

1. FURTHER INFORMATION ABOUT THE COMPANY**(a) Incorporation**

The Company was incorporated in the BVI as an international business company under the International Business Companies Act on November 23, 1999. As the Stock Exchange does not permit listings of companies incorporated in the BVI, the Shareholders elected to redomicile the Company to the Cayman Islands rather than interposing a newly incorporated entity as the holding company and listing vehicle of the Group because of the potential adverse South African capital gains tax consequences to certain Shareholders of interposing a new company and the advantage of not having to transfer existing contracts of the Company to a new company. The Company redomiciled to the Cayman Islands on February 27, 2004 and is now existing under the Companies Law as an exempted company with limited liability. The Company has established a place of business in Hong Kong at Room 3506, 35/F, Tower 2, Lippo Centre, 89 Queensway, Admiralty, Hong Kong and was registered on March 26, 2004 as an oversea company in Hong Kong under Part XI of the Companies Ordinance, with Ms. Lau Suk Yi of Room 3506, 35/F, Tower 2, Lippo Centre, 89 Queensway, Admiralty, Hong Kong appointed as the agent of the Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong.

As the Company is registered in the Cayman Islands, it operates subject to the Companies Law and to its constitution which comprises a memorandum and articles of association. A summary of certain relevant parts of the Company's constitution and certain relevant aspects of Cayman Islands company law are set out in Appendix V to this Prospectus.

(b) Changes in share capital**(a) The Company**

Upon incorporation, the Company had an authorized share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 per share. On December 29, 1999, a resolution was passed to sub-divide each of the unissued shares of US\$1.00 par value per share in the authorized share capital of the Company into 100 shares of US\$0.01 par value per share and the authorized share capital is changed to be made up of one class of shares divided into 5,000,000 ordinary shares of US\$0.01 par value per share. On December 29, 1999, one fully paid ordinary share ("FPO") was issued to Ma Huateng.

On March 29, 2000, a resolution was passed to change the authorized share capital of the Company. The authorized share capital of the Company of US\$50,000 was changed to be divided into three classes of shares: (i) 4,000,000 ordinary shares of US\$0.01 par value per share; (ii) 500,000 class A preference shares of US\$0.01 par value per share; and (iii) 500,000 class B preference shares of US\$0.01 par value per share.

On March 29, 2000, an issue and allotment of 999,999 FPOs was made by the Company consisting of 384,749 FPOs to Ma Huateng, 266,500 FPOs to Zhang Zhidong, 101,250 FPOs to Zeng Liqing, 81,000 FPOs to Xu Chenye, 81,000 FPOs to Chen Yidan, 45,000 FPOs to Lam Kin Wong Danny and 40,500 FPOs to Liu Xiaosong.

On March 29, 2000, pursuant to a subscription agreement dated January 28, 2000, an issue and allotment of 214,286 fully paid class A preference shares ("FPPAs") was made by

the Company to each of Millenium Vocal Limited (“MVL”) and IDG Technology Venture Investments, Inc (“IDG”).

On July 31, 2000, pursuant to a subscription agreement dated January 28, 2000, an issue and allotment of 119,047 fully paid class B preference shares (“FPPBs”) was made by the Company to each of MVL and IDG.

On August 3, 2000, Zhang Zhidong transferred a total of 95,000 FPOs to five non-Core Founders.

MIH acquired its shareholding in the Company on June 5, 2001 from the Founders, MVL and IDG. MIH acquired 194,186 ordinary shares in the Company from the Founders. MVL transferred to MIH 369,341 ordinary shares acquired through conversion of all of their FPPAs, FPPBs and note. IDG converted all of its FPPAs and FPPBs into ordinary shares of the Company, and transferred 243,500 ordinary shares of the Company to MIH. In connection with the MIH share acquisition, IDG also transferred 89,833 ordinary shares of the Company to IDG’s wholly owned subsidiary, Mandarin Sea Investments Ltd (“Mandarin Sea”), and IDG Technology Venture Investments, LP converted all of its convertible notes into 36,008 ordinary shares of the Company and transferred all of these ordinary shares of the Company to Mandarin Sea. Immediately after the investment by MIH, the Founders and MIH each held just over 46% legal ownership of the ordinary shares of the Company and Mandarin Sea held approximately 7.2% legal ownership of the ordinary shares of the Company.

On July 25, 2001, 31,003 FPOs were issued pro-rata to the existing shareholders pursuant to a funding plan adopted by the Board on June 26, 2001.

On January 31, 2002, 31,003 FPOs were issued pro-rata to the existing shareholders pursuant to the funding plan adopted by the Board on June 26, 2001.

On December 11, 2002, 683,914 FPOs were transferred by the five Core Founders to BVI companies set up by them, resulting in Advance Data Services Limited, wholly owned by Ma Huateng, holding 321,092 FPOs, Best Update International Limited, wholly owned by Zhang Zhidong, holding 143,125 FPOs, Speednext Industrial Limited, wholly owned by Zeng Liqing, holding 84,499 FPOs, Talent Mighty Investments Limited, wholly owned by Xu Chenye, holding 67,599 FPOs, and Fat Yue Holdings Limited, wholly owned by Chen Yidan, holding 67,599 FPOs.

On August 11 2003, all shares held by Mandarin Sea and a small number of shares held by MIH were redeemed by the Company, following which the share capital of the Company comprised FPOs only, the legal ownership of which was held 50% by MIH and 50% by the Founders collectively.

On September 26, 2003, the Company’s 1,669,108 FPOs were split into 18,006,880 FPOs of no par value per share resulting in the Founders collectively holding 9,003,440 FPOs and MIH holding 9,003,440 FPOs.

On September 30, 2003, a redemption of fractional shares occurred reducing the total number of shares by 12 FPOs resulting in the Founders collectively holding 9,003,434 FPOs and MIH holding 9,003,434 FPOs.

On January 12, 2004, 1,625,151 FPOs were transferred by the seven non-Core Founders to BVI companies set up by them resulting in Charter Century Limited, wholly owned by Liu Xiaosong, holding 364,645 FPOs, Ample Source Holdings Limited, wholly owned by Lam Kin Wong Danny, holding 405,166 FPOs, Keen Choice Enterprises Limited, wholly owned by Xu Gangwu, holding 270,096 FPOs, Global Precise Assets Limited, wholly owned by Wu Xiaoguang, holding 270,096 FPOs, On Choice International Limited, wholly owned by Li Haixiang, holding 162,073 FPOs, Smart Star Investments Limited, wholly owned by Huang Yejun, holding 90,039 FPOs and Success Chance Assets Limited, wholly owned by Gong Haixing, holding 63,036 FPOs.

On March 24, 2004, the par value of the Company's shares was changed from no par value to HK\$0.0001 per share and the Company's 18,006,868 shares were split into 1,260,480,760 shares of par value HK\$0.0001 per share resulting in the Founders, in aggregate, holding 630,240,380 shares and MIH holding 630,240,380 shares.

(b) Realtime Century Technology Limited

Realtime Century Technology Limited was incorporated in the BVI as an international business company on March 14, 1997, with an authorized capital of US\$50,000 and an issued capital of 100 shares of US\$0.01 each. Realtime Century Technology Limited was a dormant company until it became a wholly owned subsidiary of the Company on December 18, 2003.

(c) Tencent Limited

Tencent Limited was incorporated in the BVI as an international business company on March 14, 1997, with an authorized capital of US\$50,000 and an issued capital of 100 shares of US\$0.01 each. Tencent Limited was a dormant company until it became a wholly owned subsidiary of the Company on December 18, 2003.

(d) Tencent Computer

Tencent Computer was established in the PRC on November 11, 1998 as a limited liability company with a registered capital of RMB500,000. Upon incorporation, Huang Huiqing contributed RMB300,000 for 60% of the registered capital and Zhao Yonglin contributed RMB200,000 for 40% of the registered capital.

On June 28, 1999, Huang Huiqing transferred RMB112,500 of her contribution to Ma Huateng and RMB62,500 to Zeng Liqing. Zhao Yonglin also transferred RMB100,000 of his contribution to Zhang Zhidong, RMB50,000 to Xu Chenye and RMB50,000 to Chen Yidan. All the shareholders, i.e., Huang Huiqing, Ma Huateng, Zhang Zhidong, Zeng Liqing, Xu Chenye and Chen Yidan then doubled their respective contributions thereby increasing the Company's registered capital to RMB1,000,000.

On November 13, 2001, Huang Huiqing transferred her remaining contribution of RMB250,000 to Ma Huateng. There have been no further changes to Tencent Computer's ownership structure since that time.

On December 17, 2003, Tencent Computer increased its registered capital from RMB1 million to RMB20 million by converting retained earnings to registered capital.

(e) *Tencent Technology*

Tencent Technology was incorporated in the PRC as a wholly foreign owned enterprise on February 24, 2000, with a registered capital of US\$1,000,000. On December 20, 2000, the registered capital was increased to US\$2,000,000. Tencent Technology was directly 100% owned by the Company until January 11, 2004, when the Company's wholly-owned subsidiary, Tencent Limited, was interposed as 100% shareholder of Tencent Technology.

(f) *Shiji Kaixuan*

Shiji Kaixuan was established in the PRC on January 13, 2004, as a limited liability company with a registered capital of RMB 11 million. Upon incorporation, Ma Huateng, Zhang Zhidong, Zeng Liqing, Xu Chenye and Chen Yidan contributed RMB5.2 million, RMB2.2 million, RMB1.4 million, RMB1.1 million and RMB1.1 million, respectively, for 47.5%, 20.0%, 12.5%, 10.0% and 10.0%, of the registered capital, respectively.

(g) *Shidai Zhaoyang Technology*

Shidai Zhaoyang Technology was incorporated in the PRC as a wholly foreign owned enterprise on February 8, 2004, with a registered capital of US\$500,000 and is indirectly 100% owned by the Company through its wholly-owned subsidiary, Realtime Century Technology Limited.

2. WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

(a) *Resolutions passed*

Written resolutions were passed by the Shareholders of the Company on March 24, 2004 and April 23, 2004 pursuant to which, among other matters:

- (a) conditional on the same conditions as stated in the paragraph headed "Conditions of the Offering" in the section entitled "Structure of the Offering":
 - (i) the Directors were authorised to implement the listing of the Shares on the Stock Exchange;
 - (ii) the Offering (including the grant of the Over-allotment Option) was approved and the Directors were authorised to allot and issue such number of Shares in connection with the Offering as they may see fit, on and subject to such terms and conditions that they may in their absolute discretion decide;
 - (iii) the Pre-IPO Share Option Scheme and the Share Option Scheme were approved and the Directors were authorised to approve any further amendments to the rules of the Pre-IPO Share Option Scheme and the Share Option Scheme and, at their absolute discretion, to grant options to subscribe for Shares thereunder, and to take all such steps as may be necessary or desirable to implement the Pre-IPO Share Option Scheme and the Share Option Scheme;
- (b) the Company adopted and approved the Articles of Association, the terms of which are summarized in Appendix V to this Prospectus;

- (c) a general unconditional mandate was given to the Directors to allot, issue and deal with unissued shares, save that, otherwise than pursuant to, or in consequence of, the Offering, a rights issue, the exercise of any subscription rights under the options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, any scrip dividend or similar arrangements, any adjustment of rights to subscribe for Shares under options and warrants or a specific authority granted by the shareholders, such mandate is limited to Shares with an aggregate nominal value not exceeding the sum of (a) 20% of the aggregate nominal amount of the share capital of the Company in issue and to be issued as mentioned in this Prospectus (including without limitation any issue of Shares pursuant to the exercise of the Over-allotment Option), and (b) the aggregate nominal amount of the Share capital of the Company which may be repurchased by the Company under the authority referred to in paragraph (d) below, such mandate to expire at the conclusion of the next annual general meeting of the Company or the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association or the Companies Law or any other applicable laws of the Cayman Islands to be held, or when revoked, varied or renewed by ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first; and
- (d) a general unconditional mandate was given to the Directors to exercise all powers of the Company to repurchase, on the Stock Exchange or on any stock exchange on which Shares may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such aggregate nominal amount (or number, as the case may be) of shares as shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue and to be issued as mentioned in this Prospectus (including without limitation any issue of Shares pursuant to the exercise of the Over-allotment Option), such mandate to expire at the conclusion of the next annual general meeting of the Company or the expiry of the period within which the next annual general meeting of the Company is required by the by the Articles of Association or the Companies Law or any other applicable laws of the Cayman Islands to be held, or when revoked or varied or renewed by ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

(b) Share Capital After The Offering

Assuming that the Offering becomes unconditional and following the Offering (but without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option), the authorized share capital of the Company will be divided into ten billion Shares of which 1,680,641,260 Shares will be fully paid or credited as fully paid, and 8,319,358,740 Shares will remain unissued. Other than pursuant to the exercise of the Over-allotment Option or any options which are granted under the Pre-IPO Share Option Scheme or may be granted under the Share Option Scheme, the Directors have no present intention to issue any part of the authorized but unissued capital of the Company and, without the prior approval of the members in general meeting, no issue of Shares will be made which would effectively alter the control of the Company.

Save as disclosed in this Prospectus, there has been no alteration in the share capital of the Company within the two years immediately preceding the date of this Prospectus.

3. GROUP REORGANIZATION

In preparation of the listing of the Shares on the Stock Exchange, we interposed Tencent Limited and Realtime Century Technology Limited between the Company and Tencent Technology and Shidai Zhaoyang Technology, respectively, and we also reintroduced par value for our Shares. All information regarding the restructuring is set out in sub-paragraph 1(b) above entitled “Changes in share capital”.

4. CHANGES IN SHARE CAPITAL OF SUBSIDIARIES

During the two years preceding the date of this Prospectus, the changes to the share capital of the subsidiaries of the Company are those set out in sub-paragraph 1(b) above entitled “Changes in share capital”.

Save as disclosed in this Prospectus, there has been no alteration in the share capital of any of the Company’s subsidiaries within two years preceding the date of this Prospectus.

5. REPURCHASE BY THE COMPANY OF ITS OWN SECURITIES

This section sets out information required by the Stock Exchange to be included in this Prospectus concerning the repurchase by the Company of its own securities.

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) Shareholders’ approval

All repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

Note: Pursuant to the written resolution of the Shareholders of the Company passed on April 23, 2004, a general unconditional mandate (the “Securities Repurchase Mandate”) was given to the Directors authorizing any repurchase by the Company of Shares on the Stock Exchange or on any other stock exchange recognized by the SFC and the Stock Exchange of such number of Shares as will represent up to 10% of the aggregate of (i) the total nominal value of the share capital of the Company in issue immediately following completion of the Offering, and (ii) the total nominal value of the share capital of the Company which may be issued pursuant to the Over-allotment Option, at any time until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by the articles of association of the Company or any

applicable laws to be held or the passing of an ordinary resolution of Shareholders of the Company in general meeting revoking, varying or renewing such mandate, whichever occurs first.

(ii) Source of funds

Any repurchases must be financed out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association of the Company and the applicable laws and regulations of the Cayman Islands.

(iii) Trading restrictions

A company is authorized to repurchase on the Stock Exchange or on any other stock exchange recognized by the SFC and the Stock Exchange the total number of shares which represent up to a maximum of 10% of the aggregate nominal value of the existing issued share capital of that company or warrants to subscribe for shares in the company representing up to 10% of the amount of warrants then outstanding at the date of the passing of the relevant resolution granting the repurchase mandate. A company may not issue or announce an issue of new securities of the type that have been repurchased for a period of 30 days immediately following a repurchase of securities (except pursuant to the exercise of share options or similar instruments requiring the company to issue securities which were outstanding prior to the repurchase) without the prior approval of the Stock Exchange. In addition, a company is prohibited from purchasing its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the 5 preceding trading days on which its shares were traded on the Exchange. A company is also prohibited from making securities repurchases on the Stock Exchange if the result of the repurchases would be that the number of the listed securities in public hands would fall below the relevant prescribed minimum percentage as required by the Stock Exchange, which is currently 25% in the case of the Company. A company shall procure that any broker appointed by it to effect the purchase of securities shall disclose to the Stock Exchange such information with respect to purchases made on behalf of the Company as the Stock Exchange may request.

(iv) Status of repurchased securities

The listing of all repurchased securities (whether on the Stock Exchange or otherwise) is automatically cancelled and the relevant certificates must be cancelled upon repurchase and destroyed as soon as reasonably practicable following settlement of any such repurchase. Under Cayman Islands law, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate nominal value of the repurchased shares accordingly, although the authorized share capital of the company will not be reduced.

(v) *Suspension of repurchase*

Any securities repurchase program is required to be suspended after a price-sensitive development has occurred or has been the subject of a decision until such time as the price-sensitive information has been publicly announced. In particular, during the period of one month immediately preceding the earlier of:

- (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, the company may not purchase its securities on the Stock Exchange unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit repurchases of securities on the Stock Exchange if a company has breached the Listing Rules.

(vi) *Reporting requirements*

Repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange in the prescribed form not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a repurchase of shares. In addition, a company's annual report and accounts are required to disclose details regarding securities repurchases made during the financial year under review, including the number of securities repurchased each month (whether on the Stock Exchange or otherwise), the purchase price per share or the highest and lowest prices paid for all such repurchases and the aggregate prices paid. The directors' report is also required to include reference to the purchases made during the year and the directors' reasons for making such purchases.

(vii) *Connected parties*

A company is prohibited from knowingly repurchasing securities of the company on the Stock Exchange from a connected person (as defined under the Listing Rules), and a connected person shall not knowingly sell his securities in the company to the company on the Stock Exchange.

(b) *Reasons for repurchases*

The Directors believe that it is in the best interest of the Company and its Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit the Company and its Shareholders.

(c) Funding of repurchases

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association, the articles of association of the Company and the applicable laws and regulations of the Cayman Islands. Pursuant to the Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilized in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the articles of association of the Company and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the articles of association of the Company and subject to the Companies Law, out of capital of the Company. The Company may not repurchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(d) General

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in this Prospectus) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate only in accordance with the Listing Rules, the memorandum of association, the articles of association of the Company and the applicable laws and regulations of the Cayman Islands.

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates, has any present intention, if the Repurchase Mandate is approved by the Shareholder, to sell any Shares to the Company or its subsidiaries.

Save as disclosed in this Prospectus, no repurchase of Shares has been made by the Company since its incorporation.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Code"). As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Code), depending on the level of increase in the interest of the Shareholder(s), could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Code. Save as aforesaid, the Directors are not aware of any other consequence under the Code as a result of a repurchase of Shares made immediately after the listing of the Shares.

6. MATERIAL CONTRACTS

The following is a summary of contracts (not being contracts in the ordinary course of business) which have been entered into by members of the Group within the two years preceding the date of this Prospectus and are or may be material:

A. *Current contracts*

Structure Contracts

- (a) an amended and restated exclusive right to purchase contract relating to Tencent Computer Systems (“TCS ERPC”) dated February 28, 2004, between Tencent Technology, Tencent Computer and the Core Founders pursuant to which Tencent Computer granted to Tencent Technology or any individual or entity designated by Tencent Technology the right to purchase Tencent Computer’s assets for US\$1.00 and the Core Founders granted to Tencent Technology or its designated affiliate the right to purchase their equity interests in Tencent Computer for US\$1.00;
- (b) an amended and restated pledge contract dated February 28, 2004, between Tencent Technology among the Core Founders and Tencent Technology (the “TCS Pledge Contract”), pursuant to which each Core Founder granted to Tencent Technology a continuing security interest of first priority in his respective interests in the registered capital of Tencent Computer, being, collectively, all of the registered capital of Tencent Computer, to secure their respective obligations under the TCS ERPC;
- (c) an amended and restated exclusive right to purchase contract relating to Shiji Kaixuan (“SKT ERPC”) dated February 28, 2004, between Shidai Zhaoyang Technology, the Core Founders and Shiji Kaixuan, pursuant to which the Core Founders granted to Shidai Zhaoyang Technology or any individual or entity designated by Shidai Zhaoyang Technology the right to purchase their equity interests in Shiji Kaixuan for the cost of the initial contributions to the registered capital of Shiji Kaixuan. Shiji Kaixuan also granted to Shidai Zhaoyang Technology the right to purchase the assets of Shiji Kaixuan for US\$1.00;
- (d) an amended and restated pledge contract dated February 28, 2004, between Shidai Zhaoyang Technology and the Core Founders (“SKT Pledge Contract”) pursuant to which each Core Founder granted to Shidai Zhaoyang Technology a continuing first priority security interest in their respective interests in the registered capital of Shiji Kaixuan, to secure their respective obligations under the SKT ERPC;
- (e) a cooperation framework contract dated February 28, 2004, between Tencent Technology and Tencent Computer (“TCS CFC”) pursuant to which the parties agree to cooperate in the provision of communications services and Tencent Technology agrees to allow Tencent Computer to use its assets and provide services to Tencent Computer. As consideration, Tencent Computer agrees to transfer all of its Surplus Cash (as defined in the section “Our History and Structure—Structure Contracts” of this Prospectus) to Tencent Technology. The parties also agree to establish a cooperation committee (the “TCS Cooperation Committee”);

- (f) a cooperation framework contract February 28, 2004, between Shidai Zhaoyang Technology and Shiji Kaixuan (“SKT CFC”) pursuant to which the parties agree to cooperate in the provision of communications services and Shidai Zhaoyang Technology agrees to allow Shiji Kaixuan to use its assets and provide services to Shiji Kaixuan. As consideration, Shiji Kaixuan agrees to transfer all of its Surplus Cash to Shidai Zhaoyang Technology. The parties also agree to establish a cooperation committee (the “SKT Cooperation Committee”);
- (g) an amended and restated intellectual property transfer contract dated February 28, 2004, between Tencent Technology and Tencent Computer (“TCS IP Contract”) pursuant to which Tencent Computer assigned to Tencent Technology its principal present and future intellectual property rights, free from encumbrances (except for licenses granted in the ordinary course of Tencent Computer’s business) in consideration of Tencent Technology’s undertaking to provide certain technology and information services to Tencent Computer;
- (h) an intellectual property transfer contract dated February 28, 2004 between Shidai Zhaoyang Technology and Shiji Kaixuan (“SKT IP Contract”) pursuant to which Shidai Zhaoyang Technology assigned to Shiji Kaixuan its principal present and future intellectual property rights, free from encumbrance (except for licenses granted in the ordinary course of Shiji Kaixuan’s business) in consideration of Shidai Zhaoyang Technology’s undertaking to provide certain technology and information services to Shiji Kaixuan;
- (i) a domain name license contract dated February 28, 2004, between the Company, as licensor, and Tencent Computer, as licensee, pursuant to which the Company granted to Tencent Computer a non-exclusive license to use specified domain names against the payment of annual royalties determined as a percentage of Tencent Computer’s gross annual revenues (which may be adjusted pursuant to the contract or the TCS CFC);
- (j) a domain name license contract dated February 28, 2004, between Tencent Technology, as licensor, and Tencent Computer, as licensee, pursuant to which Tencent Technology granted to Tencent Computer a non-exclusive license to use specified domain names against payment of annual royalties determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer’s gross annual revenues;
- (k) a domain name license contract dated February 28, 2004, between the Company, as licensor, and Shiji Kaixuan, as licensee, pursuant to which the Company granted to Shiji Kaixuan a non-exclusive license to use specified domain names against payment of annual royalties determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan’s gross annual revenues;
- (l) a domain name license contract dated February 28, 2004, between Tencent Technology, as licensor, and Shiji Kaixuan, as licensee, pursuant to which Tencent Technology granted Shiji Kaixuan a non-exclusive license to use specified domain names against payment of annual royalties determined as a percentage of Shiji Kaixuan’s gross annual revenues (which may be adjusted pursuant to the contract or the SKT CFC);

- (m) a trademark license contract dated February 28, 2004, between the Company, as licensor, and Tencent Computer, as licensee, pursuant to which the Company granted to Tencent Computer a non-exclusive license to use specified trademarks against payment of annual royalties determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer's gross annual revenues;
- (n) a trademark license contract dated February 28, 2004, between Tencent Technology, as licensor, and Tencent Computer, as licensee, pursuant to which Tencent Technology granted to Tencent Computer a non-exclusive license to use specified trademarks against payment of annual royalties determined as a percentage of Tencent Computer's gross annual revenues (which may be adjusted pursuant to the contract or the TCS CFC);
- (o) a trademark license contract dated February 28, 2004, between the Company, as licensor, and Shiji Kaixuan, as licensee, pursuant to which the Company granted to Shiji Kaixuan a non-exclusive license to use specified trademarks against payment of annual royalties determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan's gross annual revenues;
- (p) a trademark license contract dated February 28, 2004, between Tencent Technology, as licensor, and Shiji Kaixuan, as licensee, pursuant to which Tencent Technology granted Shiji Kaixuan a non-exclusive license to use specified trademarks against payment of annual royalties determined as a percentage of Shiji Kaixuan's gross annual revenues (which may be adjusted pursuant to the contract or the SKT CFC);
- (q) an information consultancy services contract dated February 28, 2004, between Shidai Zhaoyang Technology, as consultant, and Tencent Computer, pursuant to which Shidai Zhaoyang Technology will provide specified information consultancy services to Tencent Computer against payment of an annual consultancy service fee determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer's gross annual revenues;
- (r) an information consultancy services contract dated February 28, 2004, between Shidai Zhaoyang Technology, as consultant, and Shiji Kaixuan, pursuant to which Shidai Zhaoyang Technology will provide specified information consultancy services to Shiji Kaixuan against payment of an annual consultancy service fee determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan's gross annual revenues;
- (s) an information consultancy services contract dated February 28, 2004, between Tencent Technology, as consultant, and Tencent Computer, pursuant to which Tencent Technology will provide specified information consultancy services to Tencent Computer against payment of an annual consultancy service fee determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer's gross annual revenues;
- (t) a technical consultancy services contract dated February 28, 2004, between the Company, as consultant, and Shiji Kaixuan, pursuant to which the Company will provide specified technical consultancy services to Shiji Kaixuan against payment

of an annual consultancy service fee determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan's gross annual revenues;

- (u) a technical consultancy services contract dated February 28, 2004, between Tencent Technology, as consultant, and Shiji Kaixuan, pursuant to which Tencent Technology will provide specified technical consultancy services to Shiji Kaixuan against payment of an annual consultancy service fee determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan's gross annual revenues;
- (v) a technical consultancy services contract dated February 28, 2004, between Shidai Zhaoyang Technology, as consultant, and Shiji Kaixuan, pursuant to which Shidai Zhaoyang Technology will provide specified technical consultancy services to Shiji Kaixuan against payment of an annual consultancy service fee determined by the SKT Cooperation Committee within a range of percentages of Shiji Kaixuan's gross annual revenues;
- (w) a technical consultancy services contract dated February 28, 2004, between the Company, as consultant, and Tencent Computer, pursuant to which the Company will provide specified technical consultancy services to Tencent Computer against payment of an annual consultancy service fee determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer's gross annual revenues;
- (x) a technical consultancy services contract dated February 28, 2004, between Shidai Zhaoyang Technology, as consultant, and Tencent Computer, pursuant to which Shidai Zhaoyang Technology will provide specified technical consultancy services to Tencent Computer against payment of an annual consultancy service fee determined by the TCS Cooperation Committee within a range of percentages of Tencent Computer's gross annual revenues;
- (y) an agreement to establish a close technical and business cooperation relationship dated February 28, 2004, between Tencent Technology and Tencent Computer ("TCS Technical Cooperation Agreement") pursuant to which the parties agree to cooperate extensively in aspects of advertisement, design and other technology and services related to the Internet instant messaging and other value-added telecommunications business of Tencent Computer on a revenue sharing basis;
- (z) an agreement to establish a close technical and business cooperation relationship dated February 28, 2004, between Shidai Zhaoyang Technology and Shiji Kaixuan ("SKT Technical Cooperation Agreement") pursuant to which the parties agree to cooperate extensively in aspects of advertisement, design and other technology and services related to the Internet instant messaging and other value-added telecommunications business of Shiji Kaixuan on a revenue sharing basis;
- (aa) a network game cooperation agreement dated February 28, 2004, between Tencent Technology and Tencent Computer pursuant to which the parties agree to cooperate to develop and provide technology and services related to network games on a revenue sharing basis;

- (bb) a network games cooperation agreement dated February 28, 2004, between Shidai Zhaoyang Technology and Shiji Kaixuan pursuant to which the parties agree to cooperate to develop and provide technology and services related to network games on a revenue sharing basis;

Connected Transaction Contracts

- (cc) a license agreement dated June 27, 2002, between the Company, as licensor, and MIH, as licensee, pursuant to which the Company granted to MIH and its affiliates, for a monthly fee, the right to use certain know-how belonging to the Company, in sub-Saharan Africa, Indonesia, Thailand, Greece and Cyprus, as supplemented by (i) an agreement between the Company and Mweb (Thailand) Limited dated June 18, 2003, and (ii) a supplemental trademark and copyright license agreement dated June 24, 2003 between the Company and MIH;
- (dd) a cooperation agreement dated January 1, 2003, between Tencent Technology and Sportscn pursuant to which the parties agree to cooperate to develop a co-branded SMS channel on a revenue sharing basis;
- (ee) an Entriq customer licence agreement dated March 11, 2004 between Entriq, Inc and Tencent Computer pursuant to which Entriq, Inc licensed to Tencent Computer the right to use certain services and software to distribute content to authorized end users in the PRC; and

Other Contract

- (ff) a Hong Kong underwriting agreement dated June 4, 2004 between the Company, Goldman Sachs (Asia) L.L.C and the other Hong Kong underwriters (“Hong Kong Underwriters”) pursuant to which the Hong Kong Underwriters agreed to fully underwrite the Hong Kong Offering on a conditional basis in consideration for the Company paying commission to the Hong Kong Underwriters.

Further details of each of the Structure Contracts and Connected Transaction Contracts are set out in the sections of this Prospectus entitled “Our History and Structure—Structure Contracts”, “Relationship with Our Shareholders—Connected Transactions” and “Appendix VI—Structure Contracts”. Further details of the underwriting contract are set out in the section of this Prospectus entitled “Underwriting—Underwriting Arrangements and Expenses”.

B. Non-current contracts

The following contracts have been completed, expired or have been terminated prior to completion of the Offering:

- (a) an enterprise development consultancy services contract dated December 29, 2000, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for a monthly fee of RMB1,200,000. The agreement was terminated effective on August 30, 2003, pursuant to the agreement at (c) below;

- (b) a supplemental agreement to the enterprise development consultancy services agreement referred to at (a) above dated September 30, 2001, between the Company and Tencent Computer pursuant to which the parties agreed that the monthly fee would be increased to RMB2,800,000. The agreement was terminated effective on August 30, 2003, pursuant to the agreement at (c) below;
- (c) a termination agreement dated July 14, 2003, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the enterprise development consultancy services agreement and supplemental agreement referred to at (a) and (b) above respectively, effective August 30, 2003;
- (d) an enterprise development consultancy services contract dated December 21, 2002, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for a monthly fee of RMB7,000,000. The agreement was terminated effective on July 31, 2003, pursuant to the agreement at (f) below;
- (e) a supplemental agreement to the enterprise development consultancy services contract at (d) above dated January 20, 2003, between the Company and Tencent Computer pursuant to which the parties agreed the means of provision of services under the enterprise development consultancy services agreement. The agreement was terminated effective on July 31, 2003 pursuant to the agreement at (f) below;
- (f) a termination agreement to the enterprise development consultancy services contract dated June 10, 2003, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the enterprise development consultancy services agreement and supplemental agreement referred to, respectively, at (d) and (e) above, effective July 31, 2003;
- (g) a consultancy services contract dated December 30, 2002, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for a monthly fee of RMB4,000,000. The agreement was terminated effective on August 31, 2003, pursuant to the agreement at (i) below;
- (h) a supplemental agreement to the consultancy services contract at (g) above dated January 20, 2003, between the Company and Tencent Computer pursuant to which the parties agreed the means of provision of services under the consultancy services agreement. The agreement was terminated effective on August 31, 2003, pursuant to the agreement at (i) below;
- (i) a termination agreement to the consultancy services contract dated July 14, 2003, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the consultancy services agreement and supplemental agreement referred to at (g) and (h) above respectively, effective August 31, 2003;
- (j) a special business consultancy services contract dated December 18, 2001, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for an annual fee of US\$255,000. The agreement was terminated effective on December 30, 2002, pursuant to the agreement at (k) below;

- (k) a termination agreement to the special business consultancy services contract dated December 20, 2002, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the special business consultancy services agreement referred to at (j) above, effective December 30, 2002;
- (l) a special technical business consultancy services contract dated December 18, 2001, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for an annual fee of US\$700,000. The agreement was terminated effective on December 30, 2002, pursuant to the agreement at (m) below;
- (m) a termination agreement to the special technical business consultancy services contract dated December 20, 2002, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the special technical business consultancy services agreement referred to at (l) above, effective December 30, 2002;
- (n) an enterprise development consultancy services contract dated April 2, 2002, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for a one time fee of US\$50,000. The agreement expired on July 2, 2002;
- (o) an enterprise development consultancy services contract dated June 10, 2002, between the Company, as consultant, and Tencent Computer pursuant to which the Company agreed to provide certain consultancy services to Tencent Computer for a one time fee of US\$150,000. The agreement expired on September 10, 2002;
- (p) a domain name (international domain name) license contract dated December 20, 2002, between the Company, as licensor, and Tencent Computer, as licensee, pursuant to which the Company granted to Tencent Computer a non-exclusive license to use certain domain names for a monthly fee of RMB500,000. The agreement was terminated on January 1, 2004 pursuant to the agreement at (r) below;
- (q) a supplemental agreement to the domain name (international domain name) license contract referred to in (p) above dated December 20, 2002, between the Company and Tencent Computer regarding the protection of the Company's intellectual property rights under the domain name license agreement. The agreement was terminated on January 1, 2004, pursuant to the agreement at (r) below;
- (r) a termination agreement to the domain name (international domain name) license contract dated December 31, 2003, between the Company and Tencent Computer pursuant to which the parties agreed to terminate the domain name license agreement and supplemental agreement referred to in (p) and (q) above respectively, effective January 1, 2004;
- (s) a consultancy contract dated September 10, 2002, between the Company and Fat Yue Holdings Limited, a company owned by one of our Core Founders, pursuant

to which Fat Yue Holdings Limited agreed to provide certain consultancy services to the Company for a monthly service fee. The agreement was terminated on August 1, 2003, by which time the Company had paid Fat Yue Holdings Limited a total of US\$136,000;

- (t) an agreement to terminate the consultancy contract dated July 20, 2003, between the Company and Fat Yue Holdings Limited pursuant to which the parties agreed to terminate the consultancy agreement referred at (s) above, effective August 1, 2003;
- (u) consultancy contract dated July 20, 2003, between the Company and Surge Ahead Limited, a company owned by the Core Founders, pursuant to which Surge Ahead Limited agreed to provide certain consultancy services to the Company for a monthly service fee. The agreement was terminated on December 31, 2003, by which time the Company had paid Surge Ahead Limited a total of US\$194,000;
- (v) a termination agreement to the consultancy contract dated December 17, 2003, between the Company and Surge Ahead Limited, pursuant to which the parties agreed to terminate the consultancy agreement referred to at (u) above, effective December 31, 2003;
- (w) a loan contract between Tencent Technology and Tencent Computer dated January 10, 2001, pursuant to which Tencent Technology agreed to provide an interest free loan to Tencent Computer in the amount of RMB2,200,000. The loan was repaid and the agreement completed in 2002;
- (x) a copyright transfer agreement between Tencent Technology and Tencent Computer dated May 10, 2001, pursuant to which Tencent Computer transferred the copyright to certain cartoons and animated works to Tencent Technology, thereby completing the agreement;
- (y) cooperation and support agreement between Tencent Technology and Tencent Computer dated December 20, 2001, pursuant to which Tencent Computer agreed to pay all expenses incurred by Tencent Technology's Beijing office in consideration of Tencent Technology granting to Tencent Computer a non-exclusive license to use certain trademarks, trade name and services. The agreement was terminated on January 31, 2004;
- (z) a termination agreement to the cooperation and support agreement between Tencent Technology and Tencent Computer dated January 31, 2004, pursuant to which the parties agreed to terminate the cooperation and support agreement referred to at (y) above, effective immediately;
- (aa) VoIP client technology development agreement between Tencent Technology and Tencent Computer dated June 1, 2002, pursuant to which Tencent Technology was entrusted by Tencent Computer to conduct research and development work related to a VoIP client project. The parties performed their obligations in this agreement pursuant to the agreement referred to at (gg) below;
- (bb) a cooperation loan contract between Tencent Technology and Tencent Computer dated November 1, 2002, pursuant to which Tencent Computer agreed to provide an interest free loan to Tencent Technology in the amount of RMB39,000,000. The loan was repaid and the agreement completed in 2003;

- (cc) a termination agreement to the cooperation loan contract between Tencent Technology and Tencent Computer dated January 31, 2004, pursuant to which the parties agreed to terminate the loan contract referred to at (bb) above and repay the loan, effective immediately;
- (dd) an entrustment payment contract between Tencent Technology and Tencent Computer dated December 1, 2002, pursuant to which Tencent Computer was entrusted by Tencent Technology to pay operational expenses incurred by Tencent Technology;
- (ee) a termination agreement to the entrustment payment contract between Tencent Technology and Tencent Computer dated January 31, 2004, pursuant to which the parties agreed to terminate the entrustment payment contract referred to at (dd) above effective immediately. Tencent Technology was required to repay to Tencent Computer the amounts paid under the agreement at (dd) above;
- (ff) a contract on establishment of close technical and business cooperation relationship between Tencent Technology and Tencent Computer dated December 1, 2002, pursuant to which the parties agreed to cooperate extensively in aspects of advertisement, design and other technology and services related to the Company's internet instant messaging business. The agreement was superseded and terminated with immediate effect by the agreement to establish a close technical and business relationship between Tencent Technology and Tencent Computer dated February 28, 2004 referred to at (y) under the heading A. "Current Contracts" in this section above;
- (gg) a technology development (entrustment) contract between Tencent Technology and Tencent Computer dated December 20, 2002, pursuant to which Tencent Technology agreed to conduct research and development work related to a VoIP client project for Tencent Computer for a one time fee of RMB7,000,000. The agreement expired on December 20, 2003;
- (hh) an entrustment payment contract between Tencent Technology and Tencent Computer dated March 28, 2003, pursuant to which Tencent Computer was entrusted by Tencent Technology to pay its expenses related to applications for and protection of Tencent Technology's intellectual property rights. The agreement was terminated on January 31, 2004;
- (ii) termination agreement to the entrustment payment contract between Tencent Technology and Tencent Computer dated January 31, 2004, pursuant to which the parties agreed to terminate the entrustment payment contract referred to at (hh) above effective immediately. Tencent Technology was required to repay to Tencent Computer the amounts paid under the agreement at (hh) above;
- (jj) a "QQ network games connection system QQ Game Plus V1-3" software sales contract between Tencent Technology and Tencent Computer dated August 18, 2003, pursuant to which Tencent Technology sold certain online games software to Tencent Computer for RMB62,000,000;
- (kk) a software product sales contract (Tencent QQ2000 communications interconnection software V1.05) between Tencent Technology and Tencent

Computer dated November 10, 2003, pursuant to which Tencent Technology sold certain communications software to Tencent Computer for RMB99,450,000;

(ll) a software product sales contract (Tencent mobile QQ software V1.0) between Tencent Technology and Tencent Computer dated December 15, 2003, pursuant to which Tencent Technology sold certain instant messaging software for RMB117,000,000; and

(mm) a network game cooperation agreement between Tencent Technology and Tencent Computer dated April 30, 2003, pursuant to which the parties agree to develop and provide technology and services related to network games on a revenue sharing basis. The agreement was superseded and terminated with immediate effect by the network game cooperation agreement between Tencent Technology and Tencent Computer dated February 28, 2004 referred to at (aa) above under the heading “Current Contracts” in this section.

7. DISCLOSURE OF INTERESTS

(a) *Interests of Directors and chief executive*

Immediately following completion of the Offering and taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken under such provisions of the SFO) once the Shares are listed, or will be required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept therein once the Shares are listed, or will be required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules to be notified to the Company and the Stock Exchange once the Shares are listed, will be as follows:

Interest in the Company

| <u>Name of Director</u> | <u>Number of Shares</u> | <u>Nature of interest</u> | <u>Percentage of Shares⁽³⁾</u> |
|-------------------------|-------------------------|---------------------------|---|
| Ma Huateng | 242,483,080 | Corporate ⁽¹⁾ | 14.43% |
| Zhang Zhidong | 108,085,530 | Corporate ⁽²⁾ | 6.43% |

Notes:

(1) These Shares are held by Advance Data Services Limited, a BVI company wholly owned by Ma Huateng.

(2) These Shares are held by Best Update International Limited, a BVI company wholly owned by Zhang Zhidong.

(3) Immediately following completion of the Offering without taking into account any exercise of the Over-allotment Option.

Interests in associated companies

Ma Huateng holds 47.5% of Tencent Computer and Shiji Kaixuan, PRC companies associated with the Company pursuant to Chapter 1 of the Listing Rules. Zhang Zhidong holds 20% of Tencent Computer and Shiji Kaixuan, PRC company associated with the Company pursuant to Chapter 1 of the Listing Rules.

(b) Substantial Shareholders

Information on the persons, not being Directors or the chief executive of the Company, who will have, immediately following the completion of the Offering and taking no account of any Shares which may be taken up under the Offering or which may be allotted and issued pursuant to the Pre-IPO Share Option Scheme and the Share Option Scheme or the exercise of the Over-allotment Option, an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group will be as follows:

Interest in the Company

| <u>Name</u> | <u>Number of Shares</u> | <u>Nature of interest</u> | <u>Percentage of Shares⁽²⁾</u> |
|-------------|-------------------------|---------------------------|---|
| MIH | 630,240,380 | Corporate ⁽¹⁾ | 37.50 |

Note:

- (1) As MIH is wholly owned by Naspers Limited through its intermediary companies MIH (BVI) Limited, MIH Holdings Limited and MIH Investments (Pty) Ltd, Naspers Limited, MIH (BVI) Limited, MIH Holdings Limited and MIH Investments (Pty) Ltd will be deemed to be interested in the same block of 630,240,380 Shares, representing approximately 37.50%, under Part XV of the SFO.

Interest in other members of the Group

| <u>Name</u> | <u>Name of corporation</u> | <u>Nature of interest</u> | <u>Percentage of registered capital</u> |
|-------------------|----------------------------|---------------------------|---|
| Zeng Liqing | Tencent Computer | Personal | 12.50% |
| Zeng Liqing | Shiji Kaixuan | Personal | 12.50% |
| Xu Chenye | Tencent Computer | Personal | 10% |
| Xu Chenye | Shiji Kaixuan | Personal | 10% |
| Chen Yidan | Tencent Computer | Personal | 10% |
| Chen Yidan | Shiji Kaixuan | Personal | 10% |

(c) Particulars of service contracts

Each of the executive Directors has entered into a service contract with the Company for a term of three years from March 25, 2004. The term of each service contract can be extended by agreement between the Company and the relevant Director. The principal terms of these service contracts are as follows:

- (i) the aggregate annual salary of the two executive Directors (not including individual income tax paid by the Company on their behalf) is RMB2,860,000;
- (ii) the executive Directors are employed on a full-time basis; and
- (iii) the Company may terminate the contracts by three months' written notice at any time, subject to paying the Directors their salary for the shorter of six months and a portion of their annual bonus for the year in which termination occurred pro rata to the portion of the year before the termination became effective.

(d) Directors' remuneration

During the years ended December 31, 2002 and December 31, 2003, the aggregate emoluments paid by the Company to the Directors (excluding the independent non-executive Directors) were RMB926,000 and RMB1,686,000, respectively.

(e) Personal guarantees

The Directors have not provided personal guarantees in favour of lenders in connection with banking facilities granted to the Company.

(f) Related party transactions

During the two years preceding the date of this Prospectus, the Company engaged in related party transactions as described under the sections of this Prospectus entitled "Our History and Structure—Structure Contracts," "Relationship with Our Shareholders—Connected Transactions" and "Appendix VII—Material Contracts", and Note 27 of the accountants' report set out in Appendix I to this Prospectus.

8. DISCLAIMERS

Save as disclosed in this Prospectus:

- (a) none of the Directors or chief executive of the Company has any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules to be notified to the Company and the Stock Exchange once such securities are listed on the Stock Exchange;
- (b) none of the Directors nor any of the persons whose names are listed in the paragraph headed "Consents of experts" under the section entitled "Other Information" in this Appendix is interested in the promotion of the Company, or in any assets which have within the two years immediately preceding the issue of this Prospectus been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (c) none of the Directors nor any of the persons whose names are listed in the paragraph headed "Consents of experts" under the section entitled "Other Information" in this Appendix is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is unusual in its nature or conditions or which is significant in relation to the business of the Group;
- (d) none of the persons whose names are listed in the paragraph headed "Consents of experts" under the section entitled "Other Information" in this Appendix has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;

- (e) none of the Directors has entered or has proposed to enter into any service agreements with the Company or any member of the Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation);
- (f) no cash, securities or other benefit has been paid, allotted or given within the two years preceding the date of this Prospectus to any promoter of the Company nor is any such cash, securities or benefit intended to be paid, allotted or given on the basis of the Offering or related transaction as mentioned in this Prospectus;
- (g) none of the Directors, their respective associates (as defined in the Listing Rules) or Shareholders of the Company who are interested in 5% or more of the issued share capital of the Company has any interest in the five largest customers or suppliers of the Group;
- (h) none of the Directors are interested in any business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the business of the Group;
- (i) within the two years preceding the date of this Prospectus, the Company and subsidiaries have not issued or agreed to issue any of their share or loan capital fully or partly paid either for cash or for a consideration other than cash;
- (j) no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (k) the Company has not issued nor agreed to issue any founder shares, management shares or deferred shares; and
- (l) within the two years preceding the date of this Prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of the Company or any of its subsidiaries.

9. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally approved and adopted by written resolutions of all the Company's Shareholders on March 24, 2004 (which is still subject to the conditions referred to in paragraph (v) of this section):

(a) Who may join

The Board of Directors may, at its discretion, invite any employee, consultant or Director of any company in the Group to take up options to subscribe for Shares at a price calculated in accordance with sub-paragraph (b) below. The eligibility of the consultants will be based solely on the discretion of the Board of Directors. The purpose of the Share Option Scheme is to recognize the contribution that certain individuals have made to the Company, to attract the best available personnel and to promote the success of the Group's business.

Any grant of options to a grantee that is a Director, chief executive or substantial shareholder (all with the meaning as ascribed under the Listing Rules) of the Company or their respective associates must be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the grantee of options).

Where the Board of Directors proposes to grant any option to a grantee who is a substantial shareholder (with the meaning as ascribed under the Listing Rules) or independent non-executive Director or any of their respective associates and such grant would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate more than 0.1% of the total number of Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000;

such proposed grant of options must be approved by the Shareholders in a general meeting. In such a case, the Company shall send a circular to the Shareholders containing all those terms as required under the Listing Rules. All connected persons of the Company must abstain from voting in favour of the grant at such general meeting. Any vote taken at the meeting to approve the grant of such options must be taken on a poll.

(b) Price of Shares

The subscription price for Shares under the Share Option Scheme will be a price determined by the Board of Directors and notified to each grantee.

The subscription price will be the highest of: (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (iii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

An option shall be deemed to have been granted and accepted by a grantee and to have taken effect when the duplicate letter comprising acceptance as described in the Share Option Scheme is signed with the number of Shares in respect of which the offer is accepted clearly stated therein and returned by the grantee with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant.

(c) Maximum number of Shares

(i) The maximum number of Shares in respect of which options may be granted under the Share Option Scheme, and under any other share option scheme of the Company pursuant to which options may from time to time be granted to the employees of any company in the Group shall not exceed 10% of the relevant class of securities of the Company in issue as of the Listing Date being 168,064,126 shares excluding for this purpose Shares issued on exercise of options under the Share Option Scheme and any other share option scheme of the Company (or any pro rata entitlements to further Shares issued in respect of these Shares). Upon the grant of options for Shares up to 10% of the relevant class of securities of the Company and subject to the approval of the Shareholders of the Company in general meetings, the maximum number of Shares to be issued under this scheme (when aggregated with securities to be issued under any other share option scheme(s) of the Group, may be increased by the Board of Directors provided that the Shares to be issued upon exercise of all outstanding options, including those granted under the Pre-IPO Share Option Scheme, does not exceed 30% of the relevant class of securities in issue from time to time.

(ii) No option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of options granted and to be granted to such person in any 12-month period up to the date of the latest grant exceeds 1% of the issued share capital of the Company from time to time.

(d) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period (and not more than ten (10) years after the date of grant). The option period will be determined by the Board of Directors and communicated to each grantee provided that the period during which the option must be exercised shall be not less than one year from the date of grant of the option. The Board of Directors may provide additional restrictions on the time during which the options may be exercised and/or may require performance targets which must be achieved before any of the options can be exercised.

(e) Expiry of options

An option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (A) the expiry of ten (10) years from the date of grant;
- (B) the expiry of the option period specified in the Share Option Scheme;
- (C) the expiry of any of the periods referred to in sub-paragraphs (g), (h), (j), (k), (l) or (m) in this section;
- (D) the date of the commencement of the winding-up of the Company;
- (E) the date on which the grantee ceases to be an employee of the Company or of any subsidiary of the Company by the termination of his or her employment on the grounds that he or she has been guilty of serious misconduct, or appears either to be unable to pay or have no reasonable prospect of being able to pay debts or has become insolvent or has made arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty;
- (F) the date on which the Board of Directors shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of the transfer restrictions contained in paragraph 7A of the Share Option Scheme.

(f) Rights are personal to grantee

An option is personal to the grantee and is not assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option or enter into any agreement to do any of the foregoing.

(g) Rights on ceasing employment

If the grantee of an option leaves the service of the Group for any reason other than death or the termination of his or her employment on one or more grounds as specified in paragraph 8(iv) of the Share Option Scheme, the grantee may exercise the option that has vested at the date of cessation (to the extent the option has become exercisable and has not already been exercised) within the period of three months following the date of such

cessation, which date shall be the last actual working day with the relevant company in the Group whether salary is paid in lieu of notice or not, or such longer period as the Board of Directors may determine, failing which the option (to the extent not already exercised) will lapse.

(h) Rights on death

If the grantee of an option dies before exercising the option in full and none of the certain events which would be a ground as specified in paragraph 8(iv) of the Share Option Scheme for termination of his or her employment exists, the grantee's personal representative(s) shall be entitled to exercise the option up to the entitlement of such grantee as at the date of death (to the extent the option has not already exercised) within a period of twelve months from the date of death failing which the option will lapse.

(i) Effects of alterations to capital

In the event of an alteration in the capital structure of the Company whether by way of a capitalization of profits or reserves, rights issue, consolidation, sub-division, or reduction of share capital, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party whilst any option remains exercisable, such corresponding alterations (if any) (confirmed to the Directors in writing by an independent financial adviser or the auditors for the time being of the Company as giving the participant the same proportion (or rights in respect of the same proportion) of equity capital as to which that person was previously entitled) will be made in the subject matter of the option so far as unexercised or, the subscription price, provided that no such alteration shall be made so that a Share would be issued at less than its nominal value.

(j) Rights on winding up

In the event that a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution for voluntarily winding up the Company, the Company shall forthwith give notice thereof to the grantee and the grantee (or his or her legal personal representative(s)) may by notice in writing to the Company (such notice to be received by the Company not later than four business days prior to the proposed date of the Shareholders' meeting) exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event not later than the day immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

(k) Rights on take-over

If a general offer by way of take-over is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) with the terms of the offer having been approved by the holders of not less than nine-tenths in value of the Shares comprised in the offer within four months from the date of the offer and the offeror thereafter gives a notice to acquire the remaining Shares, the grantee (or, where appropriate, his or her personal representative(s)) may by notice in writing to the Company within 21 days of such notice exercise the option (to the extent not already exercised) to its full extent.

(l) Rights on a compromise or arrangement

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice to all grantees on the same date as it dispatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the grantee (or his or her legal personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date two months thereafter and the date on which such compromise or arrangement is sanctioned by the court exercise any of his or her options (to the extent not already exercised and provided that the relevant options are not subject to a term or condition precedent to them being exercisable which has not been fulfilled) whether in full or in part, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective. Upon such compromise or arrangement becoming effective, all options shall lapse except insofar as previously exercised under the Share Option Scheme. The Company may require the grantee (or his or her legal personal representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise or options in these circumstances so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

(m) Rights on listing of Subsidiary

In the event that the grantee shall be employed by a Subsidiary and the shares in such subsidiary (or in any other Subsidiary which is a holding company of such subsidiary) shall be listed on, or become publicly traded on any recognized stock exchange, the Company may, if the Board considers it appropriate, give notice to the grantee requiring the grantee to exercise the option (to the extent not already exercised) to its full extent, or to the extent specified in such notice and on such other terms as to exercise period or otherwise as the Board shall decide, failing which the Board may decide that the option shall lapse.

(n) Ranking of Shares

Voting, dividend transfer and other rights, including but not limited to rights arising on liquidation of the Company, shall not attach to the options themselves. The Shares to be allotted upon the exercise of an option will be subject to the articles of association for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date of exercise of the option and in particular will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the date of exercise of the option, provided always that when the date of exercise of the option falls on a date upon which the register of members of the Company is closed then the exercise of the option shall become effective on the first business day in Hong Kong on which the register of members of the Company is re-opened.

(o) Period of Share Option Scheme

The Share Option Scheme will remain in force for a period of ten (10) years commencing on the adoption date of the Share Option Scheme, after which time no further options will be granted but the provisions of the Share Option Scheme shall in all other respects remain in full force and effect.

(p) Alteration to Share Option Scheme

The Share Option Scheme may be altered in any respect by resolution of the Board of Directors except that the provisions of the Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules shall not be altered to extend the advantage of grantees or prospective grantees except with the prior sanction of a resolution of the Shareholders of the Company in general meeting with grantees and their associates abstaining from voting. No such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration except with the consent or sanction of such number of the grantees as would be required of the Shareholders of the Company under the articles of association for the time being of the Company for a variation of the rights attached to the Shares. Any alterations to the Share Option Scheme which are of a material nature shall first be approved by the Shareholders of the Company in a general meeting, except where such alternations take effect automatically under the existing terms of the Share Option Scheme.

(q) If exercise of a share option is unlawful

If at the time a grantee wishes to exercise an option, the exercise of the option in respect of Shares or the consequences of such exercise is not permitted by applicable laws, the option shall not entitle the grantee to subscribe for Shares, but shall entitle the grantee to receive the amount by which the net proceeds of sale of the Shares the subject of the option shall exceed the subscription price for such Shares, the Shares shall be sold in the market by the Company, and the subscription price for such Shares shall be credited to the Company's share capital and capital reserves.

(r) Cancellation of options

Options granted but not exercised may be cancelled following approval of shareholders of the Company in general meeting with the relevant grantees and their respective associates abstaining from voting.

(s) Administration

The Share Option Scheme is administered by the Board or a committee of the Board including the independent non-executive Directors of the Company.

(t) Present status of the Share Option Scheme

As at the date of this Prospectus, no option has been granted or agreed to be granted by the Company under the Share Option Scheme.

(u) Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

(v) Conditions

The Share Option Scheme shall take effect subject to (i) the Listing Committee granting approval of the Share Option Scheme and the granting of options, and the listing of and permission to deal in the Shares which fall to be issued by the Company pursuant to the exercise of options under the Share Option Scheme; and (ii) the obligations of the underwriters under the underwriting agreement relating to the Offering becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of that agreement or otherwise.

Restriction on the time of grant of options

Under the Listing Rules, a grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published in accordance with the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- the date of the board meeting for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- the deadline for us to publish an announcement of our results for any year or half-year under the Listing Rules, or quarterly of any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, no option may be granted.

Application for Listing

Application has been made to the Listing Committee for the listing of, and permission to deal in, the maximum number of Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme being 10% of our issued Shares as at the Listing Date or 168,064,126 Shares.

10. PRE-IPO SHARE OPTION SCHEME**(a) Summary of terms**

The purpose of the Pre-IPO Share Option Scheme is to recognize the contribution to the growth of the Group and/or to the Offering made by certain directors, consultants and employees of members of the Group. The principal terms of the Pre-IPO Share Option Scheme, approved by written resolutions of the Shareholders of the Company passed on July 27, 2001 (and as amended) are substantially the same as the terms of the Share Option Scheme except that:

- (i) the Pre-IPO Share Option Scheme is available to those individuals who are granted options by the Board in its discretion by reason of their contribution to the Group whether or not as employee, director or consultant of the Group;
- (ii) the total number of Shares subject to the Pre-IPO Share Option Scheme is 72,386,370 (as adjusted to reflect the alteration to the Company's capital prior to Listing);

- (iii) the subscription price for the Shares under the Pre-IPO Share Option Scheme has been determined by the directors to be as set out in the table below; and
- (iv) the Pre-IPO Share Option Scheme will remain in force for a period commencing on the date on which the Pre-IPO Share Option Scheme is conditionally adopted by the Shareholders of the Company and ending on the day immediately prior to the Listing Date, after which period no further options will be granted but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect.

Application has been made to the Listing Committee for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme.

Outstanding options granted under the Pre-IPO Share Option Scheme

As at the date of this Prospectus, options to subscribe for an aggregate of 72,386,370 Shares (representing approximately 4.31% of the total issued share capital of the Company immediately after completion of the Offering, assuming the Over-allotment Option is not exercised) have been conditionally granted by the Company under the Pre-IPO Share Option Scheme for a consideration RMB1.00 per option. Particulars of the outstanding options conditionally granted under the Pre-IPO Share Option Scheme to employees of the Company are set out below. No Directors, substantial shareholders or other connected persons (as defined under the Listing Rules) or their respective associates have been granted options under the Pre-IPO Share Option Scheme.

| Date of Grant | Total no. of participants ⁽¹⁾⁽⁵⁾ | Total no. of Shares the subject of options ⁽¹⁾⁽²⁾ | Subscription price (US\$) ⁽²⁾ | % of Share capital ⁽¹⁾ | Consideration given for each option (RMB) |
|----------------------|---|--|--|-----------------------------------|---|
| August 2001 | 45 | 47,845,000 | 0.0497 | 2.85 | 1 |
| September 2001 | 3 | 2,397,500 | 0.0497 | 0.14 | 1 |
| November 2001 | 1 | 472,500 | 0.0497 | 0.03 | 1 |
| December 2001 | 3 | 4,391,100 | 0.0497 | 0.26 | 1 |
| March 2002 | 5 | 2,100,000 | 0.0497 | 0.13 | 1 |
| June 2002 | 8 | 4,882,500 | 0.0497 | 0.29 | 1 |
| February 2004 | 178 | 8,564,500 | 0.1967 | 0.51 | 1 |
| March 2004 | 4 | 500,010 | 0.1967 | 0.03 | 1 |
| March 2004 | 9 | 1,233,260 | 0.4396 | 0.07 | 1 |
| Total | 256 | 72,386,370 | N/A | 4.31⁽⁴⁾ | N/A |

Notes

- (1) Adjusted to take account of participants who are no longer employed by the Group and ineligible to participate.
- (2) Adjusted to take into account a 10 for 1 adjustment undertaken by the Company in August 2003 and a 70 for 1 adjustment undertaken by the Company in March 2004 in connection with the reorganisation of our Share capital in preparation for the Offering.
- (3) Nine (9) participants are also entitled to be paid a cash bonus equal to half of the subscription price paid for their shares as a result of a promise made by senior

management that these individuals would be offered the right to apply for shares at a discount.

(4) Adjusted for rounding discrepancies.

(5) Our five largest option holders are:

| <u>Name and Address of option holder</u> | <u>Date of Grant</u> | <u>Total no. of Shares the subject of options ⁽²⁾</u> | <u>Subscription price (US\$) ⁽²⁾</u> | <u>% of Listing share capital</u> | <u>Consideration given for each option (RMB)</u> |
|--|--------------------------|--|---|---------------------------------------|--|
| Deng Yan of Room 916, Block A2, Xufei Garden, Bagua 2 Road, Futian District, Shenzhen China | Aug 2001 | 3,850,000 | 0.0497 ⁽³⁾ | 0.23 | 1 |
| Chen Yang of Room 303, Block 2, Jinxin Court, Jinxiang Garden, Qingshuihe, Futian District, Shenzhen, China | Aug 2001 | 2,572,500 | 0.0497 ⁽³⁾ | 0.15 | 1 |
| Lu Shan of Room 801, Block C3, Yuanmeng Garden, Free Trade Zones, Futian District, Shenzhen, China | Aug 2001 | 2,030,000 | 0.0497 ⁽³⁾ | 0.12 | 1 |
| Patrick Tsang of 24 Beijing Riviera, 1 Xiang Jiang Bei Road, Beijing, China | Dec 2001 | 2,011,800 | 0.0497 | 0.12 | 1 |
| David A.M. Wallerstein of 1057 Armitage Street, Alameda, California, 94502 United States of America | Dec 2001 | <u>2,011,800</u> | 0.0497 | <u>0.12</u> | 1 |
| Total | N/A | <u>12,476,100</u> | N/A | <u>0.74⁽⁴⁾</u> | N/A |

WAIVER FROM THE STOCK EXCHANGE

The subscription price for each of the options set out in the table above is at a discount to the likely Offer Price. The subscription price was determined by the board of directors at the time of grant based upon a number of factors including the length of service of the grantees, the financial position of the Company, the requirement that our Shares be listed on a recognised stock exchange before the options could be exercised and an estimate of the likely period before which any such listing would occur.

The options issued under the Pre-IPO Share Option Scheme represent approximately 4.31% of our Share capital as at the Listing Date. If all options are exercised, this would have a dilutive effect on our Shareholders of approximately 4.31% and an equivalent impact on earnings per share. However, as the options are exercisable over four years, with 25% vesting at the completion of each twelve month anniversary of the date of grant (except that the grantees in March 2004 are required to complete five years of service in order for all

options to vest), any such dilution and impact on earnings per share will be staggered over several years. No further options will be granted under the Pre-IPO Share Option Scheme after the Listing Date.

Under Rule 17.02(1)(b) of the Listing Rules and item 27 of Appendix 1A and paragraph 10(d) of Part I of the Third Schedule to the Companies Ordinance, this Prospectus is required to include details of the number, description and amount of any of our shares which a person has, or is entitled to be given, an option to subscribe for, together with certain particulars of each option, namely the period during which it is exercisable, the price to be paid for shares subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it was given. As at the date of this Prospectus, we have granted options to 256 persons to subscribe for 72,386,370 shares on the terms set out in the table in this section entitled “Pre-IPO Share Option Scheme”.

We have applied for a waiver from the Stock Exchange and the Securities and Futures Commission from full compliance with the disclosure requirements of Rule 17.02(1)(b) and item 27 of Appendix 1A of the Listing Rules and paragraph 10(d) of Part I of the Third Schedule to the Companies Ordinance on the ground that full compliance with these requirements would be irrelevant and unduly burdensome for us for the following reasons:

- There are 256 participants in the Pre-IPO Share Option Scheme. Disclosure in the Prospectus of entitlements on an individual basis would be a costly exercise for the Company. It is estimated that a complete list of participants disclosing the name, address and entitlement of each individually would fill at least 13 pages of the Prospectus, significantly increasing Prospectus preparation and printing costs.
- Participants have been invited to participate in the Pre-IPO Share Option Scheme according to merit as assessed by our Directors. The Company believes that public disclosure of individual participant's entitlements may have a destabilizing effect on the morale and performance of some of some of our employees, which could in turn have a negative effect on our operations.
- The Company considers that disclosure of the information on the tabular basis in the section entitled “—Outstanding Options granted under the Pre-IPO Share Option Scheme” provides potential investors with all material information which potential investors require in order to make an informed assessment of the potential impact of the options granted on our financial position.

The SFC (pursuant to section 342A of the Companies Ordinance) has granted, and the Stock Exchange has agreed to grant, us the waiver sought on condition that:

- (a) the following information is clearly disclosed in this Prospectus:
 - (i) on an individual basis, full details of all options granted pursuant to the Pre-IPO Share Option Scheme to the five largest option holders, such details to include all particulars as required under Rule 17.02(1)(b) of the Listing Rules and item 27 of Appendix 1A and paragraph 10(d) of Part I of the Third Schedule to the Companies Ordinance; and
 - (ii) on an aggregated basis: (A) the number of the Shares to be subscribed for under the options; (B) the consideration paid for the grant of the options; (C)
























the period during which the options are exercisable; and (D) the price to be paid for the Shares; and







































- (b) a list of all grantees who have been granted options under the Pre-IPO Share Option Scheme containing all particulars as required under Rule 17.02(1)(b) of the Listing Rules and item 27 of Appendix 1A and paragraph 10(d) of Part I of the Third Schedule to the Companies Ordinance, is available for public inspection as set out in the section entitled “Documents available for Inspection” in Appendix VIII to this Prospectus. Please refer to the section headed “Pre-IPO Share Option Scheme” above for further details of the options granted.



























11. INTELLECTUAL PROPERTY RIGHTS

(a) Trademarks:

We have registered certain trademarks, details of which are as follows:

| Trademarks | Place of registration | Registration number | Classes | Expiry date |
|---|-----------------------|---------------------|---------|-------------------|
|  | PRC | 1683896 | 42 | December 13, 2011 |
|  | PRC | 1754590 | 42 | April 20, 2012 |
|  | PRC | 1770827 | 16 | May 20, 2012 |
|  | PRC | 1742671 | 9 | April 6, 2012 |
|  | PRC | 1801171 | 18 | July 6, 2012 |
| Tencent | PRC | 1752676 | 9 | April 20, 2012 |
| 腾讯 | PRC | 1955468 | 38 | October 13, 2012 |
| Tencent | PRC | 1789993 | 42 | June 13, 2012 |
|  | PRC | 1796586 | 25 | June 27, 2012 |
|  | PRC | 1922748 | 14 | August 27, 2012 |
|  | PRC | 1751230 | 28 | April 20, 2012 |
| 腾讯 | PRC | 1955174 | 42 | October 6, 2012 |
| Tencent | PRC | 2010916 | 14 | November 27, 2012 |
| 腾讯 | PRC | 1926267 | 16 | February 13, 2013 |
| Tencent | PRC | 2006174 | 18 | November 6, 2012 |
| 腾讯 | PRC | 1998051 | 28 | February 20, 2013 |
|  | PRC | 1915551 | 9 | December 6, 2012 |
|  | PRC | 1962829 | 38 | February 27, 2013 |
|  | PRC | 2010131 | 42 | December 20, 2012 |
| 腾讯 | PRC | 1962827 | 38 | February 27, 2013 |
| 腾讯 | PRC | 2010130 | 42 | December 20, 2012 |
| Tencent | PRC | 1962826 | 38 | February 27, 2013 |
| Tencent | PRC | 2010132 | 42 | December 20, 2012 |
|  | PRC | 1915547 | 9 | December 6, 2012 |
|  | PRC | 1915548 | 9 | December 6, 2012 |
|  | PRC | 2010918 | 14 | November 27, 2012 |
|  | PRC | 1925086 | 16 | February 13, 2013 |
|  | PRC | 2006176 | 18 | November 13, 2012 |
|  | PRC | 1997920 | 28 | February 20, 2013 |
| BQQ | PRC | 3008045 | 38 | March 6, 2013 |
| BQQ | PRC | 3008046 | 42 | January 20, 2013 |
| MQQ | PRC | 3008044 | 38 | March 6, 2013 |
| MQQ | PRC | 3008043 | 42 | January 20, 2013 |
| Q-Gen | PRC | 3030669 | 25 | March 20, 2013 |
| Q-Gen | PRC | 3030668 | 28 | April 6, 2013 |
|  | PRC | 3058135 | 9 | March 13, 2013 |
|  | PRC | 3058134 | 38 | April 27, 2013 |
|  | PRC | 3058133 | 42 | April 27, 2013 |
|  | PRC | 3058132 | 9 | April 27, 2013 |
|  | PRC | 3058130 | 42 | December 20, 2012 |
| 腾讯 | PRC | 2005170 | 25 | August 20, 2013 |
|  | PRC | 2010126 | 42 | December 20, 2012 |

| Trademarks | Place of registration | Registration number | Classes | Expiry date |
|---|-----------------------|---------------------|---------|--------------------|
| Q-Gen | PRC | 3214616 | 38 | November 6, 2013 |
| BQQ | PRC | 3261818 | 9 | October 6, 2013 |
| BUSINESS QQ | PRC | 3261817 | 9 | October 6, 2013 |
| VQQ | PRC | 3261956 | 9 | October 6, 2013 |
|  | PRC | 1955912 | 38 | November 6, 2012 |
|  | PRC | 1962825 | 38 | February 27, 2013 |
| Q-Gen | PRC | 3030673 | 14 | January 13, 2014 |
| Q-Gen | PRC | 3030672 | 16 | November 26, 2011 |
| Q-Gen | PRC | 3030671 | 18 | January 13, 2014 |
| BUSINESS QQ | PRC | 3037702 | 38 | November 27, 2013 |
| 腾讯 | PRC | 3247995 | 25 | January 13, 2014 |
| QQQ | PRC | 3261952 | 9 | January 13, 2014 |
|  | PRC | 1786257 | 21 | June 13, 2012 |
|  | PRC | 1767206 | 12 | May 13, 2012 |
|  | PRC | 1793447 | 13 | June 20, 2012 |
|  | PRC | 1811680 | 15 | July 20, 2012 |
|  | PRC | 1790071 | 17 | June 20, 2012 |
|  | PRC | 1811193 | 19 | July 20, 2012 |
|  | PRC | 1790958 | 20 | June 20, 2012 |
|  | PRC | 1934791 | 21 | January 6, 2013 |
|  | PRC | 1815060 | 22 | July 27, 2012 |
|  | PRC | 1811527 | 23 | July 20, 2012 |
|  | PRC | 1811396 | 24 | July 20, 2012 |
|  | PRC | 1934678 | 26 | October 6, 2012 |
|  | PRC | 1900571 | 1 | January 20, 2013 |
|  | PRC | 1902888 | 2 | August 20, 2012 |
|  | PRC | 1795349 | 3 | June 27, 2012 |
|  | PRC | 1790465 | 4 | June 20, 2012 |
|  | PRC | 1795553 | 5 | June 27, 2012 |
|  | PRC | 1767180 | 6 | May 13, 2012 |
|  | PRC | 1911492 | 7 | October 6, 2012 |
|  | PRC | 1909381 | 8 | October 20, 2012 |
|  | PRC | 1787224 | 10 | June 13, 2012 |
|  | PRC | 1919435 | 11 | January 27, 2013 |
|  | PRC | 1944243 | 27 | January 6, 2013 |
|  | PRC | 1783334 | 29 | June 6, 2012 |
|  | PRC | 1948001 | 30 | September 13, 2012 |
|  | PRC | 1797522 | 31 | June 27, 2012 |
|  | PRC | 1804156 | 32 | July 6, 2012 |
|  | PRC | 1764024 | 33 | May 6, 2012 |
|  | PRC | 3124708 | 34 | March 20, 2013 |
|  | PRC | 1946375 | 34 | January 6, 2013 |
|  | PRC | 1956795 | 35 | November 20, 2012 |
|  | PRC | 1949528 | 37 | November 27, 2012 |
|  | PRC | 1961112 | 39 | November 6, 2012 |
|  | PRC | 1947472 | 40 | January 20, 2013 |
|  | PRC | 1956616 | 41 | November 27, 2012 |
|  | PRC | 1968962 | 35 | March 13, 2013 |
| | PRC | 1970233 | 1 | December 13, 2012 |
| | PRC | 1973080 | 2 | November 27, 2012 |
| | PRC | 1905425 | 4 | September 27, 2012 |

| Trademarks | Place of registration | Registration number | Classes | Expiry date |
|---|-----------------------|---------------------|---------|--------------------|
|  | PRC | 1907465 | 5 | December 20, 2012 |
|  | PRC | 1974165 | 6 | November 27, 2012 |
|  | PRC | 1975923 | 7 | February 27, 2013 |
|  | PRC | 1979268 | 8 | November 20, 2012 |
|  | PRC | 1788715 | 10 | June 13, 2012 |
|  | PRC | 1921888 | 11 | February 6, 2013 |
|  | PRC | 1977837 | 12 | November 13, 2012 |
|  | PRC | 2013421 | 13 | December 6, 2012 |
|  | PRC | 2012961 | 15 | September 27, 2012 |
|  | PRC | 2004021 | 17 | October 27, 2012 |
|  | PRC | 1929216 | 19 | January 20, 2013 |
|  | PRC | 1929840 | 20 | November 6, 2012 |
|  | PRC | 1991974 | 22 | November 13, 2012 |
|  | PRC | 1993363 | 23 | September 27, 2012 |
|  | PRC | 1991855 | 24 | December 13, 2012 |
|  | PRC | 1986557 | 26 | December 6, 2012 |
|  | PRC | 1995403 | 27 | December 13, 2012 |
|  | PRC | 1961506 | 31 | December 27, 2012 |
|  | PRC | 1964489 | 33 | October 13, 2012 |
|  | PRC | 3124705 | 34 | March 20, 2013 |
|  | PRC | 1962083 | 34 | January 6, 2013 |
|  | PRC | 1968966 | 35 | March 13, 2013 |
|  | PRC | 1960408 | 37 | February 27, 2013 |
|  | PRC | 1991471 | 39 | February 27, 2013 |
|  | PRC | 1993530 | 40 | March 20, 2013 |
|  | PRC | 1984032 | 41 | March 20, 2013 |
| 腾讯 Tencent | PRC | 1970238 | 1 | December 13, 2012 |
| 腾讯 Tencent | PRC | 1973077 | 2 | November 27, 2012 |
| 腾讯 Tencent | PRC | 1905750 | 3 | January 6, 2013 |
| 腾讯 Tencent | PRC | 1905424 | 4 | February 6, 2013 |
| 腾讯 Tencent | PRC | 1907463 | 5 | November 6, 2012 |
| 腾讯 Tencent | PRC | 1974172 | 6 | November 27, 2012 |
| 腾讯 Tencent | PRC | 1975926 | 7 | February 27, 2013 |
| 腾讯 Tencent | PRC | 1979266 | 8 | December 20, 2012 |
| 腾讯 Tencent | PRC | 1788581 | 10 | June 13, 2012 |
| 腾讯 Tencent | PRC | 1977836 | 12 | November 13, 2012 |
| 腾讯 Tencent | PRC | 2013419 | 13 | December 6, 2012 |
| 腾讯 Tencent | PRC | 2012964 | 15 | January 6, 2013 |
| 腾讯 Tencent | PRC | 2004024 | 17 | February 6, 2013 |
| 腾讯 Tencent | PRC | 1929214 | 19 | January 20, 2013 |
| 腾讯 Tencent | PRC | 1929838 | 20 | November 6, 2012 |
| 腾讯 Tencent | PRC | 1934794 | 21 | February 13, 2013 |
| 腾讯 Tencent | PRC | 1991975 | 22 | November 13, 2012 |
| 腾讯 Tencent | PRC | 1993362 | 23 | January 6, 2013 |
| 腾讯 Tencent | PRC | 1991832 | 24 | December 13, 2012 |
| 腾讯 Tencent | PRC | 1986550 | 26 | December 13, 2012 |
| 腾讯 Tencent | PRC | 1995402 | 27 | December 13, 2012 |
| 腾讯 Tencent | PRC | 1996972 | 29 | October 20, 2012 |
| 腾讯 Tencent | PRC | 1965813 | 30 | January 6, 2013 |
| 腾讯 Tencent | PRC | 1961510 | 31 | October 6, 2012 |
| 腾讯 Tencent | PRC | 1982814 | 32 | December 13, 2012 |
| 腾讯 Tencent | PRC | 1964491 | 33 | October 13, 2012 |
| 腾讯 Tencent | PRC | 1962087 | 34 | January 6, 2013 |

| Trademarks | Place of registration | Registration number | Classes | Expiry date |
|-------------|-----------------------|---------------------|------------|--------------------|
| 腾讯 | PRC | 1960407 | 37 | February 27, 2013 |
| Tencent | PRC | 1991468 | 39 | February 27, 2013 |
| 腾讯 | PRC | 1993529 | 40 | March 20, 2013 |
| Tencent | PRC | 1950644 | 35 | November 6, 2012 |
| 腾讯 | PRC | 1984033 | 41 | March 20, 2013 |
| Tencent | PRC | 1968963 | 35 | March 13, 2013 |
| 腾讯 | PRC | 1968965 | 35 | March 13, 2013 |
| Tencent | PRC | 3124702 | 34 | March 20, 2013 |
| BUSINESS IM | PRC | 3008048 | 42 | January 20, 2013 |
| BUSINESS IM | PRC | 3008047 | 38 | October 27, 2013 |
| QQ | PRC | 1905755 | 3 | June 27, 2013 |
| QQ | PRC | 3124709 | 5 | June 13, 2013 |
| QQ | PRC | 3124706 | 5 | May 27, 2013 |
| 腾讯 | PRC | 3124703 | 5 | May 27, 2013 |
| Tencent | PRC | 3030670 | 21 | May 6, 2013 |
| Q-Gen | PRC | 3261811 | 29 | August 6, 2013 |
| Q-Gen | PRC | 3261809 | 30 | September 27, 2013 |
| QQ | PRC | 3124707 | 36 | October 6, 2013 |
| QQ | PRC | 3124704 | 36 | October 6, 2013 |
| 腾讯 | PRC | 3124701 | 36 | October 6, 2013 |
| Tencent | PRC | 3174101 | 41 | August 27, 2013 |
| QQ | PRC | 3174100 | 41 | August 27, 2013 |
| QQ | PRC | 3174102 | 41 | August 27, 2013 |
| QQ | PRC | 3214618 | 41 | September 20, 2013 |
| Q-Gen | PRC | 3214617 | 41 | September 20, 2013 |
| VQQ | PRC | 3261954 | 41 | October 6, 2013 |
| QQQ | PRC | 3261950 | 41 | October 6, 2013 |
| WAPQQ | PRC | 3261958 | 41 | October 6, 2013 |
| 移动QQ | PRC | 3261832 | 41 | October 6, 2013 |
| 无线QQ | PRC | 3261836 | 41 | October 6, 2013 |
| QQ | PRC | 3091480 | 43 | July 6, 2013 |
| 腾讯 | PRC | 3091474 | 43 | July 13, 2013 |
| Tencent | PRC | 3091473 | 44 | July 6, 2013 |
| 腾讯 | PRC | 3091476 | 44 | July 6, 2013 |
| Tencent | PRC | 3091479 | 44 | July 6, 2013 |
| QQ | PRC | 3091478 | 45 | July 6, 2013 |
| QQ | PRC | 3091475 | 45 | July 6, 2013 |
| 腾讯 | PRC | 3091472 | 45 | July 6, 2013 |
| Tencent | PRC | 3261813 | 22 | December 13, 2013 |
| Q-Gen | PRC | 3261812 | 24 | November 27, 2013 |
| Q-Gen | PRC | 3261947 | 32 | January 20, 2014 |
| QQ | Hong Kong | 15833/2001 | 25 | September 28, 2008 |
| QQ | Hong Kong | B8752/2003 | 28 | September 28, 2008 |
| QQ | Hong Kong | 8280/2003 | 9 | September 28, 2008 |
| QQ | Hong Kong | 8281/2003 | 38 | September 28, 2008 |
| QQ | Hong Kong | 8282/2003 | 42 | September 28, 2008 |
| QQ | Japan | 4649682 | 9,38,42,45 | February 28, 2013 |
| QQ | Japan | 4649683 | 9,38,42,45 | February 28, 2013 |
| QQ | Singapore | T01/15805B | 42 | October 5, 2011 |
| QQ | Singapore | T01/15806J | 38 | October 5, 2011 |
| QQ | Taiwan | 1048012 | 28 | June 15, 2013 |
| QQ | Taiwan | 178655 | 38 | March 15, 2013 |
| QQ | Taiwan | 176918 | 42 | January 31, 2013 |

| Trademarks | Place of registration | Registration number | Classes | Expiry date |
|---|-----------------------|---------------------|---------|------------------|
|  | Taiwan | 178654 | 38 | March 15, 2013 |
|  | Taiwan | 176917 | 42 | January 31, 2013 |

We have also applied for the registration for a number of our trademarks. These applications are currently pending.

(b) Domain Names:

We have full legal rights over and have registered the following domain names:

| Domain Name | Date of Expiry |
|----------------------|--------------------|
| qq.com | May 5, 2010 |
| tencentmessenger.com | June 30, 2008 |
| tencentmessenger.net | June 30, 2008 |
| qqsearch.com | March 19, 2008 |
| imok.net | September 13, 2010 |
| tencent.com | September 13, 2010 |
| tencent.net | January 25, 2010 |
| tencent.bz | March 19, 2010 |
| tencent.info | March 19, 2010 |
| tencent.us | March 18, 2010 |
| imcq.com | February 13, 2006 |
| imcq.net | February 13, 2006 |
| imcq.org | February 13, 2006 |
| q-gen.net | October 23, 2010 |
| imqq.com | June 6, 2010 |
| imqq.net | February 1, 2010 |
| qqjapan.com | January 22, 2006 |
| qqjapan.net | January 22, 2006 |
| japanqq.com | January 31, 2006 |
| jpqq.com | January 31, 2006 |
| qqkr.com | January 31, 2006 |
| qqkorea.com | January 31, 2006 |
| myrtx.com | June 30, 2008 |
| rtxonline.com | June 30, 2008 |
| rtxmail.com | January 19, 2008 |
| qq2000.com | March 8, 2006 |
| qq2000.net | March 8, 2006 |
| tencent.tv | September 15, 2004 |
| sjkx.com | October 9, 2010 |
| 1700.cn | March 18, 2005 |
| 9777.cn | March 19, 2005 |
| bqq.cn | March 17, 2005 |
| imcq.cn | March 18, 2005 |
| imqq.cn | March 17, 2005 |
| iqq.cn | March 17, 2005 |
| mqq.cn | March 17, 2005 |
| qgen.cn | March 17, 2005 |
| qq2000.cn | March 18, 2005 |
| vqq.cn | March 17, 2005 |
| 1700.com.cn | March 14, 2005 |
| 9777.com.cn | March 14, 2005 |

Domain Name

Date of Expiry

| | |
|----------------|-------------------|
| bqq.com.cn | January 7, 2005 |
| imok.com.cn | March 18, 2005 |
| imqq.com.cn | March 17, 2005 |
| iqq.com.cn | December 30, 2004 |
| mqq.com.cn | December 2, 2004 |
| qgen.com.cn | December 30, 2004 |
| vqq.com.cn | November 28, 2004 |
| 1700.net.cn | March 14, 2005 |
| 9777.net.cn | March 14, 2005 |
| bqq.net.cn | January 8, 2005 |
| imok.net.cn | March 18, 2005 |
| imqq.net.cn | March 17, 2005 |
| iqq.net.cn | December 30, 2004 |
| mqq.net.cn | December 2, 2004 |
| qgen.net.cn | December 30, 2004 |
| qqx.net.cn | November 28, 2004 |
| vqq.net.cn | November 28, 2004 |
| 1700.org.cn | March 14, 2005 |
| 9777.org.cn | March 14, 2005 |
| bqq.org.cn | November 28, 2004 |
| imok.org.cn | March 18, 2005 |
| imqq.org.cn | March 17, 2005 |
| iqq.org.cn | December 30, 2004 |
| mqq.org.cn | December 2, 2004 |
| oi.org.cn | January 7, 2005 |
| oic.org.cn | January 6, 2005 |
| oicq.org.cn | January 6, 2005 |
| qgen.org.cn | December 30, 2004 |
| q-gen.org.cn | January 6, 2005 |
| qq.com.cn | January 7, 2009 |
| qq.org.cn | November 19, 2004 |
| qqx.org.cn | November 28, 2004 |
| tencent.org.cn | January 7, 2005 |
| vqq.org.cn | November 28, 2004 |
| 9777.org | March 14, 2005 |
| 騰訊.net | July 1, 2004 |
| 騰訊通.中国 | July 3, 2004 |
| 騰訊通.中國 | July 3, 2004 |
| 騰訊通.cn | July 3, 2004 |
| 騰訊通.cn | July 3, 2004 |
| 騰訊通.com | July 1, 2004 |
| 騰訊通.com | July 1, 2004 |
| 騰訊通.net | July 1, 2004 |
| 騰訊通.net | July 1, 2004 |
| rtx.com.cn | July 1, 2005 |
| sjkx.com.cn | October 16, 2004 |
| oicq.cn | March 17, 2005 |
| q-gen.cn | March 17, 2005 |
| tencent.cn | March 17, 2005 |
| tengxun.cn | March 17, 2005 |
| oicq.com.cn | March 8, 2005 |
| q-gen.com.cn | October 31, 2004 |
| tencent.com.cn | May 30, 2005 |
| tengxun.com.cn | July 20, 2005 |

| <u>Domain Name</u> | <u>Date of Expiry</u> |
|--------------------------|-----------------------|
| oicq.net.cn | July 20, 2005 |
| q-gen.net.cn | October 31, 2004 |
| tencent.net.cn | May 30, 2005 |
| tengxun.net.cn | July 20, 2005 |
| 1258688.cn | August 20, 2004 |
| 1258688.com.cn | August 20, 2004 |
| 1259088.cn | August 20, 2004 |
| 1259088.com.cn | August 20, 2004 |
| qqgame.cn | July 15, 2005 |
| qqgame.com.cn | July 14, 2005 |
| oi.cn | March 17, 2005 |
| oic.cn | March 17, 2005 |
| oi.com.cn | March 3, 2005 |
| oic.com.cn | March 3, 2005 |
| oi.net.cn | March 3, 2005 |
| oic.net.cn | March 3, 2005 |
| 騰訊.cn | July 23, 2004 |
| 騰訊.中國 | July 23, 2004 |
| 騰訊.cn | July 23, 2004 |
| 騰訊.中國 | July 23, 2004 |

13. OTHER INFORMATION

Estate duty

The Directors have been advised that no material liability for estate duty under Cayman Islands, BVI or PRC law is likely to fall on us.

The Shares are Hong Kong Property for the purposes of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) (as amended) and, accordingly, Hong Kong estate duty may be payable in respect thereof on the death of an owner of Shares.

Preliminary expenses

The estimated preliminary expenses of the Company are approximately HK\$75,000 and are payable by the Company.

Qualification of experts

The qualifications of the experts who have given opinions in this Prospectus are as follows:

| <u>Name</u> | <u>Qualification</u> |
|---------------------------------------|---|
| Goldman Sachs (Asia) L.L.C. | Deemed licensed under the SFO for type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) as defined under the SFO |
| PricewaterhouseCoopers | Certified public accountants |
| American Appraisal China Limited | Property valuers and business valuers |
| Minter Ellison | Hong Kong lawyers |
| Conyers Dill & Pearman, Cayman | Cayman Islands attorneys-at-law |
| Zhong Lun Law Firm | PRC lawyers |

Consents of experts

Goldman Sachs, PricewaterhouseCoopers, American Appraisal China Limited, Minter Ellison, Conyers Dill & Pearman, Cayman and Zhong Lun Law Firm have given and have not withdrawn their respective written consents to the issue of this Prospectus with the inclusion of their reports, valuation certificate, letters and/or opinions and summaries of opinion (as the case may be) and/or the references to their names included herein in the form and context in which they respectively appear.

Binding effect

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.