

“Consolidating of the Existing Market and Seizing Market Opportunities by Leveraging on Our Strengths”

On behalf of the board (the “Board”) of directors (the “Directors”) of Zhongtian International Limited (“Zhongtian International” or the “Company”) and its subsidiaries (collectively the “Group”), I am pleased to present the results and the audited financial statements of the Group for the year ended 31 December 2005.

Capitalizing on its stronger financial strength as a result of the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) last year, the Group committed increased efforts on software development and marketing in 2005, building up a robust foundation for its long-term development.

In early 2004, Shandong Province became the first province in the PRC with a provincial rural credit co-operatives (“RCC”) information network under the assistance of the Group, which made Zhongtian International a national brand for financial software in the PRC. In 2005, the Group commenced the construction of a provincial RCC information network for Hubei Province and had substantially completed the preliminary preparation. This further consolidated the Group's position as a leading financial software developer. In mid-2005, the Group continued to perform upgrade and maintenance for the Shandong provincial RCC information network, which generated steady income for the Group.

Turnover of the Group for the year ended 31 December 2005 was approximately RMB103,303,000, representing a decrease of 10.1% from the previous year. The decline in turnover was primarily attributable to elevated competition in the sector, which resulted in a decrease in project payment. In order to reinforce the Company's competitiveness and maintain the Group's leading position in the application software development sector, the Group took two important strategic moves. Firstly, it actively recruited additional high caliber employees to consolidate the software development efforts. Secondly, the Group committed substantial resources in marketing and publicity to explore new markets. Although these measures incurred more costs for the Group and reduced the net profit for the year, we were fully confident that such investment has laid down a solid basis for better results of the Group in future.

Going forward, in view of the relatively large proportion of RCC that have yet to construct their information network, the Group will leverage on the excellent reputation and solid goodwill and continue to expand its share in the market of RCC information network development in the PRC. In order to mitigate the risk of relying on a single market, and building on its extensive expertise and experience in application software development, Zhongtian International will actively seek to explore the market for financial institute application software beyond the RCC segment, including state-owned banks that are undergoing radical reforms and other leading commercial banks in the PRC. On the non-financial front, the Group is also aggressively identifying markets with immense growth opportunities with the aim of diversifying its income stream. Dedicated to maintaining its leading position in terms of application software development technology in the PRC, the Group further stepped up its software development efforts. It is seeking to initiate joint development with several renowned universities in the PRC, which will help reduce the Group's research and development costs while boosting its return at the same time.

Chairman's Statement

On-going efforts will be committed by the Group to introduce outstanding management talents, improve corporate governance standard, enhance transparency and strengthen the risk awareness, with a consistent emphasis on return to the shareholders. By constantly adding value to the Company and moving ahead to cater for market demand and capture opportunities, the Group believes that Zhongtian International will grow stronger and become a prominent enterprise in the PRC.

Lastly, I would like to take this opportunity to express my gratitude to the shareholders for their staunch support and to the Board and management team for their thorough back up and assistance. I would also like to offer my heartfelt thanks to the staff of the Group for their dedication and to the customers for their ongoing support.

Sun Lianggui

Chairman

Hong Kong, 21 April 2006