



TOM Group Limited

TOM集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2383)

FURTHER ADVANCES TO AN ENTITY

The Board announces the details of the trade receivables of the Group due from the Internet Customer as at 31 October 2004 pursuant to Rule 13.14 of the Listing Rules.

Reference is made to the announcements of the Company dated 9 May 2003 and 26 August 2003 (the "Announcement").

As disclosed in the Announcement, the Board announced the details of the trade receivables of the Group due from the Internet Customer as at 31 July 2003 ("Disclosed Amount") pursuant to Rule 17.16 of the GEM Listing Rules. With effect from 4 August 2004, listing of the shares of the Company has been withdrawn on GEM and dealings in the shares of the Company have been commenced on the Main Board. Since then, the Company has to comply with the Listing Rules instead of the GEM Listing Rules.

As at 31 October 2004, the amount of the trade receivables due from the Internet Customer increased from the Disclosed Amount and the Revenue Ratio for the amount of the increase is more than 3%. Pursuant to Rule 13.14 of the Listing Rules, the Board announces the details of the trade receivables due from the Internet Customer as at 31 October 2004 as follows:

**Balance of trade receivables
as at 31 October 2004**
(Note 3)

Internet Customer

HKD153,895,587

Notes:

1. The above trade receivables resulted from the provision by the Group of the internet-related services to the Internet Customer in the ordinary course of business and on normal commercial terms.
2. The above trade receivables are unsecured and in accordance with terms specified in the contracts governing the relevant transactions (such as delivery periods, payment periods (the above trade receivables are expected to be settled on or before 30 April 2005), rights and obligations of the Internet Customer in respect of its performance under the contracts). No collateral is required to be made by the Internet Customer and no interest is charged on any of the trade receivables.
3. Due to the nature of the transactions, the trade receivables are billed at the end of each month and which balance needs to be verified and confirmed by the Group pursuant to the normal trading practices in respect of such receivables and the relevant contracts governing the transactions. Normally, the month-end balance of the trade receivables can only be verified and confirmed by the Group within three or four weeks after the end of each month which immediately gives rise to a disclosure obligation under Rule 13.14 of the Listing Rules, the Company therefore issues this announcement so as to comply with the Listing Rules.
4. The Internet Customer is engaged in providing mobile communications and related services in the PRC and is one of the largest telecommunication operators in the PRC. As at 31 October 2004, the fees due to the Group from the Internet Customer are approximately 7.4% of the total revenue of the Group for the year ended 31 December 2003. It has a good track record for settlement of its trade receivables due to the Group.

Save as disclosed above, as at 31 October 2004, no other advance (including trade receivables and other receivables) which would give rise to disclosure obligation pursuant to Rules 13.13, 13.14 and 13.16 of the Listing Rules.

DEFINITIONS

"Board"	means the board of directors of the Company
"Company"	means TOM Group Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Main Board
"Director(s)"	means the director(s) of the Company
"GEM"	means Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	means the Rules Governing the Listing of Securities on GEM
"Group"	means the Company and its subsidiaries
"HKD"	means Hong Kong Dollars
"Listing Rules"	means the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	means the Main Board of the Stock Exchange
"PRC"	means the People's Republic of China
"Revenue Ratio"	has the meaning as set out in Rule 14.07(3) of the Listing Rules
"Stock Exchange"	means The Stock Exchange of Hong Kong Limited

By Order of the Board
TOM GROUP LIMITED
Angela Mak
Company Secretary

Hong Kong, 10 December 2004

As at the date hereof, the directors of the Company are:

Executive Directors:

Mr. Sing Wang
Ms. Tommei Tong

Independent non-executive Directors:

Mr. Henry Cheong
Ms. Anna Wu
Mr. James Sha

Non-executive Directors:

Mr. Frank Sixt (Chairman)
Ms. Debbie Chang
Mrs. Susan Chow
Mr. Edmond Ip
Mrs. Angelina Lee
Mr. Holger Kluge
Mr. Wang Lei Lei

* for identification purpose