



**IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION**

**CAUSE NO: FSD 128 OF 2021 (RPJ)**

**IN THE MATTER OF THE COMPANIES ACT (2022 REVISION)**

**AND IN THE MATTER OF SINA CORPORATION**

**Appearances:** Stephen Atherton KC (instructed by Harney Westwood & Riegels)  
For the Claimant, Company, Sina Corporation

Robert Levy KC (instructed by Ogier LLP, Collas Crill, Mourant  
Ozannes (Cayman) LLP, Carey Olsen) for the Respondent,  
Dissenters

**Before:** The Hon. Raj Parker

**Heard:** 20 January 2023

**Judgment delivered:** 20 January 2023

**Ruling by the Hon. Justice Parker**

1. Disclosure by the Company is fundamental for a fair trial of this section 238 proceeding. Disclosure by companies, as experience shows, is of central significance in the context of fair value cases and is central to the analysis of the experts.
2. A year ago this Court permitted the Company to continue with its attempts to obtain approval from the PRC authorities in the light of what it says are the potentially severe consequences for its business if it fails to obtain the necessary approvals. That is referred to at paragraph 68 of the Judgment of 25 January 2022.
3. At paragraph 72 I said that I had decided that I would make the usual discovery order so the Company would give discovery within 70 days of the date of the order in respect of both the specific categories of documents listed in appendix 3 and any additional documents relevant to the fair value determination, leaving the onus upon the Company to comply or apply to the Court as soon as it perceived that it would not be able to do so, for direction so that the matter could be determined within 70 days or shortly thereafter. I said that the dissenters are not to be prejudiced by undue delay.
4. My intention was that discovery would be got on with. I said at paragraph 73 that the Court would not simply let 'the can be kicked down the road', as Mr Levy QC had put it, which would not be in accordance with the overriding objective, and that I would actively case-manage the process, the discovery process, at the appropriate stage to the extent necessary to ensure a fair trial; that obviously remains the case.
5. At paragraph 74, I made reference to the importance of the Company's discovery in section 238 cases, which I indicated was beyond argument, and gave reasons at paragraph 74 for that conclusion.
6. At paragraph 78, under the heading "Practical Suggestions", Mr Atherton QC accepted, I recorded, that the Company would be prepared to update the Court from time to time on

any material developments with the regulatory approval process and what could be achieved within a reasonable timescale in terms of meeting its discovery obligations.

7. The Court endorsed that approach as a reasonable mechanism to be incorporated in the order so that discovery is not unduly delayed and the process, at least from a timing point of view, may be monitored. It would also be appropriate, I said at paragraph 78, for the Company to update the dissenters and the Court as soon as reasonably practicable after receiving responses from the relevant authority.
8. That process, to a large extent, in my view has been complied with. There have obviously been difficulties that the Company has faced in relation to disclosure of certain information concerning its communications with the relevant PRC authorities and the Court gives the Company the benefit of the doubt in relation to those communications.
9. The Company says it has uploaded all relevant documents and materials located in the PRC into a data room in the PRC. It accepts that it has not provided the dissenters access to the data room by the date directed, which was 27 July 2022. It has not done so because it is awaiting approval from the relevant PRC authorities which would appear from a recent update to the Court from Harneys, the Company's lawyers, to be required.
10. I will now deal with the extension application. The Company is admittedly in breach of its disclosure obligations. The overriding objective of the Grand Court rules is to require the Court to ensure that the proceedings are dealt with in a just, expeditious and economical way, which is also an obligation that the attorneys assisting the Court need to comply with.
11. The Court has a discretion to grant an extension of time under GCR order 3, rule 5 even though an application is made after the expiry of the relevant period.
12. Having considered the arguments on both sides and the relevant evidence, in all the circumstances I have reached the conclusion there is an acceptable reason for the further relatively modest extension requested.

13. It follows that the application by the Company to extend the time for compliance with its discovery obligations until 24 February 2023 is granted, on the basis that the Company anticipates being in a position to complete its discovery obligations in the event regulatory approval is granted in that timescale.
14. I want the parties to understand that the Court will not look favourably on any application for a further extension of time of any serious duration without good and well evidenced reasons provided to the Court in advance.
15. It goes without saying, but I will reiterate for the parties' benefits in view of the arguments that have been made by the advocates for both parties, that the Company should expect any failure to comply with its obligations with regard to discovery without good reason to be appropriately dealt with in accordance with the Grand Court Rules, previous authority and if, and I trust this will not be necessary, but if necessary, by way of punitive orders.
16. As to the reasons given by the Company for the extension application, this is not a case where the Company says it should not, as a result of laws in the PRC, be giving disclosure at all. There is no need to decide that matter unless and until that point arises and in the proper context and with all available evidence relating to the point if it arises.
17. As to the requested information application, the application by the Company for the provision by the dissenters of the requested information is denied.
18. Costs will be reserved to trial.



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**THE HON. MR JUSTICE RAJ PARKER**  
**JUDGE OF THE GRAND COURT**