

(A) OVERVIEW

The forecast consolidated profit for the year ending December 31, 2004 is set out in the section headed “Financial Information—Profit Forecast for the year ending December 31, 2004”.

(B) BASES OF PREPARATION

Our Directors have prepared the forecast consolidated profit for the year ending December 31, 2004, based on the audited accounts of the Group for the three-month period from January 1, 2004 to March 31, 2004, the unaudited management accounts for the month of April, 2004 and the forecast results of the Group for the remaining eight-month period from May 1, 2004 to December 31, 2004. The forecast has been prepared on the basis of accounting policies consistent in all material respects with those currently adopted by the Group, as summarized in the accountants’ report set forth in Appendix I to this Prospectus. The profit forecast has been prepared based on the following assumptions:

- there will be no material changes in legislation, regulations, rules or policies in the PRC or any country or territory in which the Group operates or the way in which any such legislation, regulations, rules or policies are interpreted or applied and which may adversely affect our business;
- there will be no material changes in market conditions in the PRC or any other country or territory in which the Group operates and which may adversely affect our business;
- there will be no material change in the basis or rates of taxation in the countries or territories in which we operate, except otherwise disclosed in this Prospectus;
- there will be no significant disruptions arising from industrial disputes and labor or any other causes which may affect the operations of the Group; and
- there will be no material changes in interest rates or foreign currency exchange rates from those currently prevailing.

(C) LETTERS REGARDING THE PROFIT FORECAST

The following is the text of a letter, prepared for inclusion in this Prospectus, received by the Directors from PricewaterhouseCoopers in connection with the forecast of our profit for the year ending 31 December, 2004.

PRICEWATERHOUSECOOPERS 

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7 June, 2004

The Directors
Tencent Holdings Limited
Goldman Sachs (Asia) L.L.C.

Dear Sirs,

We have reviewed the calculations of and accounting policies adopted in arriving at the forecast of the consolidated profit attributable to shareholders of Tencent Holdings Limited (the "Company") and its subsidiaries (collectively referred to in this letter as the "Group") for the year ending 31 December, 2004 (the "Profit Forecast") as set out in the section headed "Financial Information—Profit Forecast" in the prospectus of the Company dated 7 June, 2004 (the "Prospectus").

We conducted our work in accordance with the Auditing Guideline 3.341 on "Accountants' report on profit forecasts" issued by the Hong Kong Society of Accountants.

The Profit Forecast, for which the Directors of the Company are solely responsible, has been prepared by them based on the audited accounts of the Group for the three-month period from 1 January, 2004 to 31 March, 2004, the unaudited management accounts of the month of April 2004 and a forecast of the results of the Group for the eight-month period from 1 May, 2004 to 31 December, 2004.

In our opinion, the Profit Forecast, so far as the calculations and accounting policies are concerned, has been properly compiled in accordance with the bases and assumptions made by the Directors of the Company as set out in section headed "Basis of Preparation" of Appendix II to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in our accountants' report dated 7 June, 2004, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,
PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

The following is the text of a letter, prepared for inclusion in this Prospectus, received by the Directors from the Sponsor in connection with the forecast of our profit for the year ending December 31, 2004.



June 7, 2004

The Board of Directors
Tencent Holdings Limited

Dear Sirs,

We refer to the forecast consolidated profit attributable to shareholders of Tencent Holdings Limited (the "Company") and its subsidiaries for the year ending December 31, 2004, as set out in the Prospectus issued by the Company dated June 7, 2004.

The profit forecast, for which the Directors of the Company are solely responsible, has been prepared by the Directors based on the audited accounts of the Group for the three-month period from January 1, 2004 to March 31, 2004, the unaudited management accounts of the month of April 2004 and a forecast of the results of the Group for the eight-month period from May 1, 2004 to December 31, 2004.

We have discussed with you the bases upon which the profit forecast has been made. We have also considered the letter dated June 7, 2004 addressed to yourselves and ourselves from PricewaterhouseCoopers regarding the accounting policies and calculations upon which the profit forecast has been made.

On the basis of the information comprising the profit forecast and on the bases of the accounting policies and calculations adopted by you and reviewed by PricewaterhouseCoopers, we are of the opinion that the profit forecast, for which you as the Directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully
For and on behalf of
GOLDMAN SACHS (ASIA) L.L.C.
Martin Lau
Executive Director