



China.com Inc.

(Incorporated in the Cayman Islands with limited liability)

China.com Inc. (GEM Stock : 8006) is a CDC Corporation company (NASDAQ:CHINA)

First Quarterly Report 2010

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the Directors (the “Directors”) of China.com Inc. (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and no misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

CHAIRMAN'S STATEMENT

Below are some financial and business highlights for China.com Inc. and its subsidiaries (collectively the "Group") for the three months ended 31 March 2010:

- Revenue from continuing operations was HK\$22.7 million, up 21% compared to the same period last year.
- Gross profit from continuing operations was HK\$9.5 million, up 2% compared to the same period last year.
- Profit attributable to owners of the Company amounted to HK\$1.9 million, compared to a loss of HK\$6.0 million in the same period last year.
- Earnings per share (EPS) was HK cents 1.75, compared to loss per share (LPS) of HK cents 5.66 in the same period last year.
- Our financial position remains strong, with a total amount of HK\$485.1 million of bank balances and cash, held-for-trading investments and available-for-sale investments as of 31 March 2010.

During the quarter, our Portal business remained focused on developing our two best known vertical channels, the Automobile and Webgame channels. We have secured new advertisement contracts to promote new products for our major customers, including Guangzhou Toyota, Chivas Brothers Ltd, Pfizer Inc, Taobao web, Shanghai Volkswagen Automotive, Hanwang Technology, iResearch Consulting Group, and Shenzhen Zhong Qing Bao Network Technology Co., Ltd.

Moreover, we have signed up six more new games during the quarter, of which three have been launched. These new games will further enrich our webgames portfolio and drive traffic to our Portal. Our Webgame channel remained popular in China and received the Best Web Platform of the Year for Network Operators (2009) Award at the Internet Market China 2010 Conference.

Our TTG business performed well this quarter compared to the same period last year. This good performance was attributable to new revenue from managing the ASEAN Tourism Forum (ATF) 2010 on behalf of the Ministry of Industry & Primary Resources of Brunei. TTG has also secured new contracts with the Hong Kong Tourism Board (HKTB) to run an "Advertorial" in our new publications in Asia.

With the economic recovery underway, we will continue to grow our two core business operations and will commit resources to pursuing new strategic opportunities, particularly in China.

Thank you for your continuing support of China.com Inc.

Dr. Ch'ien Kuo Fung, Raymond
Chairman

Hong Kong, 10 May 2010

UNAUDITED CONSOLIDATED QUARTERLY RESULTS

The board of directors (the "Board") of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the three months ended 31 March 2010 (the "Quarterly Period"), together with the comparative unaudited figures for the corresponding period in 2009.

		(Unaudited)	
		Three months ended	
		31 March	
		2010	2009
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Continuing operations			
Revenue	2	22,655	18,722
Cost of sales		(13,145)	(9,430)
		<hr/>	<hr/>
Gross profit		9,510	9,292
Other income		4,434	2,592
Selling and distribution expenses		(3,545)	(3,484)
Administrative expenses		(7,899)	(11,522)
Impairment losses		(433)	(427)
Other expenses		(3)	(2,403)
		<hr/>	<hr/>
Profit (loss) before tax		2,064	(5,952)
Income tax expense	3	(409)	(164)
		<hr/>	<hr/>
Profit (loss) for the period from continuing operations		1,655	(6,116)
Discontinued operation			
Profit for the period from discontinued operation	4	222	68
		<hr/>	<hr/>
Profit (loss) for the period		<u>1,877</u>	<u>(6,048)</u>

		(Unaudited)	
		Three months ended	
		31 March	
		2010	2009
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income (expense)			
Exchange differences arising on translation		190	(730)
Fair value gain (loss) on available-for-sale investments		4,221	(2,300)
Reclassification adjustment on disposal of available-for-sale investments		–	708
		<hr/>	<hr/>
Other comprehensive income (expense) for the period		4,411	(2,322)
		<hr/>	<hr/>
Total comprehensive income (expense) for the period		6,288	(8,370)
		<hr/> <hr/>	<hr/> <hr/>
Profit (loss) attributable to: Owners of the Company		1,877	(6,048)
		<hr/>	<hr/>
Total comprehensive income (expense) attributable to: Owners of the Company		6,288	(8,370)
		<hr/>	<hr/>
Earnings (loss) per share	5		
From continuing and discontinued operations Basic and diluted (cents per share)		1.75	(5.66)
		<hr/> <hr/>	<hr/> <hr/>
From continuing operations Basic and diluted (cents per share)		1.54	(5.72)
		<hr/> <hr/>	<hr/> <hr/>

Notes:

1. BASIS OF PREPARATION

The unaudited consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited.

The unaudited consolidated results of the Group have not been reviewed by the Company’s auditors. Adjustments may be identified during the course of interim review or annual audit to be performed by the Company’s auditors.

The unaudited consolidated results of the Group have been prepared under historical cost convention, except for certain financial instruments, which are measured at fair value. The principal accounting policies used in the preparation of the unaudited consolidated financial statements are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2009.

2. REVENUE

Revenue from continuing operations represents (1) travel media; and (2) internet portal.

3. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group had no significant assessable profits in Hong Kong for the Quarterly Period and the corresponding period in 2009.

The estimated average annual tax rate used is 16.5% (2009: 16.5%) for the Quarterly Period.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates based on existing legislation, interpretations and practices in respect thereof.

4. DISCONTINUED OPERATION

The Group’s mobile services and applications operation has been suffering loss since the year ended 31 December 2006. The board of directors of the Company sees no reasonable instance where this operation may turn profitable in the foreseeable future. In view of this, on 4 February 2008, the board of directors passed an unanimous written consent that it was desirable and in the best interests of the Group to scale down the mobile services and applications operation. The closing down was completed in the third quarter of 2009, in which the outstanding services obligations have been completed.

The results of the discontinued operation are set out below.

	Three months ended 31 March	
	2010 HK\$'000	2009 HK\$'000
Profit for the period from discontinued operation		
Revenue	-	28
Cost of sales	-	251
	<hr/>	<hr/>
Gross profit	-	279
Other income	411	354
Selling and distribution expenses	(31)	205
Administrative expenses	(158)	(699)
Impairment losses	-	(71)
	<hr/>	<hr/>
Profit for the period from discontinued operation (attributable to owners of the Company)	<u>222</u>	<u>68</u>

5. EARNINGS (LOSS) PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	Three months ended 31 March	
	2010 HK\$'000	2009 HK\$'000
<i>Earnings</i>		
Profit (loss) for the period attributable to owners of the Company	<u>1,877</u>	<u>(6,048)</u>
	<hr/>	<hr/>
<i>Number of shares</i>		
Weighted average number of ordinary shares for the purposes of basic earnings (loss) per share	<u>107,174</u>	<u>106,856</u>
	<hr/>	<hr/>

The calculation of diluted earnings (loss) per share does not assume the exercise of share options as the exercise prices of share options are higher than the average market price of Company's shares over the reporting period.

From continuing operations

The calculation of the basic and diluted earnings (loss) per share from continuing operations attributable to the owners of the Company is based on the following data:

	Three months ended	
	31 March	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
<i>Earnings</i>		
Profit (loss) for the period attributable to owners of the Company	1,877	(6,048)
Less: Profit from discontinued operation	<u>222</u>	<u>68</u>
Earnings (loss) for the purpose of basic earnings (loss) per share from continuing operations	<u><u>1,655</u></u>	<u><u>(6,116)</u></u>

The denominators used are the same as those detailed above for basic earnings (loss) per share.

The calculation of diluted earnings (loss) per share does not assume the exercise of share options as the exercise prices of share options are higher than the average market price of Company's shares over the reporting period.

From discontinued operation

Basic earnings per share for discontinued operation is HK cents 0.21 (2009: HK cents 0.06), based on the profit for the period from discontinued operation of HK\$222,000 (2009: HK\$68,000) and the denominators detailed above for basic earnings (loss) per share.

The calculation of diluted earnings (loss) per share does not assume the exercise of share options as the exercise prices of share options are higher than the average market price of Company's shares over the reporting period.

6. MOVEMENT OF RESERVES

	Share premium HK\$'000 (note a)	Capital reserve HK\$'000 (note a)	Goodwill reserve HK\$'000	Investment revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Reserve funds HK\$'000 (note b)	Translation reserve HK\$'000	Share options reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2009	430,501	-	(31,193)	7,635	11,690	24,123	50,125	59,028	173,042	724,951
Loss for the period	-	-	-	-	-	-	-	-	(6,048)	(6,048)
Other comprehensive expense for the period	-	-	-	(1,592)	-	-	(730)	-	-	(2,322)
Total comprehensive expense for the period	-	-	-	(1,592)	-	-	(730)	-	(6,048)	(8,370)
Recognition of equity-settled share based payments	-	-	-	-	-	-	-	1,207	-	1,207
Share issued upon exercises of share options	775	-	-	-	-	-	-	-	-	775
Transfer to share premium upon exercises of share options	317	-	-	-	-	-	-	(317)	-	-
Dividends (note 7)	(392,256)	-	-	-	-	-	-	-	-	(392,256)
At 31 March 2009	<u>39,337</u>	<u>-</u>	<u>(31,193)</u>	<u>6,043</u>	<u>11,690</u>	<u>24,123</u>	<u>49,395</u>	<u>59,918</u>	<u>166,994</u>	<u>326,307</u>
At 1 January 2010	39,337	118,963	(31,193)	6,624	11,690	24,123	40,636	60,787	192,394	463,361
Profit for the period	-	-	-	-	-	-	-	-	1,877	1,877
Other comprehensive income for the period	-	-	-	4,221	-	-	190	-	-	4,411
Total comprehensive income for the period	-	-	-	4,221	-	-	190	-	1,877	6,288
Recognition of equity-settled share based payments	-	-	-	-	-	-	-	19	-	19
At 31 March 2010	<u>39,337</u>	<u>118,963</u>	<u>(31,193)</u>	<u>10,845</u>	<u>11,690</u>	<u>24,123</u>	<u>40,826</u>	<u>60,806</u>	<u>194,271</u>	<u>469,668</u>

Note a: Under the Companies Law of the Cayman Islands (2009 Revision as amended from time to time), the share premium and capital reserve of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

Note b: Pursuant to the relevant laws and regulations for foreign investment enterprises ("FIEs") established in the People's Republic of China excluding Hong Kong (the "PRC"), a certain portion of the FIE's profits is required to be transferred to reserve funds which are not distributable. Transfers to this reserve are made out of the FIE's profits after taxation calculated in accordance with accounting principles and financial regulations applicable to PRC enterprises ("PRC GAAP") and shall not be less than 10% of profit after taxation calculated in accordance with PRC GAAP. No such transfer was made during both periods.

7. DIVIDENDS

	Three months ended	
	31 March	
	2010	2009
	HK\$'000	HK\$'000
Special dividend declared and paid		
– HK\$3.66 per share (<i>note a</i>)	–	392,256
	<u> </u>	<u> </u>

Notes:

- a. On 9 February 2009, the Company declared a special dividend of HK\$3.66 per share to shareholders out of the Company's share premium. The dividend was paid in March 2009 totaling HK\$392,256,000.
- b. The directors do not recommend the payment of an interim dividend for the Quarterly Period and the corresponding period in 2009.

8. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue and gross profit

Revenue for the Quarterly Period was HK\$22,655,000 representing a HK\$3,933,000, or 21% increase compared to the corresponding period in 2009. The net increase was primarily attributable to (1) an increase in revenue from travel media segment of HK\$5,231,000; and (2) a decrease in revenue from internet portal segment of HK\$1,298,000.

Gross profit margin maintained at a relatively stable level of 42% for the Quarterly Period, compared to 50% in the same period last year.

Other income

Other income increased by 71% to HK\$4,434,000 for the Quarterly Period, compared to HK\$2,592,000 for the corresponding period in 2009. The increase was primarily due to (1) a HK\$2,981,000 increase in investment income from available-for-sale investments; and (2) a HK\$951,000 decrease in interest income from bank balances.

Selling and distribution expenses

Selling and distribution expenses increased by 2% to HK\$3,545,000 for the Quarterly Period, compared to HK\$3,484,000 for the corresponding period in 2009.

Administrative expenses

Administrative expenses decreased by 31% to HK\$7,899,000 for the Quarterly Period, compared to HK\$11,522,000 for the corresponding period in 2009. The net decrease was primarily attributable to the effectiveness of cost control initiatives during the Quarterly Period. Administrative expenses include share option expenses in the Quarterly Period amounting to HK\$19,000 (2009: HK\$1,207,000) recognised in accordance with HKFRS 2.

Impairment losses

An impairment loss of HK\$433,000 (2009: HK\$427,000) has been provided for accounts receivable for the Quarterly Period since the Group considered the amount will not be collectible.

Other expenses

Other expenses decreased by HK\$2,400,000 to HK\$3,000 for the Quarterly Period. The decrease was primarily due to a loss on disposal of an available-for-sale investment amounting to HK\$2,403,000 was recognised in the corresponding period in 2009.

Income tax

The Group recorded an income tax expense of HK\$409,000 for the Quarterly Period, compared to HK\$164,000 for the corresponding period in 2009. Income tax expense for the Quarterly Period represents a provision for income tax.

Discontinued operation

The Group discontinued its mobile services and applications operation since the third quarter of 2009. Details of the discontinued operation are set out in note 4.

Profit (loss) for the period attributable to owners of the Company

Profit for the period attributable to owners of the Company was HK\$1,877,000 for the Quarterly Period, compared to a loss of HK\$6,048,000 for the corresponding period in 2009.

BUSINESS REVIEW

Internet Portal

Portal revenue for the first quarter was HK\$5,242,000 down 20% from the corresponding period in 2009. During the quarter, our Portal business remained focused on developing our two best known vertical channels, the Automobile and Webgame channels. We have secured new advertisement contracts to promote new products for our major customers, including Guangzhou Toyota, Chivas Brothers Ltd, Pfizer Inc, Taobao web, Shanghai Volkswagen Automotive, Hanwang Technology, iResearch Consulting Group, and Shenzhen Zhong Qing Bao Network Technology Co., Ltd.

Moreover, we have signed up six more new games during the quarter, of which three have been launched. These new games will further enrich our webgames portfolio and drive traffic to our Portal. Our Webgame channel remained popular in China and received the Best Web Platform of the Year for Network Operators (2009) Award at the Internet Market China 2010 Conference.

Travel Media

Our TTG business performed well this quarter compared to the same period last year. TTG revenue for the first quarter was HK\$17,413,000, up 43% from the corresponding period in 2009. This good performance was attributable to new revenue from managing the ASEAN Tourism Forum (ATF) 2010 on behalf of the Ministry of Industry & Primary Resources of Brunei. TTG has also secured new contracts with the Hong Kong Tourism Board (HKTb) to run an "Advertorial" in our new publications in Asia.

INTERESTS AND SHORT POSITIONS OF DIRECTORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2010, the interests of each of the Directors, chief executives and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to the securities transactions by the directors, were as follows:

The Company

Long positions in ordinary shares and the underlying shares of equity derivatives

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Ch'ien Kuo Fung, Raymond	142,900	450,000	Personal/ beneficiary	0.55%
Anson Wang	–	–	–	–
Cheng Loi	–	37,875	Corporate Note (3)	0.04%
Lam Lee G.	–	–	–	–
Li On-kwok, Victor	–	–	–	–
Mao Hongcheng	–	–	–	–
Wang Cheung Yue, Fred	–	150,000	Personal/ beneficiary	0.14%
Wong Kwong Chi	–	137,500	Personal/ beneficiary	0.13%
Wong Sin Just	–	112,500	Personal/ beneficiary	0.11%

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Wong Sin Just	615,000	–	Corporate Note (4)	0.57%
Yip Hak Yung, Peter	85,400	–	Corporate Note (1)	0.08%
Yip Hak Yung, Peter	22,500	425,000	Personal/ beneficiary	0.42%
Yip Hak Yung, Peter	539,160	6,524,072	Interest of children or spouse Note (2)	6.59%

Notes:

- (1) These shares were beneficially owned by Asia Internet Holdings Limited which is 100% owned by Mr. Yip Hak Yung, Peter.
- (2) These options were beneficially owned by Asia Pacific On-Line Limited, a company 50% owned by the spouse of Mr. Yip Hak Yung, Peter and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip.
- (3) These options were beneficially owned by SLC Management Consulting International Limited, a company 100% owned by Dr. Cheng Loi.
- (4) These shares were purchased and beneficially owned by Pan Asia Young Corporation Opportunities Fund, Ltd. which is 34.08% owned by Fine High Investments Limited, a company 100% owned by Dato' Dr Wong Sin Just.

Options to subscribe for ordinary shares in the Company pursuant to its share option schemes

Name of Directors	Date of grant	Option exercise period	Exercise price HK\$	Number of share options outstanding as at 31 March 2010
Ch'ien Kuo Fung, Raymond	9 March 2000	9 March 2001 to 8 March 2010	75.20	250,000
	5 June 2003	5 June 2004 to 4 June 2013	25.04	100,000
	10 October 2005	10 October 2006 to 9 October 2015	25.20	100,000
Cheng Loi	26 March 2008	26 March 2009 to 25 March 2018	11.00	37,875
Wang Cheung Yue, Fred	5 June 2003	5 June 2004 to 4 June 2013	25.04	50,000
	15 September 2005	15 September 2006 to 14 September 2015	22.40	100,000
Wong Kwong Chi	3 January 2006	3 January 2007 to 2 January 2016	21.04	137,500
Wong Sin Just	9 March 2000	9 March 2001 to 8 March 2010	75.20	25,000
	5 June 2003	5 June 2004 to 4 June 2013	25.04	62,500
	15 September 2005	15 September 2006 to 14 September 2015	22.40	25,000

Name of Directors	Date of grant	Option exercise period	Exercise price HK\$	Number of share options outstanding as at 31 March 2010
Yip Hak Yung, Peter	5 June 2003	5 June 2004 to 4 June 2013	25.04	100,000
	10 October 2005	10 October 2006 to 9 October 2015	25.20	100,000
	3 January 2006	3 January 2007 to 2 January 2016	21.04	225,000
	14 August 2006	14 August 2007 to 13 August 2016	17.80	5,983,912
	19 August 2008	19 August 2009 to 18 August 2018	5.436	540,160

Associated Corporation

Long positions in Class A common shares and the underlying shares of equity of derivatives in CDC Corporation (listed on NASDAQ – Stock Code: CHINA)

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Ch'ien Kuo Fung, Raymond	1,023,773	355,000	Personal/ beneficiary	1.30%
Cheng Loi	–	92,000	Corporate Note (4)	0.09%
Lam Lee G.	–	10,000	Personal/ beneficiary	0.01%
Wang Cheung Yue, Fred	–	205,000	Personal/ beneficiary	0.19%
Wong Kwong Chi	–	350,000	Personal/ beneficiary	0.33%
Wong Sin Just	–	20,000	Personal/ beneficiary	0.02%
Yip Hak Yung, Peter	16,976,251	7,999,999	Interest of children or spouse Note (2)	23.56%

Options/stock appreciation rights to subscribe for Class A common shares in CDC Corporation pursuant to its share option scheme

Name of Directors	Date of grant	Option exercise period	Exercise price US\$	Number of share options/stock appreciation rights outstanding as at 31 March 2010
Ch'ien Kuo Fung, Raymond	17 October 2000	17 January 2001 to 16 October 2010	6.8125	100,000
	9 January 2001	9 January 2001 to 8 January 2011	4.2813	30,000
	9 November 2007	9 February 2008 to 8 November 2014	6.1800	25,000 <i>Note (1)</i>
	18 September 2008	18 September 2008 to 17 September 2015	2.1700	180,000 <i>Note (1)</i>
	19 March 2009	19 June 2009 to 18 March 2016	1.0000	20,000
Cheng Loi	29 October 2008	29 April 2009 to 29 October 2015	1.2700	40,000 <i>Note (1)</i>
	29 October 2008	28 October 2015	1.2700	15,000 <i>Note (1)</i>
	23 April 2009	23 April 2009 to 22 April 2016	1.2000	2,000 <i>Note (1)</i>
	4 May 2009	4 August 2009 to 3 May 2016	1.2000	35,000 <i>Note (1)</i>
Lam Lee G.	22 December 2006	22 March 2007 to 21 December 2013	8.5100	10,000 <i>Note (1)</i>

Name of Directors	Date of grant	Option exercise period	Exercise price US\$	Number of share options/stock appreciation rights outstanding as at 31 March 2010
Wang Cheung Yue, Fred	24 October 2005	24 October 2006 to 23 October 2015	3.2100	90,000
	18 December 2006	18 December 2007 to 17 December 2013	8.5200	25,000 <i>Note (1)</i>
	18 September 2008	18 September 2008 to 17 September 2015	2.1700	90,000 <i>Note (1)</i>
Wong Kwong Chi	24 August 2005	24 August 2005 to 23 August 2015	3.23	110,000
	15 September 2005	15 September 2005 to 14 September 2015	2.994	50,000
	15 September 2005	15 December 2005 to 14 September 2015	2.994	50,000
	18 December 2006	18 March 2007 to 17 December 2016	8.52	25,000 <i>Note (1)</i>
	8 November 2007	8 February 2008 to 6 November 2014	6.36	25,000 <i>Note (1)</i>
	18 September 2008	18 September 2008 to 17 September 2015	2.17	90,000 <i>Note (1)</i>
	22 December 2006	22 March 2007 to 21 December 2013	8.5100	20,000 <i>Note (1)</i>
Yip Hak Yung, Peter	29 July 2008	29 April 2009 to 28 July 2015	2.660	165,000* <i>Note (1)</i>
	26 November 2008	26 February 2009 to 25 November 2015	0.8700	3,535,000* 2,399,999*
	19 December 2008	19 March 2009 to 18 December 2015	1.2900	900,000*
	1 March 2010	1 June 2010 to 28 February 2017	2.490	1,000,000*

Notes:

- (1) This represents stock appreciation rights to subscribe for Class A common shares in CDC Corporation granted under the 2005 Stock Incentive Plan
- (2) 11,987,253 Class A common shares and 6,999,999 stock appreciation rights/options to subscribe for Class A common shares were held under the name of Asia Pacific On-Line Limited ("APOL"). APOL, a company 50% owned by the spouse of Mr. Yip Hak Yung, Peter ("Mr. Yip") and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip. 4,988,998 Class A common shares were held by the spouse of Mr. Yip.
- (3) * These options/stock appreciation rights to subscribe for Class A common shares in CDC Corporation were granted to Asia Pacific On-Line Limited, a company 50% owned by the spouse of Mr. Yip Hak Yung, Peter and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip.
- (4) These options were beneficially owned by SLC Management Consulting International Limited, a company 100% owned by Dr. Cheng Loi.

Long positions in common shares and the underlying shares of equity of derivatives in CDC Software International Corporation (formerly CDC Software Corporation) ("CDC Software International")

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Ch'ien Kuo Fung, Raymond	–	25,000	Personal/ beneficiary	0.08%
Wang Cheung Yue, Fred	–	20,000	Personal/ beneficiary	0.07%

Options to subscribe for common shares in CDC Software International pursuant to its share option scheme

Name of Directors	Date of grant	Option exercise period	Exercise price US\$	Number of stock appreciation rights outstanding as at 31 March 2010
Ch'ien Kuo Fung, Raymond	17 February 2007	Date of commencement of initial public offering 17 February 2014	13.330	25,000
Wang Cheung Yue, Fred	17 February 2007	Date of commencement of initial public offering 17 February 2014	13.330	20,000

Long positions in common shares and the underlying shares of equity of derivatives in CDC Games International Corporation (formerly known as CDC Games Corporation) ("CDC Games")

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Ch'ien Kuo Fung, Raymond	–	100,000	Personal/ beneficiary	0.33%
Cheng Loi	–	45,000	Corporate Note (2)	0.15%
Wang Cheung Yue, Fred	–	120,000	Personal/ beneficiary	0.40%
Wong Kwong Chi	–	500,000	Personal/ beneficiary	1.67%
Yip Hak Yung, Peter	–	900,000	Interest of children or spouse Note (1)	3.00%

Notes:

- (1) These options to subscribe for common shares were held under the name of Asia Pacific On-Line Limited, a company 50% owned by the spouse of Mr. Yip Hak Yung, Peter and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip.
- (2) These options were beneficially owned by SLC Management Consulting International Limited, a company 100% owned by Dr. Cheng Loi

Options to subscribe for common shares in CDC Games pursuant to its share option scheme

Name of Directors	Date of grant	Option exercise period	Exercise price US\$	Number of stock appreciation rights outstanding as at 31 March 2010
Ch'ien Kuo Fung, Raymond	21 April 2008	Date of commencement of initial public offering to 21 April 2015	2.570	100,000
Cheng Loi	21 April 2008	Date of commencement of initial public offering to 21 April 2015	2.570	45,000
Wang Cheung Yue, Fred	21 April 2008	Date of commencement of initial public offering to 21 April 2015	2.570	120,000
Wong Kwong Chi	21 April 2008	Date of commencement of initial public offering to 21 April 2015	2.570	500,000
Yip Hak Yung, Peter	21 April 2008	Date of commencement of initial public offering to 21 April 2015	2.570	900,000

Long positions in Class A ordinary shares and the underlying shares of equity of derivatives in CDC Software Corporation (newly listed on NASDAQ on 6th August, 2009 – Stock Code: CDCS) (“CDCS”)

Name of Directors	Number of shares	Number of underlying shares	Nature of interests/ Holding capacity	Approximate percentage of interests
Ch'ien Kuo Fung, Raymond	–	32,000	Personal/beneficiary	0.11%
Cheng Loi	–	4,000	Corporate Note (2)	0.01%
Lam Lee G.	–	32,000	Personal/beneficiary	0.11%
Wong Kwong Chi	–	34,000	Personal/beneficiary	0.12%
Yip Hak Yung, Peter	5,903	549,084	Interest of children or spouse Note (1)	1.89%

Options to subscribe for Class A ordinary shares in CDCS pursuant to its share option scheme

Name of Directors	Date of grant	Option exercise period	Exercise price US\$	Number of options outstanding as at 31 March 2010
Ch'ien Kuo Fung, Raymond	11 September 2009	11 December 2009 to 10 September 2016	8.45	32,000
Cheng Loi	11 September 2009	11 December 2009 to 10 September 2016	8.45	4,000
Lam Lee G.	11 September 2009	11 December 2009 to 10 September 2016	8.45	32,000
Wong Kwong Chi	11 September 2009	11 December 2009 to 10 September 2016	8.45	34,000
Yip Hak Yung, Peter	11 September 2009	11 December 2009 to 10 September 2016	8.45	299,084
	1 March 2010	1 June 2010 to 28 February 2017	10.15	250,000

Note:

- (1) 5,903 Class A ordinary shares were purchased after CDCS was newly listed on 6 August 2009 and these shares were held by the spouse of Mr. Yip. 549,084 options were granted to Asia Pacific On-Line Limited, a company 50% owned by the spouse of Mr. Yip and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip.
- (2) These options were beneficially owned by SLC Management Consulting International Limited, a company 100% owned by Dr. Cheng Loi

Save as disclosed above, as at 31 March 2010, none of the directors and chief executives had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to any director or chief executive of the Company, as at 31 March 2010, the following companies (not being a Director or chief executive of the Company) who have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name	Number of shares	Number of underlying shares	Percentage of issued share capital
CDC Corporation	84,546,700	–	78.89%
China M Interactive (BVI) Limited	84,045,700	–	78.42%
Asia Pacific On-Line Limited	539,160	6,524,072	6.59%

China M Interactive (BVI) Limited is a wholly owned subsidiary of chinadotcom Mobile Interactive Corporation. chinadotcom Mobile Interactive Corporation is a wholly owned subsidiary of CDC Corporation, the ultimate holding company of the Company.

Asia Pacific On-Line Limited is 50% owned by the spouse of Mr. Yip Hak Yung, Peter ("Mr. Yip") and 50% owned by a trust established for the benefit of the spouse and children of Mr. Yip.

Save as disclosed above, as at 31 March 2010, none of the directors are aware of any other persons who has an interest or short position in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is interested in 10% or more of the normal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company.

COMPETING INTERESTS

Professor Li On-kwok, Victor, an Independent Non-Executive Director of the Company, is a well recognized leader in the field of information technology development and has been appointed to various positions including consultants and directors to institutions and business entities which are engaged in research, development and business. These institutions and business entities may be in competition with the Group.

Saved as disclosed herein, the Board is not aware of any Director or the management shareholder of the Company (as defined under the GEM Listing Rules) having any interests in a business which competes or may compete with the business of the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

During the three months ended 31 March 2010, the Company has not adopted a code of conduct regarding the directors' securities transactions but has applied the principles of the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules ("Required Standard of Dealings"). Having made specific enquiry of all directors of the Company, the directors confirmed that they have complied with or they were not aware of any non-compliance with the Required Standard of Dealings during the three months ended 31 March 2010.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company has applied the principles of the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules and is satisfied that the Company has complied throughout the three months ended 31 March 2010 with the Code.

AUDIT COMMITTEE

The Company established an audit committee on 25th February 2000 with written terms of reference which are of no less exacting terms than those set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules. The audit committee comprises three independent non-executive directors namely, Dato' Dr Wong Sin Just (Committee Chairman), Mr. Wang Cheung Yue, Fred and Dr. Lam Lee G. The primary duties of the audit committee are to oversee that management (i) has maintained the reliability and integrity of the accounting policies and financial reporting and disclosure practices of the Company; (ii) has established and maintained processes to assure that an adequate system of internal control is functioning within the Company; and (iii) has established and maintained processes to assure compliance by the Company with all applicable laws, regulations and corporate policy. The audit committee has reviewed the draft of this report and has provided advice and comments thereon.

DIVIDEND

The Board has resolved not to declare any dividend for the three months ended 31 March 2010.

On behalf of the Board
Ch'ien Kuo Fung, Raymond
Chairman

Hong Kong, 10 May 2010

As at the date of this report, the executive directors of the Company are Mr. Wong Kwong Chi and Dr. Cheng Loi; the non-executive directors are Dr. Ch'ien Kuo Fung, Raymond, Mr. Yip Hak Yung, Peter, and Mr. Mao Hongcheng; the independent non-executive directors are Dato' Dr Wong Sin Just, Mr. Wang Cheung Yue, Fred, Dr. Lam Lee G, Mr. Anson Wang and Professor Li On-kwok, Victor.