

■ COMPETING INTERESTS

As at 30 June 2005, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

■ DISCLOSURE UNDER RULES 13.13 TO 13.22 OF THE LISTING RULES

As at 30 June 2005, the unaudited total assets of the Group was approximately 155,917,804 (“Unaudited Total Assets”). Based on the unaudited accounts and records of the Group as at 30 June 2005, the trade receivables from China Mobile Communications Corporation (中國移動通信集團公司), its holding companies, subsidiaries or associates (all as defined in the Listing Rules) (together the “China Mobile Group”) were as follows:

Customer	Amount due to the Group as at 30 June 2005	% of the Unaudited Total Assets of the Group as at 30 June 2005
China Mobile Group	RMB15,972,852	Approximately 10.2%

China Mobile Communications Corporation is an infrastructural telecommunications service provider in the PRC and is independent of, and is not connected with, the Company or its subsidiaries, the Directors, chief executive or substantial shareholders of the Company and its subsidiaries or their respective associates (as defined in the Listing Rules). The shares of its subsidiary, China Mobile (Hong Kong) Limited (中國移動(香港)有限公司), are listed on the Main Board of the Stock Exchange and the New York Stock Exchange.

The above trade receivables arose as a result of the Group’s sales of self-developed software, sales of third party software and hardware in relation to system integration, and provision of system integration and other services to the China Mobile Group and the amount of which has not been settled as at 30 June 2004 according to the Company’s unaudited records. The trade receivables are unsecured, interest free and with payment terms of not more than 90 days.

Save as disclosed above, the Directors have confirmed that, as at the date of this report, they are not aware of any circumstances which would give rise to a disclosure obligation under Rules 13.13 to 13.22 of the Listing Rules.