations-holding-foreign-companies-accountable-act-hfcaa

[7] Under the SEC rule, there is a process to have the trading ban terminated, which is described at https://www.sec.gov/rules/final/2021/34-93701.pdf.

[8] See section VII for a discussion of legislation under consideration in Congress that would "accelerate" the SEC's imposition of a trading ban from three consecutive years of identification to two consecutive years.

[9] The U.S.-China Economic and Security Review Commission's latest study estimates there are 261 Chinese companies listed on the three largest U.S. exchanges alone, with a total market capitalization of $1.4 trillion. The full list is available here: https://www.uscc.gov/sites/default/files/2022-03/Chinese_Companies_on_US_Stock_Exchanges.pdf

[10] The CSR also issued some commentary on the draft rules, which do not provide much additional insight into the substance or application of the rules. http://www.csrc.gov.cn/csrc_en/c102030/c2274356/content.shtml

[11] http://www.csrc.gov.cn/csrc_en/c102030/c2274405/content.shtml

[12] https://www.reuters.com/business/exclusive-us-regulators-are-china-audit-deal-talks-sources-2022-05-06/

[13] https://www.cnbc.com/2022/04/01/china-securities-regulator-on-us-listed-chinese-stocks-audit-delisting.html; https://www.reuters.com/article/china-regulation-usa-audit-idCNL5N2VP0AA

[14] BeiGene: https://www.sec.gov/ix?doc=/Archives/edgar/data/1651308/000165130822000044/bgne-20220323.htm, and Zai Lab: https://www.sec.gov/ix?doc=/Archives/edgar/data/1704292/000119312522136847/d232843d8ka.htm

[15] https://www.wsj.com/articles/some-chinese-companies-find-workaround-to-avoid-u-s-delisting-11649158109

[16] https://pcaobus.org/oversight/standards/auditing-standards/details/AS1205

[17] https://www.scmp.com/tech/tech-war/article/3174297/chinese-internet-portal-sohu-seeks-delisting-nasdaq-after-being-named (Sohu subsequently denied this report); https://www.scmp.com/tech/big-tech/article/3174551/didi-global-vote-us-delisting-next-month-says-no-new-listing-plan

[18] https://www.wsj.com/articles/some-chinese-companies-find-workaround-to-avoid-u-s-delisting-11649158109

[19] See, for example, Weibo's announcement of a $500 million share repurchase for its American depositary shares through March 2023. https://www.sec.gov/Archives/edgar/data/0001595761/000110465922040532/tm2210881d1_ex99-1.htm