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O-Net Communications (Group) Limited

昂納光通信（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 877)

COMPLETION OF TOP-UP SUBSCRIPTION OF NEW SHARES

The Board is pleased to announce that completion of the Subscription took place on 15 November 2010. The First Vendor has subscribed for 60,000,000 Subscription Shares at the price of HK\$5.50 each, representing approximately 7.20% of the issued share capital of the Company as enlarged by the Subscription. All of these 60,000,000 Subscription Shares have been allotted and issued to the First Vendor by the Company on 15 November 2010.

Reference is made to the announcements (the “**Announcements**”) of the Company dated 1 November 2010 and 4 November 2010 in relation to, among other matters, the Placing and the Subscription. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

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As at the date of this announcement, the Company has 833,095,240 Shares in issue. The shareholding structure of the Company before and after completion of the Placing and the Subscription is as follows:

	Shareholding immediately before the Placing		Shareholding after the Placing but before the Subscription		Shareholding after the Placing and the Subscription	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
The First Vendor (Note 1)	280,003,463	36.22	190,003,463	24.58	250,003,463	30.01
The Second Vendor (Note 2)	<u>252,929,237</u>	<u>32.71</u>	<u>227,636,237</u>	<u>29.44</u>	<u>227,636,237</u>	<u>27.32</u>
Subtotal of the First Vendor and the Second Vendor	532,932,700	68.93	417,639,700	54.02	477,639,700	57.33
Mr. Tam Man Chi	9,337,480	1.21	9,337,480	1.21	9,337,480	1.12
The placees	0	0	115,293,000	14.91	115,293,000	13.84
Other public	<u>230,825,060</u>	<u>29.86</u>	<u>230,825,060</u>	<u>29.86</u>	<u>230,825,060</u>	<u>27.71</u>
Total	<u>773,095,240</u>	<u>100.00</u>	<u>773,095,240</u>	<u>100.00</u>	<u>833,095,240</u>	<u>100.00</u>

Notes:

1. The First Vendor is owned as to 49.18% by Mandarin IT Fund I (Note 3), 23.70% by Mariscal Limited (Note 4), 18.48% by O-Net Employee Plan Limited (Note 6), 6.95% by Mr. Na Qinglin and 1.69% by Mr. Xue Yahong as at the date of this announcement;
2. The Second Vendor is wholly-owned by Shenzhen Kaifa Technology Co., Ltd., approximately 49.64% of which is owned by Great Wall Technology Company Limited, a company incorporated in the PRC and is listed on the Stock Exchange (Stock code: 74);
3. Mandarin IT Fund I is owned as to 37.25% by HC Capital Limited, an indirect wholly-owned subsidiary of Hsin Chong International Holdings Limited with Mr. Yeh Meou Tsen Geoffrey as its controlling shareholder; therefore, each of Mandarin IT Fund I, HC Capital Limited, Hsin Chong International Holdings Limited and Mr. Yeh Meou Tsen Geoffrey is deemed to be interested in the Shares held by the First Vendor under the SFO;
4. Mariscal Limited is held as to 44.45% by Mandarin IT Fund I and as to 55.55% by Mandarin Assets Limited (Note 5);
5. Mandarin Assets Limited is 100% owned by Mr. Na Qinglin; and

6. O-Net Employee Plan Limited is held as to approximately 33.33% respectively by Mr. Na Qinglin, Mr. Tam Man Chi and Mr. Xue Yahong.

By Order of the Board
O-Net Communications (Group) Limited
Na Qinglin
Co-Chairman

Hong Kong, 15 November 2010

As at the date of this announcement, the executive Directors are Mr. Na Qinglin and Mr. Xue Yahong, the non-executive Directors are Mr. Tam Man Chi, Mr. Chen Zhujiang and Mr. Huang Bin and the independent non-executive Directors are Mr. Deng Xiping, Mr. Bai Xiaoshu and Mr. Ong Chor Wei.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.