

This Appendix contains a summary of certain anticipated tax consequences of an investment in the Shares under Hong Kong tax laws. The discussion does not deal with all possible tax consequences relating to an investment in the Shares. In particular, the discussion does not address the tax consequences under state, local and other (e.g., non-Hong Kong) tax laws. Accordingly, each prospective investor should consult his or her tax adviser regarding the tax consequences of an investment in the Shares. The discussion is based upon law and relevant interpretations thereof in effect as of the date of this prospectus, all of which are subject to change.

HONG KONG TAXATION

Tax on dividends

The current practice of the Hong Kong Inland Revenue Department is that no tax is payable in Hong Kong in respect of dividends paid by us.

Tax on Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of property such as the Shares. However, gains from the sale of property by persons carrying on a trade, profession or business in Hong Kong where the gains are derived from or arise from the trade, profession or business in Hong Kong will be subject to Hong Kong profits tax, which is currently imposed at the rate of 16.5% on corporations and at a maximum progressive rate of 17% or at a standard rate of 15%, whichever is lower, on individuals. Gains from the sale of Shares effected on the Hong Kong Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would therefore arise in respect of trading gains from the sale of Shares effected by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty will be payable by the purchaser on every purchase and by the seller on every sale of Shares. The duty is charged at the *ad valorem* rate of 0.1% of the consideration for, or (if greater) the value of, the shares transferred on each of the seller and purchaser. In other words, a total of 0.2% is currently payable on a typical sale and purchase transaction of shares. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK\$5.00. Where a sale or purchase of shares registered on the Hong Kong register is effected by a person who is not resident in Hong Kong and any stamp duty payable on the contract note is not paid, the relevant instrument of transfer (if any) shall be chargeable with such duty, together with the duty otherwise chargeable thereon and the transferee shall be liable to pay such duty. No Hong Kong stamp duty will be levied on the transfer of Shares that are registered on a share register outside Hong Kong.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong, pursuant to which estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after that date. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application for a grant of representation in respect of holders of Shares whose death occur on or after 11 February 2006.