

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CYBER ON-AIR GROUP COMPANY LIMITED

創博數碼科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8118)

ANNOUNCEMENT – HIGH CONCENTRATION OF SHAREHOLDING

This announcement is issued at the request of the Stock Exchange.

On 12 January 2005, the Company was informed by the Stock Exchange that, on the basis of the information provided by the Securities and Futures Commission to the Stock Exchange, as at 24 November 2004, a large proportion of the Shares was held by a small number of shareholders with 40.5% of the Company's issued share capital being held by 15 shareholders. When the holdings of such 15 persons were aggregated with the Shares held by the controlling shareholder of the Company, they accounted for 99.1% of the Company's issued Shares, which implied that only 0.9% of the Company's issued Shares were held by small shareholders. It appears to the Securities and Futures Commission that the price of the Shares could easily be pushed up substantially with a very small quantity of Shares traded.

The closing price of the Shares quoted on the Stock Exchange on 24 November 2004 was HK\$12.0 per Share, representing an increase of approximately 542% from the previous closing price of HK\$1.87 per Share and a premium of approximately 13.9 times over the unaudited consolidated net asset value per share in the Company of approximately HK\$0.808 as at 30 September 2004. **In view of the high concentration of Shares in the hands of a small number of shareholders, shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

Suspension of trading in the Shares on the Stock Exchange remains pending the release of an announcement in relation to possible placing of the Shares. The expected date for entering into the placing agreement is 17 January 2005.

This announcement is issued at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

On 12 January 2005, Cyber On-Air Group Company Limited (the "Company") was informed by the Stock Exchange that, on the basis of the information provided by the Securities and Futures Commission to the Stock Exchange, as at 24 November 2004, a large proportion of the Company's shares ("Shares") was held by a small number of shareholders with 40.5% of the Company's issued share capital being held

by 15 shareholders. When the holdings of such 15 persons were aggregated with the Shares held by the controlling shareholder of the Company, they accounted for 99.1% of the Company's issued Shares, which implied that only 0.9% of the Company's issued Shares were held by small shareholders. It appears to the Securities and Futures Commission that the price of the Shares could easily be pushed up substantially with a very small quantity of Shares traded.

The closing price of the Shares quoted on the Stock Exchange on 24 November 2004 was HK\$12.0 per Share, representing an increase of approximately 542% from the previous closing price of HK\$1.87 per Share and a premium of approximately 13.9 times over the unaudited consolidated net asset value per share in the Company of approximately HK\$0.808 as at 30 September 2004.

According to the last notifications received by the Company in respect of disclosure of interests under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), Mediastar International Limited, a company wholly owned by Chow Tai Fook Enterprises Limited, was interested in approximately 58.58% of the issued share capital of the Company and Mr. Choi Wing Kin, Mr. Lo Lin Shing, Simon and Mr. So Kam Wing, directors of the Company, were interested in approximately 0.65%, 0.18% and 0.04% of the issued share capital of the Company respectively. Save as aforesaid and according to the information available to the Company, at the date of this announcement, no other connected person (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules")) is interested in the issued share capital of the Company. Accordingly, at the date of this announcement, approximately 40.54% of the total issued share capital of the Company is in public hands and the Company is in compliance with the public float requirement under Rule 11.23(1) of the GEM Listing Rules.

The Company has also reviewed the list of the shareholders of the Company provided by the branch registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, and the CCASS Participants Shareholding Report generated by Hong Kong Securities Clearing Company Limited. The following table shows the shareholding structure of the Company as at 14 January 2005:

		Number of Shares	Approximate percentage of the issued share capital of the Company
Controlling shareholder	Mediastar International Limited (Note 1)	120,000,079	58.58%
Other shareholders	Wellington Equities Inc. (Note 2)	364,800	0.18%
	Chow Hor Hing (Note 3)	91,200	0.04%
	HKSCC Nominees Limited (Note 4)	81,867,254	39.97%
	72 shareholders	2,508,114	1.23%
	Total	<u>204,831,447</u>	<u>100.00%</u>

Notes:

1. Mediastar International Limited was wholly owned by Chow Tai Fook Enterprises Limited. Accordingly, Chow Tai Fook Enterprises Limited was deemed to be interested in 120,000,079 Shares held by Mediastar International Limited under the SFO.
2. Wellington Equities Inc. was wholly owned by Mr. Lo Lin Shing, Simon. Accordingly, Mr. Lo Lin Shing, Simon was deemed to be interested in 364,800 Shares held by Wellington Equities Inc. under the SFO.
3. These Shares were beneficially owned by Mr. So Kam Wing in the name of Ms. Chow Hor Hing, the spouse of Mr. So Kam Wing.
4. According to the CCASS Participants Shareholding Report generated by Hong Kong Securities Clearing Company Limited dated 14 January 2005, 81,864,870 Shares were held by 133 CCASS participants. In which, Mr. Choi Wing Kin was interested in 1,329,600 Shares, representing approximately 0.65% of the issued share capital of the Company. The difference of 2,384 Shares between the list of shareholders of the Company provided by the branch registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, and the CCASS Participants Shareholding Report generated by Hong Kong Securities Clearing Company Limited is due to the different updating process handled by these two organizations.

Given the Stock Exchange's indication that there was a large proportion of the issued Shares in a small number of shareholders, share price might be volatile even with a small number of Shares traded. **In view of the high concentration of Shares in the hands of a small number of shareholders, shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

Suspension of trading in the Shares on the Stock Exchange remains pending the release of an announcement in relation to possible placing of the Shares. The expected date for entering into the placing agreement is 17 January 2005.

By order of the Board
Cyber On-Air Group Company Limited
Kwok Chi Kin
Company Secretary

The board of directors of the Company comprises:

Executive Directors:

Cheng Kar Shun (*Chairman*)

Lo Lin Shing, Simon

Choi Wing Kin

So Kam Wing

Non-executive Director:

Wu Wing Kin

Independent non-executive Directors:

Cheung Hon Kit

Kwee Chong Kok, Michael

Wong Chi Keung

Hong Kong, 17 January 2005

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement 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 announcement misleading; and (iii) 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.

This announcement 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 and on the website of the Company at www.cyberonair.com.