

## Differences Between the Company's Current Corporate Governance Practices and the NYSE Corporate Governance Requirements Applicable to Domestic US Companies

Acorn's American Depositary Shares are listed on the New York Stock Exchange (the "NYSE"). As such, Acorn is subject to corporate governance requirements imposed by the NYSE. Under Section 303A of the NYSE's Listed Company Manual, NYSE listed non-US companies such as Acorn may, in general, follow their home country corporate governance practices in lieu of some of the NYSE corporate governance requirements. A NYSE-listed non-US company is simply required to provide a general summary of the significant differences to its US investors either on the company website or in its annual report distributed to its US investors.

Acorn is committed to a high standard of corporate governance. As such, Acorn endeavors to comply with most of the NYSE corporate governance practices. However, the following are the ways in which our current corporate governance practices differ from NYSE corporate governance requirements:

| <b><u>NYSE Rules</u></b>  | <b><u>Our Practices</u></b>  |
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| The NYSE rules require companies to have a majority of independent directors.   | Four of our nine directors are considered independent. This practice does not conflict with the Companies Law (2007 Revision) of the Cayman Islands and our amended and restated memorandum of association and articles of association.  |
| The NYSE rules require companies to have a corporate governance/nominating committee comprised entirely of independent directors.                                   | One of the three members of our corporate governance/nominating committee is considered independent. This practice does not conflict with the Companies Law (2007 Revision) of the Cayman Islands and our amended and restated memorandum of association and articles of association.  |
| The NYSE Rules require companies to have a compensation committee comprised entirely of independent directors.  | Two of the three members of our compensation committee are considered independent. This practice does not conflict with the Companies Law (2007 Revision) of the Cayman Islands and our amended and restated memorandum of association and articles of association.  |
| The NYSE rules require that shareholders be given the opportunity to vote on all equity-compensation plans and material revisions thereto, with limited exceptions. | We are not required by our charter documents, including our amended and restated memorandum of association and articles of association, to obtain shareholder approval for the adoption of, or material revisions to, our equity compensation plans where our directors consider it in the best interests of the company to do so and when the issue price of shares issued pursuant to such plans is otherwise fair. Our practice does not conflict with the Companies Law (2007 Revision) of the Cayman Islands. |