
DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Our board of directors is responsible and has general powers for management and conduct of our business. The table below shows certain information in respect of members of our board of directors:

<u>Name</u>	<u>Age</u>	<u>Position</u>
MA Yun, Jack	43	Chairman and non-executive director
WEI Zhe, David	36	Executive director and chief executive officer
WU Wei, Maggie	39	Executive director and chief financial officer
DAI Shan, Trudy	31	Executive director
PENG Yi Jie, Sabrina	29	Executive director
XIE Shi Huang, Simon	37	Executive director
TSAI Chung, Joseph	43	Non-executive director
TSUEI, Andrew Tien Yuan	46	Non-executive director
TSOU Kai-Lien, Rose	42	Non-executive director
OKADA, Satoshi	48	Non-executive director
LONG Yong Tu	64	Independent non-executive director
NIU Gen Sheng	49	Independent non-executive director
KWAUK Teh Ming, Walter	54	Independent non-executive director

Chairman and Non-Executive Director

MA Yun, Jack is our chairman and non-executive director. Mr. Ma is the lead founder of Alibaba Group and has been the chairman and chief executive officer of Alibaba Group since its inception in 1999. Mr. Ma is responsible for the overall strategy and focus of Alibaba Group and our company. Mr. Ma is a pioneer in the Chinese Internet industry, founding China Pages, one of the first Internet-based directories in China, in 1995. From 1998 to 1999, Mr. Ma headed an information technology company established by the China International Electronic Commerce Center (CIECC), a department of the Ministry of Foreign Trade and Economic Cooperation (MOFTEC). Mr. Ma currently serves on the board of SOFTBANK CORP., a leading digital information company that is publicly traded on the Tokyo Stock Exchange. As a respected business leader, Mr. Ma was chosen by the World Economic Forum as a “Young Global Leader” in 2001, selected by China Central Television (CCTV) and its viewers as one of the “Top 10 Business Leaders of the Year” in 2004, and selected as one of the “25 Most Powerful Businesspeople in Asia” by Fortune Magazine in 2005. Mr. Ma is also a member of APEC Business Advisory Council, which was established by the Asia-Pacific Economic Cooperation, or APEC, in 1995 as the vehicle for formalizing private sector participation in APEC. Mr. Ma holds a bachelor degree in English from Hangzhou Teacher’s Institute. Following the Global Offering, Mr. Ma will remain an executive director of Alibaba Group and is expected to spend 20% to 30% of his time involved in the strategic management of the Company. He is also a director of Alibaba Hangzhou.

Executive Directors

WEI Zhe, David is an executive director and our chief executive officer. Mr. Wei joined Alibaba Group in November 2006 as the president of the B2B business division and as an executive vice-president of Alibaba Group. Mr. Wei was the president, from 2002 to 2006, and chief financial officer, from 2000 to 2002, of B&Q China, a subsidiary of Kingfisher Plc, a leading home improvement retailer in Europe and Asia. Under Mr. Wei’s leadership, B&Q China grew to become China’s largest home improvement retailer. From 2003 to 2006, Mr. Wei was also the chief representative for Kingfisher’s China sourcing office, Kingfisher Asia Ltd. Mr. Wei served as the managing director and head of Investment Banking for Orient Securities Co. from 1998 to 2000, and as a corporate finance manager at Coopers & Lybrand, now part of PricewaterhouseCoopers, from 1995 to 1998. Mr. Wei holds non-executive directorship positions in HSBC Bank (China) Company Limited and the China Advisory Board of IMI plc, a FTSE 250 company. He holds a bachelor degree in International Business Management from Shanghai International Studies University.

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WU Wei, Maggie is an executive director and our chief financial officer since July 2007. Prior to joining our company, Ms. Wu was an audit partner at KPMG's Beijing Office. In her 15 years with KPMG, Ms. Wu was the lead audit partner on audits for the initial public offerings and annual audits of several Chinese companies listed overseas and provided audit, accountancy and advisory services to many multinational corporations. She is a Member of the Association of Chartered Certified Accountants (ACCA) and a Member of the Chinese Institute of Certified Public Accountants. Ms. Wu holds a bachelor degree in accounting from Capital University of Economics and Business.

DAI Shan, Trudy is an executive director and vice president of our company and is responsible for the management of our sales and customer service organizations, which comprise over 3,000 employees. Ms. Dai is one of the founders of Alibaba Group and has been involved in our operations since our inception. She has an intricate knowledge of our business, having held numerous management positions in our customer service, sales and user interface departments from 1999 to 2001. From 2002 to 2005, Ms. Dai served as senior sales director of China Trustpass in our China Marketplace Division, building up our China telephone sales teams which in aggregate currently comprises more than 800 personnel. She was eventually promoted in 2005 to general manager of our Guangdong branch in charge of both field and telephone sales, marketing and human resources in Guangdong Province. Ms. Dai holds a bachelor degree in engineering from Hangzhou Institute of Electrical Engineering.

PENG Yi Jie, Sabrina is an executive director and vice president of our company and is responsible for the management of our website operation and development organizations. Ms. Peng has been with our company since 2000 and was the architect behind our China Trustpass product, and she successfully led a team which marketed the product to hundreds of thousands of SMEs in China. Prior to her current position, Ms. Peng served as the director of the customer service department in our China Marketplace Division from 2004 to 2005, and as head of our China web operation department from March 2006 to February 2007. Ms. Peng holds a bachelor degree in English for Special Purpose and a bachelor degree in International Trading from Xi'an Jiao Tong University.

XIE Shi Huang, Simon is an executive director, senior director of our company, and the head of our product development department. Mr. Xie has served as head of the product development department for our international marketplace division since January 2007. Mr. Xie is one of the founders of Alibaba Group and has held numerous management positions in the operations of the B2B marketplaces since 1999, including director of business development from 2000 to 2002, director of operations and development for our International Marketplace Division from 2002 to 2004 and was the senior director in the same division from 2004 to 2006. Prior to joining Alibaba Group, Mr. Xie worked with our chairman, Jack Ma, at an information technology company established by CIECC, a department of MOFTEC, as financial controller. Mr. Xie holds a bachelor degree in engineering from Shenyang University of Technology. Mr Xie is a supervisor of Alibaba Hangzhou.

Non-Executive Directors

TSAI Chung, Joseph is a non-executive director. Mr. Tsai is one of the founders, as well as a director and the chief financial officer, of Alibaba Group. He has been responsible for many milestones of Alibaba Group, including spearheading the establishment of Alibaba Group's Hong Kong operations in 1999 and leading the negotiations for acquisition of Yahoo! China and Yahoo!'s investment in Alibaba Group in 2005. He held the position of the chief operating officer of Alibaba Group from 1999 to 2000 before assuming his current role. Prior to joining Alibaba Group, Mr. Tsai was a vice president and senior investment manager focused on Asian private equity from 1995 to 1999 at Investor Asia Limited, a subsidiary of Investor AB, the largest industrial holding company in the Nordic region. From 1994 to 1995, Mr. Tsai served as a vice president and the general counsel of Rosecliff, Inc., a New York-based buy-out firm, and from 1990 to 1993 practiced tax law as an associate with Sullivan & Cromwell in New York. Mr. Tsai is a member of the New York State Bar. He holds a bachelor degree in economics and East Asian studies from Yale University and a Juris Doctor

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degree from Yale Law School. Following the Global Offering, Mr. Tsai will remain an executive director of Alibaba Group, and is expected to spend 30% to 50% of his time involved in the strategic management of our company.

TSUEI, Andrew Tien Yuan is a non-executive director of our company. Mr. Tsuei was also appointed a non-executive director of Taobao Holding Limited in May 2007. Mr. Tsuei was formerly senior vice-president of Wal-Mart Stores, Inc. From 2001 to 2007, he was managing director of Wal-Mart's Global Procurement Division, where he oversaw the global procurement operations of Wal-Mart, which has a presence in over 30 countries. In 2004, Wal-Mart awarded him the Sam M. Walton Hero Award for his accomplishments. Mr. Tsuei has more than 20 years of management experience working across a wide range of industries, including procurement, manufacturing, store retailing and direct marketing. Throughout his career, Mr. Tsuei has held several executive positions, including chairman and chief executive officer of Mecox Lane International Mailorder Co. Ltd. (one of China's first direct marketing businesses with online presence) and chief operating officer of China Everbright Holdings Ltd.

TSOU Kai-Lien, Rose is a non-executive director. Ms. Tsou is currently senior vice president of Yahoo! Asia where she is responsible for operations in Korea, Hong Kong, Taiwan and Australia/New Zealand as well as facilitating Yahoo!'s relationship with Alibaba Group and joint venture operations in Japan. She joined Yahoo! Taiwan in 2000 and held the position of managing director from 2001 to 2007 during which period she led the acquisition of Kimo, a portal site in Taiwan, which made Yahoo! the largest Internet business in Taiwan after the successful integration of the two companies. In 2007 she led another acquisition of Wretch, a leading blog and photo site in Taiwan, further fortifying Yahoo!'s leading position in Taiwan. Ms. Tsou has 16 years of experience in management, marketing and mass communication. Prior to joining Yahoo!, Ms. Tsou was the general manager of MTV Taiwan for over two years. During her time with MTV Taiwan, an oversight on the part of her human resources staff resulted in MTV Taiwan's failure to renew the employment visa for a foreign employee and Ms. Tsou, in her capacity as general manager, was held responsible in 1999 for the resulting violation of Taiwan's foreign labour employment law relating to such failure. She was placed on probation for such violation for a period which has since expired. In March 2007, Ms. Tsou was interviewed by the Bureau of Investigation under the Ministry of Justice in Taiwan in connection with a tax saving arrangement which she and many others had adopted on the advice of a broker. She was informed that the investigation involved alleged tax law violations relating to the arrangement. After learning of the investigation, she paid the full amount of the tax that would have been due had she not participated in the arrangement. She has received no further notices from the authorities in this regard and, to the best of her knowledge, no further action has been taken by any authority in Taiwan against her to date. Ms. Tsou holds an MBA degree from J.L. Kellogg School of Business, Northwestern University and a master's degree in mass communication from Boston University.

OKADA, Satoshi is a non-executive director. Mr. Okada has been the executive vice president of the Softbank Group's eCommerce Business Planning in Japan since April 2000. Prior to that, he held various management positions within the Softbank Group. Mr. Okada has also previously held directorship in Ariba Japan and Deecorp Limited, companies engaging in the businesses of technology and software, respectively. In May 2007, he was appointed to serve on the board of Beijing Digital China BB Limited. Prior to joining the Softbank Group, Mr. Okada was the chief executive officer and president of NetIQ KK, the Japanese subsidiary of NetIQ Corporation, a provider of e-business infrastructure management software. Mr. Okada oversaw the networking management service business and was responsible for establishing Original Equipment Manufacture (OEM) businesses with major Japanese companies such as NEC, Fujitsu and Hitachi. He is also renowned in the storage management industry for his success in establishing Cheyenne Software KK and Computer Associates Japan as industry leaders in the Japanese market.

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Independent Non-Executive Directors

LONG Yong Tu is an independent non-executive director of our company. Mr. Long is the secretary-general of Boao Forum for Asia since January 2003, a non-profit organization committed to promoting economic integration among Asian countries. Mr. Long has held several positions with PRC Ministry of Foreign Trade and Economic Cooperation (MOFTEC) from 1992 to 2003, including director-general of the Department of International Relations and vice minister and the chief representative for Trade Negotiations. During his tenure at MOFTEC, Mr. Long led the negotiation for China's accession to the World Trade Organization. Mr. Long has also served as deputy director-general at China International Center for Economic and Technical Exchanges (CICETE) from 1986 to 1992 and a diplomat in the United Nations from 1978 to 1986. Mr. Long is currently Dean of the School of International Relations and Public Affairs at Fudan University, an independent non-executive director of China Life Insurance Company Limited, a company with its shares being listed on the Hong Kong Stock Exchange and the New York Stock Exchange. Mr. Long is also a non-executive director of HSBC Bank (China) Company Limited. Mr. Long holds a bachelor degree in British and American Literature from Guizhou University and honorary degree of Doctor of Science (Economics) from the London School of Economics and Political Science.

NIU Gen Sheng is an independent non-executive director of our company. Mr. Niu is the chief executive officer of China Mengniu Dairy Company Limited, one of China's leading dairy companies, and has over 29 years of experience in China's dairy industry. He is currently the deputy chairman of the Dairy Association of China and the China Dairy Industry Association, and has served as both a board member and deputy chief executive in charge of production and operations at Inner Mongolia Yili Ltd., a flagship enterprise in China's dairy industry. Mr. Niu has been elected as one of "China's Most Influential Business Leaders" from 2003 to 2006 by China Entrepreneur Magazine. He holds a bachelor degree in Administration and Management from Inner Mongolia University and a master degree in Enterprise Management from the Chinese Academy of Social Sciences Graduate School.

KWAUK Teh Ming, Walter is an independent non-executive director of our company. Mr. Kwauk is currently a vice president of Motorola and its director of corporate strategic finance and tax, Asia Pacific. He joined Motorola in January 2003 after 25 years of professional services with KPMG in Vancouver, Hong Kong, Beijing and Shanghai. Between 1987 and 2002 Mr. Kwauk held a number of senior positions in KPMG, including as general manager of KPMG's joint accounting firm, managing partner in KPMG's Shanghai office and partner in KPMG's Hong Kong office. He is a Member of the Canadian Institute of Chartered Accountants and a Member of the Hong Kong Institute of Certified Public Accountants. Mr. Kwauk holds a bachelor degree of science and a licentiate in accounting from the University of British Columbia.

Senior Management

The senior management members of our company are David Wei, Maggie Wu, Trudy Dai, Sabrina Peng, Simon Xie, Deng Kang Ming, Andy Li and Cindy Chow. David Wei, Maggie Wu, Trudy Dai, Sabrina Peng and Simon Xie are also our executive directors. Please see the section "Executive Directors" above for the description of their management experience.

None of the executive directors or Deng Kang Ming, Andy Li and Cindy Chow holds any position in Alibaba Group.

The table below shows certain information in respect of our senior management (excluding directors who also hold executive positions):

<u>Name</u>	<u>Age</u>	<u>Position</u>
DENG Kang Ming	41	Senior vice president of human resources
LI Ang, Andy	40	Vice president of technology
CHOW Lok Mei Ki, Cindy	37	Qualified accountant

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DENG Kang Ming is our senior vice president of human resources. Mr. Deng joined our company in July 2004 as vice president of human resources, and has held various positions within the Alibaba Group, including a secondment as vice president of Human Resources and Administration for Yahoo! China, vice president of Channel Sales & Marketing of Yahoo! China, and vice president of Strategic Business Development for Alibaba Group. Mr. Deng brings with him over 16 years of experience in human resources and administration. Prior to joining Alibaba Group, he served as the human resources director for several multinational companies including Microsoft China, Oracle China, Danone China, and Janssen Pharmaceutical, a subsidiary of Johnson & Johnson. Mr. Deng holds a bachelor degree in Law from Fudan University.

LI Ang, Andy is our vice president of technology. Mr. Li joined Alibaba Group in November 2004 as senior director of the research center, where he was responsible for directing Alibaba Group's and our company's technology development, architecture and platform, and web operations and backend business systems. Mr. Li has more than a decade of experience in Internet development and engineering management. Prior to joining Alibaba Group, Mr. Li was an independent technology consultant from 1997 to 2000 and founded Angilon, Inc. (a technology consultancy business in Silicon Valley) in 2000 and managed the company for four years. Mr. Li holds a bachelor degree in Electrical Engineering from the University of Science and Technology of China and a master degree in electrical engineering from the University of Arizona.

Qualified Accountant

CHOW Lok Mei Ki, Cindy has been the qualified accountant of our company since July 2007. Prior to joining our company, Ms. Chow was a senior manager at Hutchison Whampoa Limited, a company listed on the main board of the Hong Kong Stock Exchange, where she was responsible for the management reporting and planning of the group from 2001 to 2007. She also served as a vice president and company secretary of ICG Asia Limited from 2000 to 2001 and was in charge of all of the group's financial and statutory reporting. From 1997 to 2000, Ms. Chow held various management positions, including deputy general manager of Sinolink Mobile Communications Limited. Ms. Chow also worked at Arthur Andersen in Hong Kong as an auditor from August 1992 to January 1997. Ms. Chow is an Associate Member of the Hong Kong Institute of Certified Public Accountants and a Member of the American Institute of Certified Public Accountants. She holds a bachelor degree in Business Administration from The Chinese University of Hong Kong and a master degree in Business Administration from The Hong Kong University of Science and Technology.

COMPANY SECRETARY

STEINERT, Timothy Alexander, age 47, is our company secretary. Mr. Steinert is group general counsel of the Alibaba Group. Prior to joining Alibaba Group in July 2007, Mr. Steinert was a partner at Freshfields Bruckhaus Deringer in Hong Kong for seven years, where he focused on listings on the Hong Kong Stock Exchange and cross-border mergers and acquisitions. Prior to joining Freshfields, Mr. Steinert practiced law with Davis Polk & Wardwell and Coudert Brothers. He qualified as a solicitor in Hong Kong in 2002 and is admitted to the New York State Bar. Mr. Steinert holds a bachelor degree in history from Yale University and a juris doctor degree from Columbia University School of Law.

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong including that normally at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Currently, none of our executive directors resides in Hong Kong. Since our principal operations are located outside Hong Kong, we do not and, for the foreseeable future, will not have a significant management presence in Hong Kong. Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to the conditions that

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among other things, we maintain the following arrangements to maintain effective communication between us and the Hong Kong Stock Exchange.

We have appointed two authorized representatives, namely Maggie Wu, our chief financial officer and executive director, who ordinarily resides in Hangzhou, and Cindy Chow, our qualified accountant, who ordinarily resides in Hong Kong, who will act at all times as our principal channel of communication with the Hong Kong Stock Exchange. Cindy Chow will be readily contactable in Hong Kong by telephone, facsimile and email to deal promptly with inquiries from the Hong Kong Stock Exchange and Maggie Wu will also be readily contactable in Hangzhou, China by telephone, facsimile and email.

Each of our authorized representatives has access to our board of directors and senior management at all times. Maggie Wu will be able to visit Hong Kong within a reasonable period of time to meet with the Hong Kong Stock Exchange as and when required. Each of our executive directors, through the authorized representatives, will be readily contactable by telephone, facsimile or email, and each of them holds a valid travel document, and will make themselves available in Hong Kong if required to meet with the Hong Kong Stock Exchange at reasonable notice.

Further, we will appoint N M Rothschild & Sons (Hong Kong) Limited as our compliance adviser upon Listing in compliance with Rule 3A.19 of the Listing Rules.

BOARD COMMITTEES

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The audit committee consists of two independent non-executive directors and a non-executive director, being Walter Kwauk, an independent non-executive director with the appropriate professional qualifications who shall be the chairman of the committee, Long Yong Tu, an independent non-executive director, and Joseph Tsai, a non-executive director. The primary duties of the audit committee are to assist our board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by our board of directors.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with paragraph B1 of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The remuneration committee consists of two independent non-executive directors and one non-executive director, being Niu Gen Sheng, who is the chairman of the remuneration committee, Walter Kwauk and Joseph Tsai. The primary duties of the remuneration committee include (but without limitation): (i) making recommendations to our board on our policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of our directors and senior management; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the directors from time to time; and (iv) considering and approving the grant of share options and RSUs to eligible participants pursuant to the Share Option Scheme and the RSU Scheme, respectively.

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Nomination Committee

We have established a nomination committee with written terms of reference as recommended under the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The nomination committee consists of one non-executive director and two independent non-executive directors, being Jack Ma, our chairman and non-executive director, and Long Yong Tu and Niu Gen Sheng, our independent non-executive directors. The primary function of the nomination committee is to make recommendations to our board of directors on the appointment and removal of directors of our company.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration our directors have received (including fees, salaries, discretionary bonus, contributions to defined contribution benefit plans (including pension), housing and other allowances, and other benefits in kind) for the three years ended December 31, 2006 and the six months ended June 30, 2007 were RMB6,854,000, RMB7,510,000, RMB5,376,000 and RMB1,849,000, respectively. Our directors have also received share options granted by Alibaba Group and the allocation of share-based compensation expenses by Alibaba Group to us during each of the three years ended December 31, 2006 and the six months ended June 30, 2007 were RMB445,000, RMB1,227,000, RMB5,277,000 and RMB8,062,000, respectively.

The aggregate amount of fees, salaries, discretionary bonus, defined contribution benefit plans (including pension), housing and other allowances, and other benefits in kind paid to our five highest paid individuals of our company during each of the three years ended December 31, 2006 and the six months ended June 30, 2007 were approximately RMB10,278,000, RMB11,298,000, RMB6,704,000 and RMB2,625,000, respectively. These five highest paid individuals of our company have also received share options granted by Alibaba Group and the allocation of share-based compensation expenses by Alibaba Group to us for each of the three years ended December 31, 2006 and the six months ended June 30, 2007 were RMB1,980,000, RMB4,093,000, RMB8,608,000 and RMB8,189,000, respectively.

We have not paid any remuneration to our directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of the three years ended December 31, 2006 and the six months ended June 30, 2007. Further, none of our directors had waived any remuneration during the same period.

Save as disclosed above, no other payments have been paid or are payable, in respect of the three years ended December 31, 2006 and the six months ended June 30, 2007, by us or any of our subsidiaries to our directors. We estimate that we will pay an aggregate amount of approximately RMB50.7 million, including benefits and contributions to our directors as remuneration by us, excluding any discretionary bonus payable to the directors, in respect of the year ending December 31, 2007, according to the present arrangements.

THE RSU SCHEME AND THE SHARE OPTION SCHEME

In order to incentivize our employees and in line with the practice of technology companies, we have conditionally adopted the RSU Scheme and the Share Option Scheme for our employees, details of which are summarized in the paragraphs entitled “RSU Scheme” and the “Share Option Scheme” set out in the section entitled “Appendix VII — Statutory and General Information” to this prospectus.

The Share Option Scheme provides for the grant of options to our directors, senior management and employees and other eligible participants while the RSU scheme provides for the grant of RSUs to our senior management and employees and other eligible participants, but which excludes our Directors. The principal terms of the RSU and Share Option Schemes are summarized under “RSU Scheme” and “Share Option Scheme” in Appendix VII to this prospectus.

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OTHER STAFF BENEFITS

We also provide other benefits to our staff including bonuses and medical insurance.

Since our inception in 1999, we have not experienced any strikes or other labor disputes which materially affected our business activities. We consider our labor relations to be good.

Remuneration of our employees primarily includes salaries, commissions, discretionary bonus, contributions to defined contribution benefit plans (including pension), and share-based compensation. Bonuses are generally discretionary based on the overall performance of our business. We incurred staff costs of approximately RMB161,173,000, RMB316,303,000, RMB550,405,000 for each of the three years ended December 31, 2006 and approximately RMB322,424,000 for the six months ended June 30, 2007, representing 44.8%, 42.8%, 40.4% and 33.7% of our revenues for those periods, respectively.

Our employees in the PRC participate in various social security plans enacted in China, which cover pension, medical and other welfare benefits. We are required to make contributions to the plans calculated based on percentage of the monthly compensation of employees, subject to a certain ceiling, and are paid to the respective labor and social welfare authorities. The local government is responsible for the planning, management and supervision of the scheme, including collecting and investing the contributions, and paying out the pensions to the retired employees.

We participate in a provident fund scheme, or the Scheme, registered under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all our employees in Hong Kong. Contributions from us are 100% vested in each employee immediately but, subject to limited exceptions, all benefits derived from the mandatory contributions must be preserved until the employee reaches the retirement age of 65 or ceases employment and attains the age of 60. Our contributions to the Scheme can be used to offset any long service payments or severance payments payable and are deductible for income tax purposes.

The total amount of contributions we made for the above welfare plans for the three years ended December 31, 2006 and for the six months ended June 30, 2007 was approximately RMB17,797,000, RMB31,458,000, RMB52,828,000 and RMB34,394,000, respectively.

COMPLIANCE ADVISER

We will appoint N M Rothschild & Sons (Hong Kong) Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, our compliance adviser will advise us on the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviated from any forecast, estimate or other information in this prospectus; and
- where the Hong Kong Stock Exchange makes an inquiry of us regarding unusual movements in the price or grading volume of our shares.

The terms of the appointment shall commence on the Listing Date and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

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Listing Rule 8.10(2)

Each of the executive and non-executive directors has confirmed that he or she (as the case may be) is not interested in any business in the PRC (apart from our business) which competes or is likely to compete, either directly or indirectly, with our business as at the Listing Date and will comply with the disclosure requirements under Listing Rule 8.10(2) if necessary after the Listing Date. There are also non-compete undertakings provided by each of the executive and non-executive directors in their appointment letters for our benefit.