

## ■ SHARE OPTION SCHEME

On 31 October 2004, a share option scheme (the “Share Option Scheme”) was approved pursuant to a written resolution of the Company. The purpose of the Share Option Scheme is to provide incentives or rewards for the eligible person for the Group and to enable the Group to recruit and/or to retain high-caliber employees and attract human resources that are valuable to the Group. The Board from time to time or a duly authorized committee thereof delegated with the powers of the Directors to administer the Share Option Scheme may, at its discretion, grant options to any employees (whether full time or part time), executives or officers of the Company or any of its subsidiaries (including the executive Directors, non-executive Director and independent non-executive Directors of the Company and/or any of its subsidiaries), consultants, agents or legal and financial advisers to the Company or its subsidiaries whom the Board considers, in its sole discretion, as having contributed to the Company or any of its subsidiaries. As at the date of this report, no options have been granted by the Company pursuant to the Share Option Scheme.

## ■ DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ASSOCIATED CORPORATIONS

As at 30 June 2005, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares (as defined in the Securities and Futures Ordinance (the “SFO”)) and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) as set out in Appendix 10 of the Listing Rules were as follows:

### LONG POSITIONS IN SHARES

Name of directors	No. of underlying shares	The Company or name of Associated Corporation to which the Shares relate	Nature of interests	Approximate percentage of interests
Ms. WANG Feixue	162,426,000	Company	Corporate (Note 1)	40.61%
Mr. JIN Jianlin	18,000,000	Company	Corporate (Note 2)	4.50%
	13,732,400	Company	Short Position (Note 3)	3.43%
Ms. HU Rong	33,711,000	Company	Corporate (Note 3)	8.43%

*Notes:*

1. Ms. WANG Feixue, an executive Director of the Company is interested in approximately 33.11% of the interests in Bright Pearl Holdings Limited (“Bright Pearl”) and she is also the sole director of Bright Pearl. Therefore, Ms. WANG Feixue is deemed or taken to be interested in the shares of the Company which are owned by Bright Pearl.
2. Mr. JIN Jianlin, an executive Director of the Company, owns the entire equity interests in Silver Well Investment Limited (“Silver Well”). Therefore, Mr. JIN Jianlin is deemed or taken to be interested in the shares of the Company which are owned by Silver Well which are held by Silver Well as a trustee on trust for certain employees, officers, consultants, agents and advisers of the Group selected as eligible to participate in a share incentive scheme for the Group (“Share Incentive Scheme”). Details of the Share Incentive Scheme have been disclosed in the Prospectus.
3. As at 30 June 2005, 13,732,400 options have been granted by Silver Well to eligible participants under the Share Incentive Scheme, and upon the exercise of such options in full, 13,732,400 shares will be transferred to such eligible participants.
4. Ms. HU Rong, an executive Director of the Company, owns the entire equity interests in New Wingo Investments Limited (“New Wingo”). Therefore, Ms. HU Rong is deemed or taken to be interested in the shares of the Company which are owned by New Wingo.

## ■ SUBSTANTIAL SHAREHOLDER’S INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2005, the following persons (other than Directors or chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

### LONG POSITIONS IN SHARES

Name of shareholders	Nature of interests	No. of shares	Approximate percentage of interest
Bright Pearl	Corporate ( <i>Note a</i> )	162,426,000	40.61%
New Wingo	Corporate ( <i>Note b</i> )	33,711,000	8.43%
IDG Technology Venture Investments, LP (“IDGVC”)	Corporate ( <i>Note c</i> )	30,000,000	7.5%
IDG Technology Venture Investments, LLC	Corporate ( <i>Note c</i> )	30,000,000	7.5%
Happy Choice Management Limited (“Happy Choice”)	Corporate ( <i>Note d</i> )	28,863,000	7.21%
Mr. YING Zhaohui	Corporate ( <i>Note d</i> )	28,863,000	7.21%
Grand Advance Investments Limited (“Grand Advance”)	Corporate ( <i>Note e</i> )	27,000,000	6.75%
Mr. YANG Fei	Corporate ( <i>Note e</i> )	27,000,000	6.75%
Mr. WANG Shu	Corporate ( <i>Note e</i> )	27,000,000	6.75%