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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **HC International, Inc.** (the "Company"), you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



HC INTERNATIONAL, INC.
慧聰網有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8292)

**GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

The notice convening the annual general meeting of the Company to be held at Tower B, Jieneng Building, 42 North Street, Xizhimen, Haidian District, Beijing, the PRC (100082) on 20th April 2007, at 4:00 p.m. (the "AGM") is set out in the annual report of the Company for the year ended 31st December 2006 (the "Annual Report").

A form of proxy for the AGM is enclosed with the Annual Report. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return the same to the Company's Hong Kong branch share registrar, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

* For identification purposes only

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“AGM”	an annual general meeting of the Company for the year ended 31st December 2006 to be held at Tower B, Jieneng Building, 42 North Street, Xizhimen, Haidian District, Beijing, the PRC on 20th April 2007 at 4:00 p.m. or any adjournment thereof
“Annual Report”	the annual report of the Company for the year ended 31st December 2006
“Articles of Association”	the articles of association of the Company, adopted on 30th November 2003 and as amended from time to time
“Board”	the board of directors of the Company
“Company”	HC International, Inc., a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“Directors”	directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22nd March 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Registrar”	the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited, at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
“Repurchase Mandate”	the general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution in the terms set out in resolution no. 4(B) of the notice of the AGM
“Share(s)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



HC INTERNATIONAL, INC.

慧聰網有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8292)

Executive Directors:

Guo Fansheng (*Chief Executive Officer*)

Lai Sau Kam, Connie

Guo Jiang

Non-executive Directors:

Li Jianguang (*Chairman*)

Pepples John Craig

Independent Non-executive Directors:

Zhang Ke

Xiang Bing

Guo Wei

Registered Office:

4th Floor

One Capital Place

P.O. Box 847

George Town

Grand Cayman

Cayman Islands

British West Indies

Head Office and Principal

Place of Business:

Tower B

Jieneng Building

42 North Street

Xizhimen Haidian District

Beijing

The People's Republic of China

26th March 2007

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed general mandates to issue shares and to repurchase shares, and the re-election of certain Directors in accordance with the Articles of Association.

* For identification purposes only

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed in the terms set out in resolutions no. 4(A) and 4(C) of the notice of the AGM whereby if passed, the Directors will be given a general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company as at the date of the passing of the relevant resolution (the "Share Issue Mandate").

In addition, if the Repurchase Resolution is passed, an ordinary resolution in the terms set out in resolution no. 4(B) of the notice of the AGM whereby if passed, the Directors will be given a general and unconditional mandate to allot or issue further Shares up to an amount equal to the aggregate nominal amount of the issued share capital of the Company purchased under the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 487,835,406 Shares. Subject to the passing of the relevant resolution for the Share Issue Mandate and on the basis that no further Shares are allotted and issued prior to the AGM, the Company will be allowed to allot, issue and deal with a maximum of 97,567,081 Shares under the Share Issue Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, the Repurchase Resolution will be proposed for the Directors to be granted the Repurchase Mandate. The Repurchase Mandate allows the Company to make purchases only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by its Articles of Association or any applicable law; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "Relevant Period").

As at the Latest Practicable Date, the issued share capital of the Company comprised 487,835,406 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to repurchase a maximum of 48,783,540 Shares under the Repurchase Mandate.

ANNUAL GENERAL MEETING

The notice convening the AGM is set out in the Annual Report.

A form of proxy for the AGM is enclosed with the Annual Report. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Registrar in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

LETTER FROM THE BOARD

EXPLANATORY STATEMENT

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is attached herewith to provide the requisite information to you to make an informed decision in relation to the Repurchase Resolution.

PROCEDURE FOR DEMANDING A POLL

Pursuant to Article 66 of the Articles of Association, a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of poll is required by the rules of the Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (i) the chairman of such meeting;
- (ii) at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting;
- (iii) a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting;
- (iv) a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (v) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

RE-ELECTION OF DIRECTORS

In accordance with Article 86(3) of the Articles of Association, Mr. Li Jianguang, Mr. Guo Jiang and Mr. John Craig Pepples will be subject to, and eligible for re-election at the AGM.

In accordance with Article 87 of the Articles of Association, Mr. Guo Fansheng and Mr. Zhang Ke will retire as Directors by rotation and being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

The biographical details and interests in Shares of the above-mentioned Directors to be re-elected at the AGM and their relationships with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company are provided in Appendix II.

RECOMMENDATION

Share Issue Mandate and Repurchase Mandate

The Directors are of the opinion that the proposed granting of the Share Issue Mandate and Repurchase Mandate are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
Guo Fansheng
Chief Executive Officer and Executive Director

This appendix serves as an explanatory statement as required to be sent to the Shareholders pursuant to Rule 13.08 of the GEM Listing Rules to provide the requisite information to you to make an informed decision in relation to the Repurchase Resolution proposed under the notice convening the AGM.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 487,835,406 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to repurchase a maximum of 48,783,540 Shares, representing 10% of the issued share capital of the Company during the Relevant Period.

REASONS FOR REPURCHASES

The Directors believe that the grant of the Repurchase Mandate is in the best interests of the Company and the Shareholders. Any repurchase thereunder may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share. The Repurchase Mandate will only be exercised when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

DIRECTORS AND CONNECTED PERSONS

As at the Latest Practicable Date, to the best of the knowledge of the Directors having made all reasonable enquires, none of the Directors and their respective associates have a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell securities to the Company. No connected persons have notified the Company that they have a present intention to sell securities to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved and exercised.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company will only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and the GEM Listing Rules. The Company will not purchase the Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the financial position of the Company as at 31st December 2006 (being the date of its latest published audited consolidated accounts) in the event that the repurchase of Shares were to be carried out in full at any time during the Relevant Period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on GEM during each of the previous twelve months were as follows:

Month	Highest HK\$	Lowest HK\$
2006		
April	1.48	1.10
May	1.75	1.34
June	1.80	1.45
July	1.88	1.50
August	1.80	1.61
September	1.80	1.57
October	1.80	1.65
November	1.85	1.63
December	1.88	1.70
2007		
January	1.80	1.60
February	1.75	1.45
1st March 2007 up to the Latest Practicable Date	1.55	0.80

UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

No other connected persons (as defined in the GEM Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code. As a result, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

As at the Latest Practicable Date, the following persons were interested in 5% or more of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the interest of such persons will be increased to approximately the percentage set out in the last column as follows:

Name of substantial shareholder	Long position	Short position	Nature of Interests/ Holding capacity	Approximate percentage of Share Capital	Approximate percentage of shareholding if the repurchase mandate is exercised in full (Note 1)
Hinrichs Merle Allan	234,560,134 (Note 2)	–	Interest in controlled corporation	48.08%	53.42%
McCarthy Kent C.	120,505,850 (Note 3)	–	Interest in controlled corporation	24.70%	27.45%
Mr. Guo Fansheng	64,088,863 (Note 4)	64,088,863 (Note 4)	Beneficial owner	13.14%	14.60%
Mr. Li Jianguang	40,000,384 (Note 5)	40,000,384 (Note 5)	Interest in controlled corporation	8.20%	9.11%
McGovern Patrick J.	25,473,954 (Note 6)	25,473,954 (Note 6)	Interest in controlled corporation	5.22%	5.80%
PMA Capital Management Ltd.	24,540,000	–	Investment manager	5.03%	5.59%

Notes:

1. Assuming no repurchase of any of the shares held by stated shareholders.
2. Such interests in the Company comprises: (i) 62,652,000 shares of the Company of which 5,916,000 shares and 56,736,000 shares are held by Global Sources Ltd., which is owned as to approximately 61% by Mr. Hinrichs, and Trade Media Holdings Limited, which is a wholly-owned subsidiary of Global Sources Ltd., respectively; and (ii) 171,908,134 underlying shares of the Company derived from certain call options granted to Trade Media Holdings Limited, a wholly-owned subsidiary of Global Sources Ltd., which is owned as to approximately 61% by Mr. Hinrichs.
3. 94,691,850 shares of the Company are held by Jayhawk China Fund (Cayman), Ltd., the entire issued share capital of which is owned by Mr. McCarthy.
4. The references to 64,088,863 shares of the Company relate to the same block of shares of the Company held by Mr. Guo.

5. The references to 40,000,384 shares of the Company relate to the same block of shares of the Company held by Callister Trading Limited, the entire share capital of which is owned by Mr. Li.
6. The references to 25,473,954 shares of the Company relate to the same block of shares of the Company held by IDG Technology Venture Investment, Inc., a wholly-owned subsidiary of International Data Group, Inc., which is owned as to approximately 33% by Mr. McGovern.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any repurchases made under the Repurchase Mandate.

SHARE REPURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company during the previous six months up to the Latest Practicable Date.

Guo Fansheng, an executive Director

Aged 51

Qualification and Experience

Mr. Guo is an executive director and the Chief Executive Officer of the Company. Mr. Guo founded the Group in October 1992 and is responsible for the overall strategic development and policy of the Group. From 1990 to 1992, Mr. Guo worked as a manager in a State-owned business information company in Beijing. From 1987 to 1990, Mr. Guo served as a director of the Liaison Office and general Office of the Economic System Reform Institute under the State Commission for Economic Restructuring, and as the deputy director of the Western China Development Research Center. Prior to working at the State Commission for Economic Restructuring, Mr. Guo served from 1982 to 1987 as a senior official in the government of the Inner Mongolia Autonomous Region. Mr. Guo obtained a bachelor degree in industrial economics from Renmin University of China in 1982. Mr. Guo is also an independent non-executive director of China Finance Online Co., Ltd., a NASDAQ-listed company. Save as disclosed above, Mr. Guo has not held any directorship in other listed public companies in the past three years.

Length of Service

Mr. Guo was first appointed as an executive Director on 21st March 2000. His appointment was recently renewed for a term of three years commencing from 30th November 2006, which may be terminated by either the Company or Mr. Guo by giving three months' written notice or otherwise in accordance with the terms of the director's service contract entered into between Mr. Guo and the Company. Pursuant to Article 87 of the Articles of Association, Mr. Guo will retire at the AGM, at which he will, being eligible, offer himself for re-election and thereafter, be subject to retirement by rotation and re-election at annual general meetings of the Company.

Relationship with other Directors, senior management, substantial or controlling shareholders

Save for Mr. Guo Jiang, an executive Director and the Chief Operating Officer of the Company, is a relative of Mr. Guo, Mr. Guo does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interests in Shares

Mr. Guo is deemed to be interested in a long position of 64,088,863 Shares and a short position of 64,088,863 Shares under the Securities and Futures Ordinance (the "SFO"). Save as disclosed above, Mr. Guo does not have any other interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

Under the service contract entered into between the Company and Mr. Guo, he is entitled to basic annual salaries of RMB600,000, which were determined with reference to his roles and responsibility and the prevailing market conditions, and a discretionary

bonus, which is determined with reference to his performance during the relevant period of time. Save for the said salaries and discretionary bonus, Mr. Guo is not entitled to any other emolument for holding his office as an executive director of the Company.

Save as disclosed above, Mr. Guo and the Company are not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

Zhang Ke, an independent non-executive Director

Aged 53

Qualification and Experience

Mr. Zhang is an independent non-executive Director of the Company. Mr. Zhang is a certified public accountant in the PRC and is currently the chairman and managing Partner of ShineWing Certified Public Accountants. He graduated from Renmin University of China in 1982 with a bachelor degree in economics majoring in industry economics. He has over 20 years of experience in the fields of economics, accounting and finance. Mr. Zhang is currently a Vice-President of the Chinese Institute of Certified Public Accountants, a member of the Certified Public Accountants Examination Committee of the Ministry of Finance and a part-time professor of the department of accounting of Renmin University of China.

Mr. Zhang is also an independent non-executive director of each of Air China Limited, China Coal Energy Company and SEEC Media Group Limited, listed public companies on the Stock Exchange, and an independent non-executive director of China Minsheng Banking Corp., Ltd, a listed public company on the Shanghai Stock Exchange. Save as disclosed above, Mr. Zhang has not held any directorship in other listed public companies in the past three years.

Length of Service

Mr. Zhang was appointed as an independent non-executive Director for an initial term of one year commencing from 28th March 2003, and will continue thereafter unless and until terminated by either the Company or Mr. Zhang by giving one month's written notice and such appointment is subject at all times to the Articles of Association. Pursuant to Article 87 of the Articles of Association, Mr. Zhang will retire at the AGM, at which he will, being eligible, offer himself for re-election and thereafter, be subject to retirement by rotation and re-election at annual general meetings of the Company.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interests in Shares

Mr. Zhang does not have any other interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Amount of Emoluments

Under the service contract entered into between the Company and Mr. Zhang dated 28th March 2003, he is entitled to annual salaries of RMB80,000.

Save as disclosed above, Mr. Zhang and the Company are not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

Guo Jiang, an executive Director

Aged 33

Qualification and Experience

Mr. Guo is an executive Director and the Chief Operating Officer of the Company. Mr. Guo joined the Group in 1996 as the Sales Manager and became the Chief Operating Officer of the Group in late 2005 and is responsible for overseeing the operations of "hc360.com". Prior to that, Mr. Guo spent two years at the Broadcasting Science Institute of the State Administration of Radio, File and Television as an assistant to director. Mr. Guo graduated from the Harbin University of Commerce in 1994 with a bachelor degree in computer science. He also attended the Business Administration Course for Senior Management of Modern Enterprises conducted by Guanghua Business School of Peking University in 2002. Mr. Guo has not held any directorship in other listed companies in the past three years.

Length of Service

Mr. Guo was appointed as an executive Director for a term of three years commencing from 1st August 2006, which may be terminated by either the Company or Mr. Guo by giving three months' written notice or otherwise in accordance with the terms of the director's service contract entered into between Mr. Guo and the Company. Pursuant to Article 86(3) of the Articles of Association, Mr. Guo will be subject to, and eligible for re-election at the AGM.

Relationship with other Directors, senior management, substantial or controlling shareholders

Save for Mr. Guo Fansheng, an executive Director and Chief Executive Officer of the Company, is a relative of Mr. Guo, Mr. Guo does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholder of the Company.

Interests in Shares

Mr. Guo is deemed to be interested in a long position of 6,309,923 Shares and a short position of 2,027,200 Shares under the SFO. Such interest comprises (i) 3,575,923 Shares, of which 1,074,625 Shares are held by Mr. Guo's spouse; and (ii) 2,734,000 options to subscribe for Shares under the Share Option Scheme, of which 734,000 options are granted to Mr. Guo's spouse, as at the Latest Practicable Date. The principal terms of the Share Option Scheme were summarised in the paragraph headed "Share Options" under the section headed "Statutory and general information" in Appendix V to the prospectus of the company dated 8th December 2003. Save as disclosed above, Mr. Guo does not have any other interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

Under the service contract entered into between the Company and Mr. Guo on 1st August 2006, Mr. Guo is entitled to basic annual salaries of RMB560,000, which were determined with reference to his roles and responsibility and the prevailing market conditions, and a discretionary bonus, which is determined with reference to his performance during the relevant period of time. Save for the said salaries and discretionary bonus, Mr. Guo is not entitled to any other emolument for holding his office as an executive director of the Company.

Save as disclosed above, Mr. Guo and the Company are not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

Li Jianguang, a non-executive Director

Aged 41

Qualification and Experience

Mr. Li is a non-executive Director. Mr. Li is a Vice-President of IDG Technology Venture Investment, Inc. ("IDG"), a substantial shareholder of the Company. Mr. Li is also a member of IDG Technology Venture Investments, LLC, which is the general partner of IDG Technology Venture Investments, LP. Mr. Li is responsible for the investment management of IDG's China-related early funds and IDG-Accel China Growth Fund. Prior to that, Mr. Li worked in Crosby Asset Management Limited as an investment manager. Mr. Li graduated from Peking University in 1987 with a bachelor degree in economics and received a master degree from Guelph University in Canada in 1994. Mr. Li has not held any directorship in other listed companies in the past three years.

Length of Service

There is no service agreement entered into between Mr. Li and the Company. Mr. Li was appointed for a fixed term of one year commencing from 1st August 2006, subject to retirement by rotation and/or re-election at the annual general meetings of the Company in accordance with the Articles of Association. In accordance with Article 86(3) of the Articles of Association, Mr. Li will be subject to, and be eligible for re-election at the AGM.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Li does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interests in Shares

Mr. Li is deemed to be interested in a long position of 40,000,384 Shares and a short position of 40,000,384 Shares through his shareholdings in Callister Trading Limited under the SFO. Save as disclosed above, Mr. Li does not have any other interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

There is no remuneration or other benefit provided to Mr. Li for his directorship in the Company.

Save as disclosed above, Mr. Li and the Company are not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

John Craig Pepples, a non-executive Director

Aged 45

Qualification and Experience

Mr. Pepples is a non-executive Director. Mr. Pepples is the Chief Operating Officer of Global Sources Ltd. ("**Global Sources**"), responsible for Global Sources' worldwide operations including interactive media, corporate marketing, community development, information services, human resources and finance and acts as the publisher of "Chief Executive China". Mr. Pepples joined Global Sources in October 1986, moving on to manage Global Sources' China sales operations from 1989 to 1992 and was the country manager for China from 1992 to 1999. Mr. Pepples graduated with a bachelor degree in Linguistics from the Yale University. Mr. Pepples has not held any directorship in other listed companies in the past three years.

Length of Service

There is no service agreement entered into between Mr. Pepples and the Company. Mr. Pepples was appointed for a fixed term of one year commencing from 1st August 2006, subject to retirement by rotation and/or re-election at the annual general meetings of the Company in accordance with the Articles of Association. In accordance with Article 86(3) of the Articles of Association, Mr. Pepples will be subject to, and be eligible for re-election at the AGM.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Pepples is the Chief Operating Officer and a shareholder of Global Sources, which is a substantial shareholder of the Company deemed to be interested in the Shares through its shareholding in a wholly-owned subsidiary, Trade Media Holdings Limited under the SFO. Save as disclosed above, Mr. Pepples does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interests in Shares

Mr. Pepples does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

There is no remuneration or other benefit provided to Mr. Pepples for his directorship in the Company.

Save as disclosed above, Mr. Pepples and the Company are not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.