

## FUTURE PLANS

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It is the mission of the Group to become one of the leading digital music companies in the PRC. To accomplish this mission, the Group intends to implement the following strategies:

#### **Upgrading the interactive UGC platform [www.a8.com](http://www.a8.com)**

The Group is expanding and improving its interactive Internet UGC collection platform by further enhancing the platform. For hardware enhancement, the Group plans to increase the number of servers and bandwidths throughout the country, thereby increasing the capacity for storage of the songs. In addition, the Group plans to upgrade the platform to be more user-friendly in order to enhance the UGC collection ability. The total hardware cost is expected to be approximately RMB[●] million, out of which approximately RMB[●] million and RMB[●] million are expected to be used in year 2008 and 2009 accordingly. For software enhancement, the Group plans to develop a song management system. This system enables the Group to identify, record and file uploaded songs by various factors, including type, name and date. The development cost of such software is expected to be approximately RMB[●] million, out of which approximately RMB[●] million and RMB[●] million are expected to be used in year 2008 and 2009 accordingly.

#### **Enhancing the brand awareness of the [A8.com](http://A8.com)**

##### *Promoting the UGC platform*

To increase the brand awareness of [www.a8.com](http://www.a8.com), the Group plans to promote the platform by organizing events to encourage users to upload their contents, conducting regular competition events and promotional events with other media.

The Group plans to cooperate with traditional media, like TV, radio and magazines, as well as Internet websites, to collect original independently produced songs through its UGC platform for movies, TV series and record companies. The Group expects to assign approximately RMB[●] million for such plan. Various competitions are expected to be held and the total costs of the competitions are approximately RMB[●] million. A series of promotional events has also been planned during 2008 and 2009. The Group has planned to assign approximately RMB[●] million in this regard.

The total budget for promoting the UGC platform is approximately RMB[●] million and it is expected that approximately RMB[●] million will be used in 2008 and RMB[●] million will be used in 2009.

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### *Promoting original independently produced music content*

Apart from improving its existing Internet UGC collection platform, the Group also intends to increase the popularity of its original independently produced music content by advertising through Internet and traditional media. [The Group plans to assign approximately RMB[●] million for such promotions and RMB[●] million to expand the current original music management team. Of the aforementioned aggregate amount, approximately RMB[●] million and RMB[●] million are expected to be expensed in 2008 and 2009 accordingly.]

### **Further developing A8Box**

The Group plans to further develop its A8Box in terms of its compatibility and quality.

Firstly, the Group plans to further develop A8Box so that it can be compatible with different kinds of mobile phone. Approximately RMB[●] million is planned for this development. Secondly, the Group has budgeted approximately RMB[●] million to improve the quality of A8Box. Finally, the Group plans to acquire a wider range of music contents like full track songs, and pictures and information of artists and lyrics. Approximately RMB[●] million is budgeted in this regard. In addition, a budget of RMB[●] million and RMB[●] million has been set aside for further research and development and promotion.

The total cost for further development of A8Box is approximately RMB[●] million, out of which RMB[●] million and RMB[●] million are expected to be utilized in 2008 and 2009 respectively.

### **Integrating its business with the introduction of 3G mobile technology in the PRC**

In anticipation of the launch of the 3G technology, the Group plans to improve the technology platform with the 3G applications and to acquire 3G specific contents.

The Group has budgeted approximately RMB[●] million for software and hardware development, and RMB[●] million was budgeted for content acquisition like music video, full track download and music video ringtones. The Group plans to use around RMB[●] million for marketing to promote its 3G services.

The total cost amounts to approximately RMB[●] million, out of which RMB[●] million and RMB[●] million are expected to be utilized in 2008 and 2009 respectively.

### **Potential acquisitions**

The Group also intends to explore growth opportunities through acquisitions. The Group would focus in two major areas for its acquisition targets: music related contents providers and/or mobile applications related companies.

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The Group believes that these business opportunities will help strengthen its business development as well as expand its scope of services and products, which allows the Group to obtain a competitive position in the market. The Group has assigned approximately RMB[●] million for mergers and acquisitions activities, out of which RMB[●] million and RMB[●] million are expected to be used in 2008 and 2009 respectively.