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This announcement, for which the directors (save for Mr. Fan Sheung Tak who is not in Hong Kong and not contactable for the time being) of the issuer 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 issuer. The directors (save for Mr. Fan Sheung Tak who is not in Hong Kong and not contactable for the time being), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:–

- 1. the information contained in this announcement is accurate and complete in all material respects and not misleading;*
- 2. there are no other matters the omission of which would make any statement in this announcement misleading; and*
- 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



DIGITALHONGKONG.COM

數碼香港

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

PRICE MOVEMENT

The directors of the Company are not aware of any reasons for the recent increase in the price of the Shares.

The Securities and Futures Commission has expressed its concern on the high concentration of shareholding in the Shares under the Placing and has commenced an investigation into recent share trading in the Shares.

In the meantime, shareholders of the Company and investors are advised to exercise extreme caution in dealing with the Shares.

This announcement is made further to the announcement of the Company of 17th April, 2000.

We have noted the recent increase in the price of the shares (the “Shares”) of the Company and wish to state that we are not aware of any reasons for such increase.

The Shares were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 17th April, 2000 by way of placing through Dao Heng Securities Limited (the “Placing”) and distribution in specie to the shareholders of Champion Technology Holdings Limited (the “Distribution”).

The Company would clarify the shareholding structure of the Company immediately after the Placing and the Distribution as follows:–

1. pursuant to the Placing, 25.2 million Shares, representing approximately 77% of overall Shares under the Placing and the Distribution, were held by a total of 62 places as follows:–

Number of places	Number of Shares
1	*4.5 million
5	*4 million
1	500,000
1	30,000
2	10,000
13	4,000 – 8,000
39	2,000

* *The total number of these Shares amounts to approximately 97% of all the Shares under the Placing.*

2. pursuant to the Distribution, 7.5 million Shares were allotted to the shareholders of Champion Technology Holdings Limited (“Champion”) as detailed in the prospectus of the Company dated 5th April, 2000, 2,669,171 Shares were allocated to Lawnside International Limited (“Lawnside”), one of the initial management shareholders of the Company and the controlling shareholder of Champion, and the balance of 4,830,829 Shares were allocated to over 1,200 minority shareholders of Champion, most of whom received less than 1 board lot; and
3. accordingly, there is a high concentration of Shares held by a small number of shareholders. A total of 30,030,829 Shares, representing about 20.02% of the issued share capital of the Company, are held by the public who are not connected with the directors, the initial management shareholders or significant shareholders of the Company or any or their respective associates.

The Securities and Futures Commission has expressed its concern on the high concentration of shareholding in the Shares under the Placing and has commenced an investigation into recent share trading in the Shares.

The directors of the Company (save for Mr. Fan Sheung Tak, an independent non-executive director, who is not in Hong Kong and not contactable for the time being) confirm that none of them nor any of their respective associates, including Lawnside, has dealt in the Shares on 18th April, 2000.

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the board of directors of the Company (the “Board”) aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which (save for Mr. Fan Sheung Tak who is not in Hong Kong and not contactable for the time being) collectively and individually accept responsibility for the accuracy of this announcement.

In the meantime, shareholders of the Company and investors are advised to exercise extreme caution in dealing with the Shares.

By order of the Board
Paul Kan Man Lok
Chairman

Hong Kong, 18th April, 2000

This announcement will remain on the GEM website on the “Latest Company Announcements” page for 7 days from the day of its posting.